STATE-SOCIETY RELATIONS IN THE CONTEXT OF OIL-LED ECONOMY: THE CASE OF VENEZUELA IN THE 2000S

A THESIS SUBMITTED TO
THE GRADUATE SCHOOL OF SOCIAL SCIENCES
OF
MIDDLE EAST TECHNICAL UNIVERSITY

BY

ALPEREN CENNETKUŞU

IN PARTIAL FULFILLMENT OF THE REQUIREMENTS
FOR
THE DEGREE OF MASTER OF SCIENCE
IN
THE DEPARTMENT OF LATIN AND NORTH AMERICAN STUDIES

JANUARY 2024

Approval of the thesis:

STATE-SOCIETY RELATIONS IN THE CONTEXT OF OIL-LED ECONOMY: THE CASE OF VENEZUELA IN THE 2000S

submitted by **ALPEREN CENNETKUŞU** in partial fulfillment of the requirements for the degree of **Master of Science in Latin and North American Studies, the Graduate School of Social Sciences of Middle East Technical University** by,

Prof. Dr. Sadettin KİRAZCI
Dean
Graduate School of Social Sciences _____

Assoc. Prof. Dr.Aylin TOPAL
Head of Department
Department of Political Science and Public Administration _____

Assoc. Prof. Dr. Aylin TOPAL
Supervisor
Department of Political Science and Public Administration _____

Examining Committee Members:

Assist. Prof. Dr. Derya GÖÇER (Head of the Examining Committee)
Middle East Technical University
Department of Area Studies _____

Assoc. Prof. Dr. Aylin TOPAL (Supervisor)
Middle East Technical University
Department of Political Science and Public Administration _____

Assoc. Prof. Dr. Esra AKGEMCİ
Selçuk University
Department of International Relations _____

I hereby declare that all information in this document has been obtained and presented in accordance with academic rules and ethical conduct. I also declare that, as required by these rules and conduct, I have fully cited and referenced all material and results that are not original to this work.

Name, Last Name: Alperen CENNETKUŞU

Signature:

ABSTRACT

STATE-SOCIETY RELATIONS IN THE CONTEXT OF OIL-LED ECONOMY: THE CASE OF VENEZUELA IN THE 2000S

CENNETKUŞU, Alperen

M.S., The Department of Latin and North American Studies Supervisor: Assoc. Prof. Dr. Aylin TOPAL

December 2023, 135 pages

The dynamics of state-society relations in economies reliant on oil revenues have consistently constituted a pivotal arena of research. Venezuela's oil dependence is associated with the Resource Curse and Rentier State concepts in conventional literature. However, their analysis is predominantly confined to specific domestic policy dimensions by neglecting class dynamics of state-society relations and International Political Economy (IPE). This study aims to fill this gap by elaborating on the case of Venezuela during the 2000s while examining the phenomena of oil dependency. The study seeks to find an alternate answer to why the oil dependency was maintained during the Hugo Chávez era despite the radical promises to ensure long-term development and a productive economy. The arguments are laid out from two analytical points. Firstly, the transformation of the state and class structure brought about the new bourgeoisie class, the so-called bolibourgeoisie. However, the emerging bolibourgeoisie was bolstered by the existing oil revenues implemented by the state. Therefore, oil dependence has demonstrated an increasing continuum during this period. Secondly, the uneven neoliberal dynamics have still shaped the position of Venezuela within the international division of labor as an oil-producer country. In this respect, along with the domestic dynamics, international capitalist practices mold

Venezuela's oil dependency. Hence, the study demonstrates that domestic and international dynamics interrelatedly shape the form of economic development and state-society relations in Venezuela during the Chávez period.

Keywords: Hugo Chávez, Oil, Venezuela

ÖZ

PETROL ÖNCÜLÜĞÜNDEKİ EKONOMİ BAĞLAMINDA DEVLET-TOPLUM İLİŞKİLERİ: 2000 LERDE VENEZUELA ÖRNEĞİ

CENNETKUŞU, Alperen
Yüksek Lisans, Latin ve Kuzey Amerika Çalışmaları Bölümü Tez Yöneticisi: Doç. Dr. Aylin TOPAL

Aralık 2023, 135 sayfa

Petrol gelirlerine dayalı ekonomilere ilişkin devlet-toplum ilişkilerinin dinamikleri, daimi olarak akademik araştırmanın temel bir alanını oluşturmuştur. Venezuela'nın petrol bağımlılığı, geleneksel literatürde Kaynak Laneti ve Rantiyer Devlet kavramlarıyla ilişkilidir. Ancak bu analizler genellikle belirli iç politika boyutlarıyla sınırlıdır ve devlet-toplum ilişkilerinin sınıf dinamiklerini ve Uluslararası Politik Ekonomi'yi (UPE) ihmal eder. Bu çalışma, 2000'lerde Venezuela örneğini detaylandırarak petrol bağımlılığı fenomenini incelemeyi amaçlamaktadır. Çalışma, Hugo Chávez döneminde petrol bağımlılığının radikal vaatlere rağmen neden sürdürüldüğüne alternatif bir yanıt bulmaya çalışmaktadır. Argümanlar, iki analitik noktadan ortaya konmaktadır. İlk olarak, devlet ve sınıf yapısındaki dönüşüm, söz konusu yeni burjuva sınıfını, adına boliburjuvazi denilen bir sınıfın ortaya çıkmasına neden oldu. Ancak, ortaya çıkan boliburjuvazi, devlet tarafından uygulanan mevcut petrol gelirleri ile güçlendirildi. Bu nedenle, bu dönemde petrol bağımlılığı artan bir süreklilik göstermiştir. İkinci olarak, eşitsiz neoliberal dinamikler hala Venezuela'nın uluslararası iş bölümündeki konumunu bir petrol üretici ülke olarak şekillendirmiştir. Bu bağlamda, iç dinamiklerle birlikte uluslararası kapitalist uygulamalar, Venezuela'nın petrol bağımlılığını biçimlendirmektedir. Bu nedenle, çalışma, Chávez

döneminde Venezuela'daki ekonomik gelişme ve devlet-toplum ilişkilerinin biçimini iç içe geçmiş biçimde şekillendiren iç ve uluslararası dinamikleri göstermektedir.

Anahtar Kelimeler: Hugo Chávez, Venezuela, Petrol

To my family and friends

And my new-born nephew Toprak

ACKNOWLEDGMENTS

In the writing of this thesis, I am grateful to many people and would like to express my gratitude. First and foremost, my dear supervisor, Assoc. Prof. Dr. Aylin Topal, I am grateful to you for your endless support and confidence in my ability to complete this thesis. Your motivational speeches during my most challenging times have not only been a source of inspiration for my current study. However, they will also serve as a guiding point for my future academic endeavors.

I would like to thank Assoc. Prof. Dr. Esra Akgemci for her suggestions and comments on my study. When constructing the theoretical framework of my thesis, your contributions were crucial to me. While working in Venezuela, your studies served as a real source of inspiration for me. I am very pleased to have met you.

I am also grateful to Assist. Prof. Dr. Derya Göçer on the contributions to my study. Thanks to the course I took from you two years ago, I learned a lot about how research methods are conducted in the social sciences. The suggestions you provided for this study were incredibly enlightening for me in that regard.

I would like to extend another expression of gratitude to Prof. Dr. Pınar Bedirhanoğlu. Through the courses I took from you during my master's education, you not only opened a new window for me academically but also in all aspects of my life. In this sense, the recommendations you provided for my academic life will always be a cornerstone for me. I am very happy to have met you.

I have always been grateful to Assist. Prof. Dr. Engin Sune on the contributions of my academic life. During my Bachelor education, I underwent a significant transformation in my academic mind with what I learned from your courses. Your teachings and suggestions for my academic path have played a crucial role in my writing of this thesis.

