

LATIN AMERICAN
Herald Tribune

Gustavo Coronel: Three Scenarios for Venezuela's Future

With President Hugo Chavez already having had two emergency operations for cancer and having had to return to Cuba for chemotherapy, Venezuela expert Gustavo Coronel pontificates on what an ill Chavez means for Venezuela with three possible scenarios for the country's future.

By Gustavo Coronel

For the last five years I have been giving lectures and talks in about 20 cities of the U.S. -- including several think tanks and universities in Washington DC -- and in 10 Latin American countries, about the Venezuelan political and social situation and the impact of the Hugo Chavez regime on hemispheric stability, including U.S. national security. Rather than employing a scenario approach to the political future of the Hugo Chavez regime I have been "predicting" to my audiences that Hugo Chavez will not survive politically beyond his current term, if that much.

My "prediction" has been based on what I see as the significant weakening of Chavez's regime during this period of time, illustrated by the financial chaos experienced by his administration, the increasing collapse of national public services, the lack of food and other essentials in the markets, the intense disarray prevailing in the key state owned companies, PDVSA and CVG, (energy and raw materials sectors), the significant loss of domestic popularity due to reduced direct handouts to the poor, the noticeable internal power struggle within the government's party, the increasing loss of control over his Latin American allies, Correa, Kirchner and Lula/Roussef and the increasingly uncertain Cuban political situation.

Now a new and formidable challenge threatens Chavez: cancer. This health problem, recently detected, certainly could not have been predictable. In the best of cases it would probably render Chavez incapable of conducting the intense political activity he would require to be re-elected.

When all of these ingredients are analyzed, three main political/social scenarios for Venezuela suggest themselves for the short term.

1. Chavez either abandons the presidency in the next few months, or is defeated in December 2012, trying to be re-elected;
2. A military/revolutionary coup d'etat maintains chavismo, with or without Hugo Chavez, in power;
3. Hugo Chavez is "cured" and survives politically in good form, winning the 2012 presidential elections on the strength of his emotional link with much of the people.

Of course, there are many other possible scenarios but they might all be variations on one of the three mentioned above.

In the first scenario (45% probability) the medical condition of Hugo Chavez forces him to abandon his quest for a new term. This probably would mean that the presidential election is brought forward. Or, alternatively, he can run a campaign but would be defeated by the opposition candidate, given his uncertain medical condition and the continued deterioration of the country. A democratic, liberal government would take over and would introduce many policy changes in the country but it would have to face the enormous material and spiritual ruin left by 13 years of Chavez's disastrous regime.

In the second scenario (25% probability), Adan Chavez, the older brother of Hugo Chavez and the military officers connected with drug trafficking and the FARC, stage a successful coup d'etat in order to impose a military-socialist dictatorship in the country. This scenario could materialize in the short term but, most probably, it would not be long lasting due to the backlash generated at home and abroad.

In the third scenario (30% probability), Chavez wins a new term but both his health and the deterioration of the country become progressively worse. In this case his tenure would most probably be short-lived.

Paradoxically, the first scenario, where a democratic government replaces Chavez and he becomes the leader of the opposition would probably be the better one for him in the longer term. The new government would suffer severe loss of popularity due to the harsh economic and social measures they will have to take to put the country back on its feet. Because of this, the people, having a very short memory, would probably vote a relatively "healthy" Chavez back in power in 2017, just as they voted Carlos Andres Perez back into power in the 1990's, trying to recapture the "good old times" when money ran abundantly on the streets of Venezuela, corruption be damned.

Gustavo Coronel was on the Board of Directors of PDVSA from 1976 to 1979. He was Chief Operations Officer (COO) and acting CEO of the

Corporacion Venezolana de Guayana (CVG), the \$35 billion Venezuelan government conglomerate designed to exploit and run all of Venezuela's mineral, metal and mining operations, from 1994-1995. He was President of Puerto Cabello -- Venezuela's main port -- from 2001 to 2002.

Coronel was author of the Cato Institute study "[Corruption, Mismanagement and Abuse of Power in Hugo Chavez's Venezuela](#)" and was the Venezuelan representative to Transparency International from 1996 to 2000. In 1994, he founded Pro Calidad de Vida, an NGO promoting anti-corruption techniques in government and civic education for children in Venezuela, Panama, Paraguay, Mexico and Nicaragua.