Finally, I would like to express my gratitude to my family and friends who never withheld their help and psychological support from me. I extend my sincere thanks, especially to Dicle Nur Aktan, as we study in the same department, who consistently provided me with both academic and psychological support throughout the thesis writing process.

TABLE OF CONTENTS

PLAGIARISM iii
ABSTRACT iv
ÖZ vi
DEDICATION viii
ACKNOWLEDGMENTS ix
TABLE OF CONTENTS xi
LIST OF FIGURES xiii
LIST OF ABBREVIATIONS xiv
CHAPTERS
1. INTRODUCTION 1
2. STATE AND DEVELOPMENT IN VENEZUELA: A THEORETICAL AND CONCEPTUAL FRAMEWORK 10
2.1. Conventional Approaches to State and Development in Resource-Rich Countries 11
2.1.1. Resource Curse and Dutch Disease 11
2.1.2. Rentier State Theory 15
2.2. Historical Materialist Approach on the Development and State 26
2.2.1. Basic Premises of Historical Materialism 26
2.2.2. Uneven and Combined Development (UCD) 29
2.2.3. Capitalist State as a Social Relation 33
2.2.3.1. The Articulation of the Capitalist State 34
2.2.3.2. Power Bloc 35
2.2.3.3. Strategic Selectivity Approach 39
3. HISTORY OF OIL IN VENEZUELA 43
3.1. The Emergence of Oil-Led Development 44
3.1.1. The Venezuelan Economy Before Oil 46
3.1.2. The Expansion of the Oil Industry 47
3.1.3. The Centralization of the State and Oil Companies 48

3.1.4. Social-Economic Change 49
3.2. Political Crises During and After the Second World War 51
3.2.1. Democratization Period (1935-1948) 51
3.2.1.1. Democratization and the Classes 52
3.2.1.2. Oil Policies and the US Influence 53
3.2.2. Pérez Jiménez Dictatorship 55
3.3. "Pacted Democracy" and State Capitalism (1958-1989) 57
3.3.1. State Control Over the Economy (1959-1974) 58
3.3.2. Oil Boom and Oil Bust (1974-1989) 61
3.4. Neoliberal Era and Regime Crisis in the 1990s 66
3.4.1. International Developments 67
3.4.2. The Privatization and "La Apertura Petrolera" 69
3.4.3. Social Conflicts and the End of the Punto Fijo 70
4. OIL DEPENDENCY DURING THE BOLIVARIAN REVOLUTION 73
4.1. Transformation of State and Class Structure 75
4.1.1. Laws and Regulations Regarding the Economy 76
4.1.1.1. New Constitution 76
4.1.1.2. Regulations on the Oil Industry and Domestic Economy 78
4.1.2. The Change in the Power Bloc: The Coup and Oil Strike 81
4.2. The Dependence on Oil Revenues: Emerging New Class and Social Programs 86
4.2.1. New Capitalist Fractions Within the Power Bloc: Bolibourgeoisie 87
4.2.2. Social Programs and New Bourgeoisie in the Reliance on Oil 91
4.2.2.1. Usage of Oil Revenues and Business Interests 91
4.2.2.2. Social Programs and Reliance on Oil 93
4.3. International Capitalist Dynamics and Dependence on Oil 97
4.3.1. Neoliberal Dynamics: Internationalization of the Oil Industry 98
CONCLUSION 104
REFERENCES 110
APPENDICES
A. TURKISH SUMMARY / TÜRKÇE ÖZET 123
B. THESIS PERMISSION FORM / TEZ İZİN FORMU 135

LIST OF FIGURES

Figure 1. 1. Oil rents (% of GDP)- Venezuela (The World Bank, 2021).....2
Figure 4. 1. Annual Growth, Gross Domestic Product by sector from 2000 to 2007 in Venezuela (CEPAL, 2008). 90
Figure 4. 2. Government consumption and imports of goods and services from 2000 to 2009 (The World Bank, 2015). 90
Figure 4. 3. Unemployment rate (%of total labor force) (The World Bank, 2015). ...95
Figure 4. 4. Manufacturing and agriculture sectors (% of GDP) in Venezuela (World Bank, 2015). 96
Figure 4. 5. Global Oil Demand (1,000 b/d) from 1998 to 2019 (OPEC).....99

LIST OF ABBREVIATIONS

AD	Acción Democrática
CONFAGAN	Confederación de Agricultores y Ganaderos
COPEI	Comité de Organización Política Electoral Independiente
CTV	Confederación de Trabajadores de Venezuela
CVP	Corporación Venezolana del Petróleo
EMPREVEN	Empresarios por Venezuela
FEDECÁMARAS	Venezuelan Federation of Chambers of Commerce
FEGAVEN	Federación Bolivariana de Ganaderos Agricultores de Venezuela
FONDEN	Fondo para el Desarrollo Nacional
IEA	International Energy Association
IMF	International Monetary Fund
IPE	International Political Economy
ISI	Import Substition Industrialization
IT	Infrastructure Technology
MVR	Movimiento V República
OPEC	Organization of the Petroleum Exporting Countries
PDVSA	Petróleos de Venezuela, S.A
PSUV	Partido Socialista Unido de Venezuela
RST	Rentier State Theory
SAIC	Science Applications International Corporation
SEC	Securities and Exchange Commission
SRA	Strategic Relational Approach
SOE	State Owned Enterprise
UCD	Uneven and Combined Development
US	United States
WTO	World Trade Organization

CHAPTER 1

INTRODUCTION

Is oil a blessing or a devil's curse? When analyzing oil-abundant countries, this question immediately comes to mind, especially during times when international oil prices soar. In these conditions, many oil-producer states experience short-term economic growth by increasing public expenditure and implementing distributive policies for the rest of society. However, when the oil prices diminish like the circumstances before the oil boom, these countries witness the opposite developments: shrinkage of the economy and high inflation. This downturn of the economy compels some scholars to assess and explain the reasons why the oil-producer countries are not able to ensure long-term development, even when the oil prices are at a low point. At this juncture, the development and state-society relations in those countries are always evaluated within this framework among scholars.

In the case of Venezuela, where export revenues account for more than 50%, similar questions come to the forefront. Many scholars aim to evaluate the oil dependency in Venezuela since the 2000s as the country underwent a radical transformation in state-society relations overlapping with the oil boom. During this period, Venezuela underwent a radical transformation under the leadership of Hugo Chávez. The radical change included the transformation of state and class structure as the radical shifts took place within the socio-political realm. In addition, the promises and economic practices were aimed at ensuring long-term development.

Venezuela’s changing state and class structure have represented the unique transformation in state-society relations since the beginning of Hugo Chávez's presidency. Chávez's government adopted radical economic policies, which arguably lessened economic inequality and paved the way for developing a more inclusive political realm for large segments of Venezuelan society. The radical transformation

of state-society relations has also shaped state-capital relations with significant implications for the state structure. In addition, the Chávez administration announced the long-term development ideals for sustaining a productive economy, which meant reducing dependency on oil since the beginning of the 20th century. However, as seen in Figure 1.1, Venezuela's oil dependency increased during the Chávez era. In this respect, this study questions why oil dependence was maintained during the Chávez era despite the radical transformation in the state structure and social order.

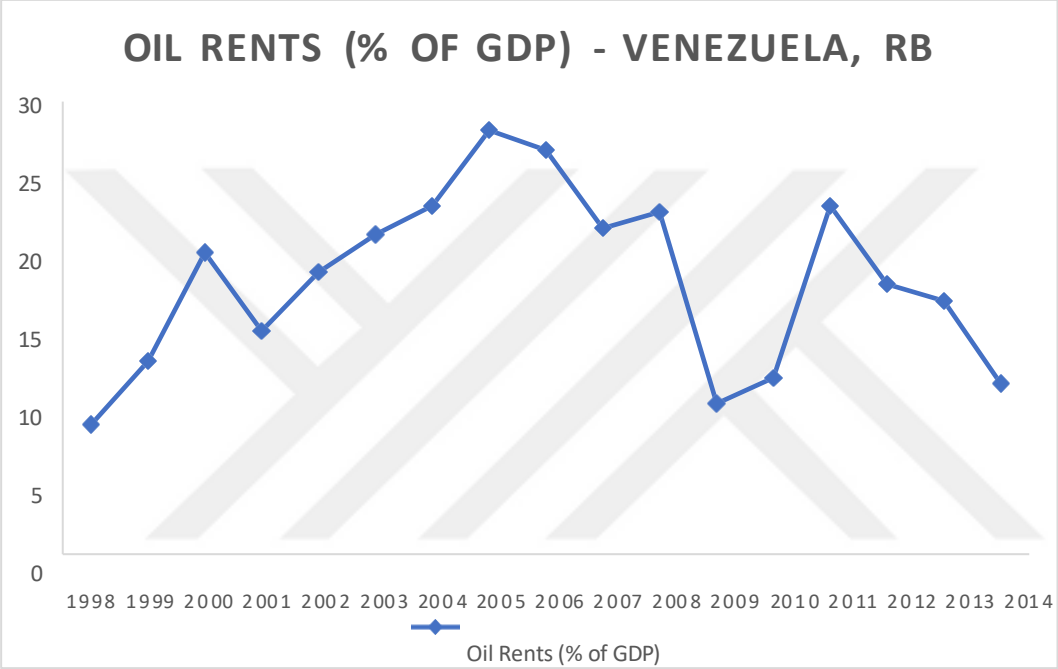


Figure 1. 1. Oil rents (% of GDP)- Venezuela (The World Bank, 2021).

The literature deals with Venezuela's oil dependence during the era from two major standpoints. The approach that associates the oil policies during the Chávez era with populism contends that the Chávez administration, amidst the oil boom, lavishly spent petroleum revenues for populist objectives. Consequently, the country became more dependent on oil than ever before (Corrales and Penfold, 2011; Weyland, 2009). In addition, some authors emphasize the authoritarian features of the Chávez administration. According to them, authoritarian government led to a greater utilization of oil revenues for the interests of personalistic rule, thereby hindering the prospect of any long-term development (Levitsky & Loxton, 2013). In sum, those analyses are prone to focus on the authoritarian leadership of Chávez and the country's gradual non-democratization.

Furthermore, Chávez's distributive policies using oil revenues as *rent* have been mainly evaluated to associate it with populist policies. In this sense, state structure is generally assessed on the distribution of oil revenues and its negative repercussions on Venezuela's economic development. Indeed, historians of Venezuela, especially Tarver, Frederick and Rivas (2005), emphasize the Rentier Character of Venezuela during the oil boom periods. In addition, the country's economic downturn and its failure to tackle the economic recession during the oil bust reminds some scholars to refer to the Rentier State Theory. Indeed, some of the writers, such as Karl (1987), associate the delicate institutional structures of the country with the sole dependence on oil revenues as a reflection of a rentier economy. In this respect, some contemporary studies elaborate on the Chávez period with reference to the Rentier State Theory (Bull and Rosales, 2020; Castillo, 2021; Mazzuca, 2013; Purcell, 2017; Waldner and Smith, 2013; Weyland, 2009).

This standpoint is based on the basic concepts of conventional theories regarding oil. Firstly, it reduces "oil" to a mere variable, which fails to explain why states pursue certain policies. In other words, these studies build causal relations by taking oil as an independent variable. As Stronen (2015) points out, oil is not a determining factor but rather a part of social relations. In this point, this standpoint falls short of elaborating on the class dynamics and their impacts on Venezuela's economy. Secondly, it does not explain why these countries adopt a rentier economy or specifically become rentier states, neglecting the historical development trajectories of those countries.

In this vein, they neglect international dynamics to explain how the uneven capitalist conditions of the global economy shape Venezuela's peculiar way of development related to oil and state structure. Concurrently, the respective standpoint neglects Venezuela's oil-based capitalist development trajectory, which is related to the International Political Economy (IPE). In this respect, there should be an analysis that embodies those paradigmatic schemes.

The second standpoint tackles the Venezuelan case during the Chávez era, focusing on changing class formation in state-society relations. The studies in this category include historical analyses from the beginning of the *Punto Fijo* era since 1958 (Ellner, 2008;

Tinker-Salas, 2009; Wilpert, 2007). They elaborate on the emergence of the Chávez period as a response to the elitist political realm in the previous decades. During the *Punto Fijo* era, three main political parties agreed to rotate in forming the government, leaving large segments of the population excluded from the political sphere. It was the first time after four decades of *Punto Fijo* Hugo Chávez pledged to include large segments of society in decision-making. Such a radical change in the course of policymaking would also pave the way for restructuring the state under the Chávez administration. Moreover, Steve Ellner (2011, 2018) puts forward the reasons for oil-dependent policies during the Chávez era by looking at the emerging new bourgeoisie. In terms of the oil policies, this standpoint assesses the administration's oil policies in relation to the government's relations with foreign oil companies. The scholars assert that the administrations historically were subordinated by foreign oil companies and major capitalist powers; however, they note that this situation changed during the Chávez era.

Nevertheless, these perspectives fail to provide a thorough explanation of this transformation. In the same vein, analyzing the changes in oil policies during the Chávez era, these perspectives seem to neglect the larger context of IPE. Empirically, it can be clarified that the Chávez administration sustained the international agreements regarding the oil industry. Thus, in the analysis of the international dimension, these studies have overlooked the way in which the Venezuelan economy has integrated into international markets in various ways. In this sense, this standpoint has not generated sufficient analyses regarding why oil dependency has persisted despite their class analyses lens.

Overall, this approach fails to sufficiently take into account the international conditions that led to the Chávez era. Moreover, it neglects the dynamics in which the state structure of Venezuela has been shaped within the uneven international system. Therefore, the respective approach is far from analyzing how the international conditions mold state-society relations of Venezuela as an oil-producer country.

The study develops its argument in two separate but interrelated hypotheses. First, while the state control over the oil sector increased, discarding the traditional dominant

classes from the political scene, the Chávez administration and emerging dominant classes – i.e., the bolibourgeoisie- ensured the reproduction of social policies and macroeconomic stability that would require oil dependence. Hence, the changing class structure during the Chávez era needs to be identified as the main causal mechanism. Second, the uneven dynamics reproduced by the neoliberal order in the international system have led the Venezuelan economy to reproduce itself by producing and exporting oil. In this respect, Venezuela's oil dependence has shown a continuum during the Chávez era due to the Chávez administration's policy objectives along with the other capitalist powers' vested interest in the oil sector.

The study aims to point out broader theoretical frameworks to explain both class dynamics of state-society relations and the impacts of international economic structure on Venezuela's oil-led economy. For example, after the 2000s, Venezuela's oil policies have been discussed around the concept of "new extractivism." Writers like Chiasson-Lebel (2016) and Angosto-Ferrández (2019) focus on internal factors influencing these extractivist policies in Venezuela. However, these approaches take new extractivism simply as a policy priority of the new administration, failing to concentrate on IPE aspects. For instance, explaining why Venezuela turned towards extractivist policies and how the state structure changed in this manner during the Chávez era can be elucidated by considering its role and position in global capitalist accumulation.

This study examines the reproduction of oil dependence by focusing on the class structure and state-society relations in Venezuela during Chávez's presidency. In addition, it is demonstrated how IPE influences the process. In this respect, the study aims to encompass a multi-level analysis, which is based on the conditions by which international and domestic circumstances shape each other. As a critique of the approaches to Venezuela's economic development path and state-society relations referred to above, this study aims to bring IPE into the front, shaping the form of the state and social structures during the Chávez period. However, it does not mean that the domestic and international spheres are ontologically separated and externally related. As argued in the second hypothesis, while the country's economic and political structure became more intertwined with the global economy, the neoliberal capitalist dynamics brought about a radical transformation of the state and oil sector in

Venezuela. Therefore, the two hypotheses are related to each other in the explanation of the thesis's main argument.

This thesis aims to take changing domestic and international factors as independent variables by using different terminology. In this respect, the thesis does not address the existence of the availability of oil resources as a mere variable to explain the continued dependence on oil revenues. Rather, oil is deemed to be a part of the relations of production in line with the historical materialist perspective.

The study initially utilizes the conceptual framework of Uneven and Combined Development theory to understand Venezuela's historical development trajectory. According to this theory, capitalist development practices create unevenness between early capitalist and late capitalist countries within the global economy (Trotsky, 1930). In this respect, late-capitalist countries' peculiar development practices result from the uneven capitalist conditions in the international economy. This peculiarity is described with the combined development concept, which indicates that each state has its different way of integrating into the capitalist economy. As a result, these countries develop policies dependent on global accumulation and uneven conditions in subsequent periods (Rosenberg, 2016).

In the case of Venezuela, its capitalist development has progressed in parallel with different modalities of involvement of hegemonic powers, especially the United States, following the discovery of oil reserves. In the subsequent decades, the country's economic development coincided with the necessities of international economic circumstances.

In the Chávez era, the country faced increasing impoverishment under the compelling conditions of neoliberalism. Those uneven conditions necessitated radical policies to fundamentally change the state structure and social relations. However, all these radical moves and policies have also created an environment where international capital can directly intervene in the country (as seen in the example of the 2002 coup). Similarly, the increasing demand for oil from new capitalist powers like China has prompted many oil-abundant or natural resource-rich countries to sustain their position

within the international division of labor as oil-producer countries. Considering this background, Venezuela's rentier character in the context of late integration into the capitalist economy can only be understood in conjunction with its position in the global system. Overall, historical materialism as a methologoical standpoint and UCD as a conceptual are adopted to analyze the international conditions shaping thedevelopment practices and state-society relations of Venezuela.

The study, then, addresses class structure and state-society relations in Venezuela during the Chávez era by using Nicos Poulantzas' ‘strategic relational’ (Jessop, 2007) theoretical framework to explain Venezuela's state form in parallel with the IPE context. According to Poulantzas (1978), the state cannot be reduced only to the economic relations of the capitalist classes; rather, it has autonomy determined by economic relations of production. Poulantzas defines the 'relative autonomy of state' by reformulating the notion of political economy. For instance, Poulantzas's concept of the 'power bloc' provides a significant framework for understanding the emerging new bourgeoisie class, namely the Bolibourgeoisie, bolstered during the Chávez administration. In addition, the internationalization of the state has resulted from the neoliberal dynamics, which has also shaped the Chávez administration's economic policies concerning the oil sector. In this respect, Poulantzas' concept of internationalization constitutes a bridge between domestic and international spheres. Finally, Bob Jessop’s reformulation of the concept of ‘Strategic Selectivity’ based on his Strategic Relational Approach is used as an analytical tool to elaborate Chávez's policies favoring specific class interests. Overall, by employing Poulantzas's conceptual tools, the changing class formation in Venezuela can be analyzed in connection with international economic dynamics.

The study used a process-tracing method to analyze Venezuela's political, social, and economic developments. All these spheres are traced from the 1920s until the 2000s to elaborate on the changes of the Chávez period. Depending on the method, the main developments, such as Punto Fijo and the neoliberal era, and their impacts on Venezuela's state-society relations were assessed in a historical period by specifying the causal relations. Therefore, it demonstrated the conditions that paved the way for the emergence of the Chávez period. During the Chávez period, the process-tracing

method was used to support the study's argument, including causal mechanisms. Laws and regulations related to changing class structure and economic policies provided significant points for underlying causal mechanisms.

Both primary and secondary sources were reviewed for data collection for the study. The laws and regulations of Venezuela were investigated as primary sources. During the Chávez period, initially, the 1998 Constitution was examined to demonstrate the ideological part of emerging state form and define new state-society relations. In addition, radical economic policies have been implemented with presidential decrees and new regulations from Chávez's presidency. In this respect, the empirical data from government regulations were beneficial for analyzing state-society relations in Venezuela, depending on the theoretical background. Some statistical data from reliable international-based sources was utilized to support the propositions of the study. In addition, some reports of international economic organizations and government archives were used to illuminate social programs. Secondary sources from prominent journals such as the Economist or the Financial Times were reviewed. Those resources provided information on economic policies and economic relations between Venezuela and the US or other global economic actors.

The argument of this study is laid out in four chapters. Following this introduction, the second chapter focuses on the conceptual and theoretical discussion, which would shed light on the Venezuelan case. This chapter also discussed the deficiencies of the existing literature on the development practices of Venezuela and the state. In this respect, following the critical examination of the Resource Curse and Dutch Disease concepts, the main problems of the Rentier State approach will be analyzed to create a solid conceptual and theoretical framework to come to terms with the changes that took place in the Venezuelan case under the Chávez administration. This framework will also enable an analysis taking IPE into account. Consequently, Uneven Combined Development as an IPE approach and Poulantzas' state conceptualization will be briefly summarized, and how the respective theoretical backgrounds will be applied to the Venezuelan case will be demonstrated.

The third chapter will examine the case of Venezuela in a historical context. This historical analysis will cover the period from the exploration of oil in the 1920s as an

initial stage of Venezuela's global economic integration until the first Chávez presidency term in 1998. The chapter will use Uneven and Combined Development as an analytical tool. In the fourth chapter, the main discussion of the thesis will be tackled. The changing state and class structure during the Chávez period will be evaluated to demonstrate how the oil-dependent policies will be sustained. In addition, the way uneven international dynamics shape development practices and state-society relations will be elaborated in the given theoretical framework. Finally, the study will be concluded in the fifth chapter by revisiting Venezuela's development practices based on oil and formulating further research questions.

CHAPTER 2

STATE AND DEVELOPMENT IN VENEZUELA: A THEORETICAL AND CONCEPTUAL FRAMEWORK

Venezuela, as an oil-producer country, entails significant theoretical discussions regarding its possession of the oil wealth. Some scholars are prone to see the Venezuelan case as a correct example of a resource curse, while others associate the chronic economic problems with corrupt governments. The conventional literature based on the empirical assessments evaluates the case of Venezuela from these frameworks. The first part of the chapter summarizes these concepts and theories that analyze resource-rich countries' chronic problems in political, social, and economic spheres. First of all, the Resource Curse and Dutch Disease concepts are briefly demonstrated. Then, the Rentier State Theory is elucidated to analyze the features of oil-producer countries. All the concepts neglect the international dynamics of the capitalist system, which influences their position in the international division of labor. Furthermore, they discard the class dynamics of articulating state-society relations.

In this respect, the historical materialist approach constitutes a foundation for this study. In the second part of the chapter, the historical materialist approach to state and development is demonstrated according to the case of Venezuela. Initially, UCD is summarized and demonstrates how the respective concepts provide a tool for shedding light on the capitalist development of Venezuela. Finally, in order to support the argument of the thesis, it is notable how the capitalist state is formulated and how capitalist classes influence the state. In this respect, the chapter summarizes Nicos Poulantzas's state theory and Bob Jessop's strategic selectivity approach. The historical materialist approach will provide a different perspective on both Venezuela's historical capitalist development trajectory and the understanding of the developments during the Chávez era. In this sense, the problem of this study regarding Venezuela's oil

dependency during the Chávez era will be analyzed with the respective theoretical frameworks.

2.1. Conventional Approaches to State and Development in Resource-Rich Countries

Conventional literature asserts that resource-rich countries have distinct economic and political structures. Generally, these approaches reduce the problem solely to the usage of natural resources by treating natural resources themselves as an independent variable. Thus, the insufficient economic, social, and political structures associated with impeding the long-term development of these countries are highlighted in this part of the chapter. Initially, the concepts of Resource Curse and Dutch Disease are elucidated since they form the foundation of the economic analyses of these nations.

2.1.1. Resource Curse and Dutch Disease

Resource Curse and Dutch Disease concepts are sometimes used alternately (Goujon & Mien, 2021:6). Despite some differences in their way of analysis, both concepts generally examine the economic development and dynamics of countries that are abundant in natural resources. The resource curse thesis explores why resource-rich countries fail to achieve the same level of development as resource-poor countries. In this regard, it encompasses various political, economic, and social analyses. Dutch Disease highlights the internal economic situations of those countries when the boom in natural resource exports takes place. Both concepts tackle the internal dynamics of those countries. In this respect, they ignore the international capitalist dynamics. They are tied to the single mechanism of the explanation of why countries with abundant natural resources are not prone to reach long-term development objectives.

The concept of the Resource Curse was first developed by Auty (1993) to compare the development performances of both resource-rich and resource-poor countries. Auty emphasizes that resource-rich countries do not experience sustainable development and fall short of benefiting from their resources completely. Additionally, they exhibit less developmental progress compared to resource-poor countries (Ibid:1). In

particular, the rapid growth of resource-poor East Asian countries, in contrast to their counterparts in Africa after the 1970s, led many scholars to reach this conclusion (Ross, 1999:300).

Many scholars highlight some significant characteristics of the economies of countries with abundant natural resources. They are conducive to de-industrialization, low capital accumulation, declining productivity, and slow growth (Goujon & Mien, 2021:7; Budina & Pang & van Winjbergen, 2007:10-11). Some of these assumptions are based on the Prebisch and Singer hypothesis, which indicates that the primary commodity exports, mainly natural resources, would decrease the terms of trade by increasing inequality between the primary commodity exporters and the industrialized countries as the latter's rapidly increasing prices than the former (Ross, 1999:301). Consequently, this unequal balance of trade constitutes the foundation of the Resource Curse thesis.

Another problem in the natural resource-abundant countries is the volatility of commodity prices internationally. Since international commodity prices are always susceptible to demonstrating volatility, this also reflects the volatility of public and private revenues in those countries (Goujon & Mien, 2021:9). Therefore, government revenues, foreign exchange supplies, and private investments became unreliable and risky in resource-rich states (Ross, 1999:301).

This fact becomes pertinent, particularly in oil-abundant countries, according to the Resource Curse thesis. The rent-seeking behavior of oil producer countries means non-reluctance to bolster the productive economy. Due to their ambitious focus on prioritizing consumption and short-term benefits from the oil sector, oil-abundant countries fall short of diversifying their economies (Ibid:350).

The concept also addresses the enclave tendencies of the oil or generally mining sector. The prominent sector of resource-rich countries is capital-intensive, unlike the rest of the economy, due to their reliance on foreign capital (Auty, 1993:3). In addition, the mining sector has better wages for labor, and the shift of workforce from other sectors to the booming sector takes place. In this sense, according to the Resource Curse thesis,

a booming sector in resource-rich countries is prone to lag behind the industrialized countries in attaining long-term development.

Some scholars aim to assess the circumstances in which the booming sector attains greater revenues, especially when international commodity prices reach the peak level. The concept of Dutch Disease was developed by scholars to tackle this issue. Dutch Disease was first utilized in the Economist (1977) to elucidate de-industrialization in the Netherlands after gas reserves had been found and became the booming sector of the economy (Goujon & Mien, 2021:5). In the aftermath of the discovery of natural gas reserves, the industry and other productive sectors underwent significant shrinkage in parallel with the appreciation of the Netherland's currency (Kott, 2012:71).

According to the concept of Dutch Disease, during a natural resource boom, the currency of a country tends to appreciate significantly due to increased imports as the flowing revenues to the country lead to the increase in demand and prices in the domestic sector. However, this overvaluation harms local sectors by diminishing their ability to compete in the international market (Ibid:71). Hence, the booming sector displays enclaved tendencies, as Corden indicates.

Corden analyzes the issue of Dutch Disease by looking into the internal dynamics of the country when the booming sector experiences significant growth. According to Corden, the booming sector exhibits enclaved tendencies resulting from the effects of spending and resource movement. In terms of the former, when the extra revenues flow to the country thanks to the booming sector, if the government or sectoral actors spend these revenues into the non-tradable sectors, the prices in non-tradable sectors demonstrate increasing tendencies. Hence, the resources will shift away from the booming sector and tradable sectors, contrary to the shift of demand from the non-tradable sector to the booming and tradable sectors in the economy. This fact is also called real appreciation (Corden, 1984:360).

In terms of the resource movement effect, during the boom, the booming sector demanded more labor force as well as an increase in wages. In this respect, there is a shift of labor from tradable sectors to booming sector. This fact also creates a situation

of de-industrialization, including agricultural sectors (Goujon & Mien, 2021:5). Furthermore, the movement of labor from other tradable sectors to the non-tradable sectors resulting from the increasing spending engenders indirect de-industrialization (Corden, 1984:361). Hence, the enclaved tendencies of the booming sector arise from these two effects.

Along with these economic dimensions, some scholars aim to broaden the usage of the concepts of the Resource Curse and Dutch Disease by including the social and political dimensions. In the case of oil, some scholars address the authoritarian, unresponsive peculiarities of governments that use oil rents. In addition, some scholars indicate the weak feature of oil-abundant states and societies by associating corruption with the Resource Curse thesis (Hammond, 2011:352). At this juncture, Venezuela's oil-led economy since the discovery of oil reserves at the beginning of the 1900s is elaborated within this perspective among mainstream scholars.

Even though the Resource Curse and Dutch Disease concepts give significant empirical findings regarding the conditions of countries with abundant natural resources, they fail to analyze why those countries are unable to achieve long-term development goals. First of all, addressing natural resources as an independent variable ignores the whole institutional structure of those countries in an economic sense. In this vein, some scholars indicate the importance of the ownership structure of resource-rich countries rather than the natural resource itself as an alternative to the Resource Curse thesis (Kott, 2012:73). As Luong and Weinthal (2006) argue that the resource-rich countries should not be analyzed on the framework merely their possessing natural resource. Instead, the structure of natural resource ownership is crucial to understanding the economic and political situations of those countries (Luong & Weinthal, 2006:242). Hence, it becomes significant how natural resources are used rather than their mere existence.

In addition, those concepts ignore the unequal relations between industrialized countries and peripheries, where countries with abundant natural resources prevail. For instance, the extraction of natural resources by private or national oil companies brings about more profits than the host countries. In oil-producer countries, foreign oil companies attain significant concessions, generating sufficient income from natural

resources. In this respect, for oil producers, making long-term investments is structurally hindered (Ross, 1999:301). Therefore, unequal trade relations significantly constitute the conditions of natural resource exporters due to theirposition in the international division of labor and global accumulation.

Overall, Resource Curse and Dutch Disease are used to explain the dynamics of countries with abundant natural resources. Both concepts include the analysis of falling short of attaining long-term development in those resource-rich countries. The Resource Curse concept indicates that resource-rich countries are not as prone to reach long-term developments as their resource-poor counterparts. Dutch Disease is a significant analytical and empirical tool among scholars to support this thesis. However, both concepts only focus on the internal dynamics of countries with abundant natural resources. They take for granted the importance of uneven conditions in the global economy and the peripheral condition of countries abundant in natural resources. In addition, the concepts do not include the class dynamics and their impacts on the state on the usage of natural resources. Finally, neither concept gives sufficient information on the political conditions of resource-rich countries. In this vein, some scholars aim to delve into the political and economic structures of countries with natural resources, specifically focusing on oil-abundant ones. Rentier State Theory was developed to assess the peculiar structures and state-society relations in the oil- rich countries.

2.1.2. Rentier State Theory

The Venezuelan state has never been conceptualized and theoretically assessed without mentioning the ‘oil’ phenomenon. The nation’s reliance on oil wealth led many scholars to utilize the conceptual toolbox related to the relationship between oil abundancy and development and the linkage of oil and democracy. In this respect, many contemporary Venezuelan historians have examined the country's state-society relations by considering oil as a variable of their causal analysis (e.g., Tarver, Frederick, and Rivas, 2005).

In the contemporary Hugo Chávez period, some writers who tried to associate the Chávez administration with a populist government have touched upon the rentier

behaviors of Venezuela as a rentier populist state (e.g., Mazzuca, 2013). In addition, during the Chávez period, radical policies embarked on by the state overlapped with the oil boom in the 2000s. In this respect, many writings regarding this period relied solely on the analyses of the exploitation of oil revenues from Chávez to pursue his interests. Those negative and positive connotations of the Venezuelan state have originated from the Rentier State Theory. The theory encapsulates oil as an independent variable or sometimes intervening variable, by which it creates specific outcomes and distinct peculiarities of oil-abundant states. Even though the approach does not constitute homogeneity, the main concepts have been analyzed by various scholars. In the next part of the chapter, the basic premises of Rentier State Theory will be evaluated by indicating deficiencies and critiques of the respective theory. Then, alternative theoretical approaches, which will be used in this study, will be shown.

Rentier State Theory (RST) was developed by scholars who aimed to explain the distinct features of oil-abundant countries in the 1970s. Particularly after the emergence of new Arab oil-producing states and the onset of the oil era brought about a growing interest in the respective concept (Beblawi, 1990:49). RST literature is conventionally divided into three generations and revisionist literature in the historical period. Even though examining the whole literature chronologically is far from the aim of the study, the fundamental premises and arguments displayed by scholars willbe briefly explained.

Initially, the RST was elaborated by Hossain Mahdavy in his analysis of Iran in the 1950s. Mahdavy focuses on why rentier states are unsuccessful in development despite economic growth stemming from oil windfall (Sune, 2012:9). According to Mahdavy, the rentier state concept refers the countries whose revenues mainly derive from external rents, which are the payments from foreign individuals, companies, or governments to domestic individuals, companies, or governments in exchange for gaining rentals (Mahdavy, 1970:428).

After defining the concept of a rentier state, Mahdavy tries to demonstrate the repercussions of accruing regular external rent on state structures and state-society

relations of rentier states. In this framework, the governments of oil-exporting countries are not eager to use oil revenues for the production of their domestic economies (Ibid:429). Instead, such governments aim to implement public expenditure programs from oil revenues for large segments of society. In this respect, slowing industrialization and less tendency towards agricultural production are the main characteristics of the rentier states. Moreover, they do not have to extract revenues from their domestic economy. Therefore, unlike their non-oil-abundant counterparts, taxation does not constitute the main fiscal policy of rentier states. In addition, Mahdavy associates the oil abundance with the state's dominance in the economy (Ibid:432). Moreover, the absence of domestic productive sectors, in turn, renders the country's economy increasingly dependent on oil revenues, a rent that only the political elites can control.

Hazel Beblawi and Giocomo Luciani enrich the RST literature by deciphering the unique characteristics of oil-producer states in the Arab world. By doing so, Beblawi aims to differentiate rentier economies from their Western counterparts in a political sense. Although there is no pure rentier economy in the world (Beblawi, 1990:51), there are economies in which rent issues prevail. Beblawi initially tries to distinguish internal and external rent in rentier states by specifying Mahdavy's conceptualization. According to him, internal rent does not address the rentier economy because it requires the domestic productive sector to rely on domestic payment transfer to internal rent, unlike rentier economies' reliance on external rents (Ibid:51). After defining external rent, he elaborates on the state-society relations in rentier states. He argues that only a few people accrue external rents within the government. In contrast, the majority utilize those rents (Ibid:51).

The asymmetric relation in controlling the primary profit source in rentier states significantly affects state structure and state-society relations. First of all, because the governments are the main receivers of the external rent in the economy, a group with political power also possesses economic power. Hence, public office and private businesses represent the same groups within the government (Ibid:55). As Mahdavy indicates, non-being alternative domestic sectors compel governments to employ their citizens. Therefore, patronage relations can emerge within this context.

Luciani tends to develop the conceptual distinction between rentier and non-rentier states. In this aim, he initially concentrates on designating how rentier states should be defined. According to him, other natural resources, as well as oil, are accrued by the state as external rents. Consequently, only oil-producer rentier states do not always have to exist (Luciani, 1990:68). In addition, the predominance of oil exports does not make the states feel obliged to increase domestic incomes.

Conversely, some oil producer states may rotate policies for their domestic economies. Hence, the latter can not be deemed as rentier states (Ibid:69). By taking into account this differentiation, Luciani conceptualizes rentier states as "allocation states" and non-rentier states as "production states." After this conceptualization, he focuses on the peculiarities of allocation states. According to him, allocative states do not have to formulate any economic policy; they only implement expenditure policies stemming from the revenues from oil or other foreign sources (Ibid:74). Also, taxation can not be seen as domestic extraction. Hence, democracy issues do not come to the fore necessarily (Ibid:73). On the corollary of the absence of domestic sectors, union structures are absent or so delicate in allocative states as well as the non-emergence of alternative economic groups (Ibid:75). In sum, Beblawi and Luciani try to qualify rentier states' political and economic features and analyze their policy orientations by developing new concepts.

The subsequent writers in Rentier State's literature deal with regime stability and democracy. Some scholars tackle how regime stability and legitimization of government are ensured during both oil windfalls and oil bust periods by concentrating on state-society relations. Even though current paradigms shape their ideas, they elaborate on rentier states from an agency perspective. Kiren Aziz Chaudry and Gwenn Okruhlik made a great contribution to the literature by concentrating on the policies of rentier states during the oil boom and oil bust comparatively.

Chaudry tries to give empirical findings on Saudi Arabia's fiscal policies during the oil boom and burst while comparing it with Yemen. After the oil boom in 1973, the state structure of Saudia Arabia became more centralized, and the state-dominated economy. In addition, the government started to lift all kinds of extraction policies

from the domestic sector. For instance, all taxes on business class and civil servants were lifted after 1973 (Chaudry, 1989: 123). Oil wealth brought out a plethora of distributive mechanisms within the centralized state, along with the decrease of regulatory institutions (Ibid, 125). However, during the oil bust in the 1980s, oil revenues decreased, and the Saudi government was not able to compensate for this decline by substituting external capital with domestic capital owing to the absence of extractive mechanisms (Ibid, 103). Thus, Chaudry utilizes oil as an independent variable in his analysis to demonstrate its direct impact on state-society relations.

On the other hand, Okruhlik opposes the idea that oil-abundant states are exempt from social pressures from their dissidents, as the previous literature argues (Okruhlik 1999:295). According to her, the reason for this thinking is the reliance on rentier state literature on mainly the Weberian concept of state, which is state autonomy from society (Ibid, 295). However, the reification of the state in the rentier state theory as an autonomous entity from the society does not provide a broader framework in state-society relations as the state-society relations are not solid as they penetrate each other (Ibid, 308). Previous literature contends that oil revenues are the main determinant of state structure and state-society relations. According to Okruhlik, one should focus on how the policies are rotated in spending the oil revenues instead of looking at oil per se. Rentier wealth does not merely explain the emergence of opposition, but the policies can explain it (Ibid, 300).

Having described the way of analyzing state-society relations, Okruhlik assesses how unequally distributed oil policies engender a new type of dissidents within society against the regime by analyzing Saudi Arabia's policies during both the oil boom and oil bust. During the oil boom, the commercial class of Saudi Arabia in Hejaz was weakened by the ruling family. Hence, opposition to the government emerged in Hejaz (Ibid, 297). Contrary to the emergence of a new commercial class, state-supported business, and bureaucracy were created by the al-Saud family in a way that their loyalty to one another became prominent. However, during the recession, those classes turned into opposition against the ruling family (Ibid, 298). As can be seen, each period created opposition to the ruling family in Saudi Arabia as a result of different policies. Overall, Okruhlik argues that in times of oil wealth, states are willing to decay the

regulative and extractive institutions. On the contrary, those institutions are utilized in the most necessary conditions during the oil bust (Ibid, 296).

In sum, Okruhlik adds new analytical frameworks to the conventional rentier state literature in the analysis of state-society relations. Unlike the conventional belief of the government's autonomy from society in rentier states, Okruhlik makes a significant contribution to the literature by involving intertwining relations between state and society in the analysis. Consequently, she enlightens the process of oil-based distributive policies and its impacts on society by comparing different periods. However, in the RST literature, one of the most systematic analyses is formulated by Terry Lynn Karl. One of the most important contributions has been developed by Karl on theorizing 'oil' in the Venezuelan case.

Terry Lynn Karl (1997) develops an eclectic approach to find an answer to why oil-exporter petro-states are not conducive to bolstering long-term development. She tries to incorporate both structural and agency-based approaches into the analysis. According to Karl, despite different geographical locations and socio-economic structures, oil-exporter states worldwide behaved similarly, resulting in similar outcomes (1997:4-5). In order to discern the reasons for this, one should take into consideration the institutional structure of oil-exporter states. Because oil, as a main source of economic revenue, shapes the state's institutional structure (Ibid:6).

Beyond this institutionalist framework, she incorporates individual decision-making and policy preferences into her analysis of why similar policy choices create similar outcomes in almost all of the petro-states. Karl argues that policymakers' policy preferences and decisions mold institutions over time, which are based on the interactions of organized groups. She also calls this reciprocal relationship a 'structured contingency' (Ibid:10; Karl, 1990). Because oil as intervening variable shapes the institutional structure of the state and policymakers' decisions (Ibid:44). Within this framework, countries dependent on the export of natural resources demonstrate 'stateness' peculiarity in decision-making and range of choices (Ibid:13). For instance, most of the oil-exporter states are eager to strengthen their bureaucratic systems and institutions in a way that the state directly controls acquisition and the

usage of oil revenues. The stateness feature is also related to the individual bargaining and policy choices of decision-makers. Depending on international conditions, policymakers attempt to create negotiations and determine their policy formulations within a given structure historically. Therefore, she puts forward an approach to the state structure of oil exporters by going beyond the structure-agency dichotomy.

Karl applies the respective theoretical background to the case of Venezuela. According to her, the political stability within Venezuela between 1958 and 1998 should be understood with not only the 'oil' phenomena but also the structure and the choices of policymakers ensuring stability. Oil molded a unique structure in which the elite policy actors can bargain to pursue their interests. Oil-based development led to the shrinking of other economic sectors. In a similar vein, the working class of these sectors could not unionize to have a say in decision-making. Consequently, with different ideologies and policy preferences, political elites chose to bring about consensus by bargaining to use oil revenues in specific international conditions (Karl, 1987:86). The existence of the middle class resulting from bureaucratization and the lower impacts of the lower class on decision-making facilitated this intra-elite bargaining to ensure democracy and political stability.

Overall, she made a significant contribution to the literature by adopting a comprehensive approach to analyzing the state structure of oil exporter states. Her institutionalist approach encompasses analyzing oil's impact on state structure and the individual preferences given structure.

As mentioned earlier, the analyses of state structure and state-society relations of rentier states have been elaborated based on the domestic sphere. Even though some scholars mention the conditions of international conditions or specifically international markets, they are not prone to examine the international sphere on the level of analysis. In this respect, from the international sphere, it is worth understanding under what circumstances and structural conditions those rentier states have emerged and reproduced each other over time. Jacques Delacroix tries to find an answer to this question by drawing on the consequences of international structure on rentier states. In examinations of RST literature, Delacroix is canonically assessed among first-

generation scholars. However, it should be necessary to discard Delacroix from other theoreticians in RST literature for the aim of the study.

Delacroix focuses on the international capitalist structure relying on neo-Marxist tradition. Every society has its mode of production on the corollary with its occupation in the world-system matrix (Delacroix, 1980: 10). As Dependency and World System Theory, scholars suggest that there are asymmetric relations between international systems between core and periphery countries. However, Delacroix aims to reveal the unique structures of peripheral countries because World System Theory does not give sufficient information about them.

Delacroix examines some periphery states' underdeveloped structures within the Marxist-Weberian framework despite their observable economic growth. He calls them 'distributive states.' According to him, a state described by its allocative task contains significant peculiarities. First, the state is under the control of the elite group, which does not have to exploit the rest of the population. Secondly, redistribution means distribution due to the lack of extraction of surplus value from the population (Ibid:10). Consequently, the organizational base in distributive states relies on tribal, ethnic, and religious segments as it is not deemed class in Marxist terms (Ibid:11). Delacroix points out that Kuwait is not conducive to class conflict as the most labor-intensive sector is also the most productive sector in the economy. Moreover, a small percentage of the unproductive sector derives from foreign workers of different nationalities, impeding them from creating class solidarity (Ibid:13).

Having described the class structure of distributive states, Delacroix addresses rentier states in this context. According to him, if a distributive state utilizes its wealth to invest in foreign banking assets, it becomes a rentier state of a distributive state (Ibid: 16). The important thing is that rentier states embark on financial investments in core countries because they are lacking financial or entrepreneurial markets in the former. Hence, a unique dependent relationship emerges between the core and periphery in the context of rentier states. Overall, Delacroix aims to examine why oil-abundant countries represent unique state formation in the periphery by focusing on their non-class structure and financial relations with the core. Consequently, he concludes that distributive states are uniquely located in the world-system matrix.

Having briefly summarized the broad RST literature, the primary deficiencies, and critiques of the respective literature will be encapsulated. First of all, the majority of the literature is based on the assumption that governments have strict autonomy from their societies in rentier states because of the government's control of oil rents. However, this assumption neglects the changes in social structure over time. As seen in both the oil boom and oil bust periods, societal demands and their impacts on governments demonstrate interdependent relations between state and society. Karl tries to synthesize contradictory ontological presuppositions in her analysis of petro-states. Despite her outstanding contribution by combining structure and agency, she ignores how the international political economy structurally shapes the formation of rentier states. In addition, she attempts to make a sharp distinction between the domestic and international spheres. Consequently, the analysis is far from seeing the permeability of both spheres in relation to production. Despite some attempts, the respective literature does not present sufficient analyses beyond the debate between structure and agency.

Secondly, even though the RST literature aims to decipher the unique peculiarities of rentier states, they do not successfully develop assumptions detached from euro-centric conceptual kits. For instance, almost all scholars emphasize the non-existence of civil society in rentier states. By doing so, they elaborate on rentier states within the context of state-civil society differences (Ibid:62). Consequently, most scholars try to associate the non-democratic features of rentier states with the non-existence of alternative economic groups within society.

Furthermore, first-generation scholars adopt the ontological idea that taxation is the primary key to measuring government accountability as in Western democratic countries. In this respect, the primary RST literature is the basis of non-taxation in rentier states because of the lack of domestic extraction. Even though Delacroix tries to delineate his analysis from a Western-centric view, his thesis is based on the idea that there is no class conflict in rentier states, as in their Western counterparts. The abovementioned assumptions fail to demonstrate the unique features of rentier states in the framework of their relations of production. For instance, it is empirically shown that GCC countries' exports include aluminum, steel, cement, and petrochemicals in

the manufacturing sector. Joint investments between small and medium size private sectors and state-owned enterprises enhance the growth of the respective industries (Hanieh, 2020:111). Consequently, it can be seen that there are also alternative economic groups and emerging economic fractions paving the way for engendering class relations within society, even in rentier states. In this respect, tackling only non-taxation peculiarities in rentier states can impede us from seeing the means of production.

In addition, the authoritarian structures of some states can not be explained by their rulers' preferences and choices or relying on oil rents, as in RST literature. RST literature is prone to see oil as a thing as part of commodity fetishism (Ibid:109). The literature neglects historical and social contingencies elaborating state-society relations in rentier states. Most of the states' colonial pasts and their hegemonic relations with imperial powers should be taken into account in analyzing their state structures. For instance, Saudi Arabia's authoritarian structure can not be analyzed with only oil rents as an independent variable. There is a direct US influence on Saudi state-capital relations. Hence, it is important to assess oil not as a 'thing' determining every phenomenon in any society. It exists as a part of relations of production.

Then, scholars are prone to neglect the international conditions in which rentier states have emerged because general RST literature reifies the state and elaborates on it by neglecting domestic and international contexts (Beinin, 2020:7). Furthermore, the respective theory views the national state as a unit distinct from global economic relations (Hanieh, 2020:108). Because the countries' position on global accumulation also leads to their structures. All states are inevitably intertwined with local and global economic conditions and classes (Beinin, 2020:7). Even though Karl mentions the international conditions shaping the policy preferences of decision-makers, her analysis covers only agency. International political economy gives a broader conceptual tool to reach an assessment of the structures of oil exporter states. Delacroix attempts to use World System Theory to assess the conditions of rentier states. However, his analysis carves out an abstract and fundamental analysis of the structure of rentier states, which is far from examining the causal linkages of the formation of states in a given international structure.

Finally, the root of the concept of a rentier state in the literature should be understood. As mentioned above, the fact of non-taxation shapes the state-society relations in rentier states. Because the governments do not need the revenues from society as long as oil revenues meet those demands, according to most of the scholars in the literature, the representative mechanisms of rentier states are delicate and lead to the state autonomy from society. In this dimension, the main propositions of the rentier state approach stem from the Schumpeterian state understanding relying on 'tax policies', through which constitute a specific type of state-society relations (Campbell, 1993:163). According to this approach, the emergence of the modern state derived from the regularized taxation policies on the private sector by the state (Moore, 2004:298). In this sense, the modern state emerged in a certain historical period depending on the tax revenues from society. Furthermore, within this background, the dependence of the state on taxation is associated with the representative government (Ibid, 299). Because, only in the western type of state formation, tax revenues from society constitute a binding mechanism, which paves the way for representation in a democratic sense.

On the other hand, states whose revenues stem from primarily non-taxation revenues, such as natural resources, are not prone to comprise representative mechanisms as they do not depend primarily on taxation policies as state revenues. Hence, the rentier states do not have strong democratic and representative structures as in the western type of liberal democratic states (Moore, 2004). However, as mentioned above, these understandings neglect the class dynamics of society within a given state formation. In addition, the approach does not take into account the proposition that each state has its unique processes of integration into a capitalist economy. For instance, the Global South countries were initially conceived by directly or indirectly the capitalist 'North' countries for the exploitation of the former's raw materials and natural resources while constituting strategic commodities for the latter (Ibid, 309). Oil is also deemed a strategic commodity among developed capitalist countries, whose development and capital accumulation rely on this natural source. In this respect, the wealthiest countries have always had incentives to take control of oil-abundant states to ensure their reliance on natural resource imports by initiating military interventions and so forth (Ibid, 306). For all the reasons above, this study brings a comprehensive framework

by underlying oil-abundant states' structure with class dynamics and positions within the international system, unlike the Rentier State Theory.

Overall, although RST literature, at first glance, paves the way for understanding the essential peculiarities of oil exporter states and enlightens some empirical facts of the process of state formation, it falls into the error of looking at oil as a 'thing,' that determines state structure only in the domestic sphere. It should be taken into account that oil is a part of the means of production resulting from social relations on both the domestic and international levels. Hence, another conceptual tool kit that clarifies the conditions of developing countries within the uneven international system should be involved in examining state structure in the given case in this study. In this respect, unlike the conventional conceptualizations regarding the resource-rich countries' development and state-society relations, a historical materialist approach should be employed for this study.

2.2. Historical Materialist Approach on the Development and State

This thesis aims to offer a comprehensive analysis of the state-society relations in Venezuela by taking into account the country's capitalist development, which has influenced its integration into the global capitalist system. In this context, historical materialism constitutes a starting point by including the essential conceptual tools to expound the development trajectory of Venezuela. In addition, historical materialism furnishes a solid foundation for advancing into the IPE analysis to eschew internalism. Initially, this section introduces the key concepts articulated by Karl Marx regarding the assessment of capitalist development. It is demonstrated how the respective concepts lay the groundwork for the analysis of the international dimension, specifically the UCD, within the case of Venezuela. Finally, the state and class analyses, which Nicos Poulantzas and Bob Jessop employ, are briefly explained within this framework.

2.2.1. Basic Premises of Historical Materialism

Marx argues that individuals are primarily characterized by their relations to the conditions within which the social relations of production occur. These relations of

production determine the economic structure and the political and legal structure of society (Marx, 1999). In any given social formation, the mode of production is shaped by the relations of production in conjunction with the interactions of the means of production. At this juncture, the mode of production also plays a pivotal role in determining society's social, political, and economic structure (Ibid). Furthermore, the relations of production serve as a crucial determinant of the class structure within a social formation, highlighting the inherent contradictions between those who own the means of production and those who do not possess them.

The relations of production are not immutable phenomena; they are not independent of historical processes, much like the means of production. They can change over time (Allinson, 2011:40). In this respect, every society in any given era comprises its mode of production, which characterizes the entire social formation. However, according to Marx, every society in any given era always includes two antagonistic class structures that consist of exploiters and exploited or oppressor and oppressed (Marx & Engels, 2008:33). Consequently, Marx associates the entire human history with the history of class conflicts (Ibid:33). Inherent contradictions in any given society have always been prone to dissolve and pave the way for a new social order in subsequent processes. After the dissolution of the previous one, the emerging social formation also displays inherent contradictions within its class structure.

From this point onward, Marx aims to delve into the essential peculiarities of the capitalist mode of production. According to him, the economic structure of capitalist society has arisen from the dissolution of the feudal society (Marx, 1999:506). However, as mentioned above, capitalist society comprises significant class contradictions. The bourgeoisie, which utilizes and controls the means of production, exploits the proletariat's labor. Along with the dispossession, the latter has also lost control of the whole means of production (Ibid:505-506). They must sell their labor solely to the bourgeoisie, becoming a commodity. In this dimension, Marx puts forward the most critical concept of his political economy theory to expound on the exploitation of one class to another: Surplus value.

Marx argues that the value of produced commodities is always greater than the total value of commodities used in production within the capitalist mode of production

(Ibid:127-138). In other words, the bourgeoisie acquires greater value from the commodity than the proletariat, who has produced that commodity. In this regard, the surplus value paves the way for the exploitation of the proletariat and the accumulation of capital in the hands of the bourgeoisie.

All these concepts are of utmost importance within the Venezuelan social formation context. After the oil reserves were found in the 1910s, oil became the essential foundation of the country's economic relations. Furthermore, it has constituted the most crucial dimension of the relations of production within society. This theoretical background sheds light on the redefinition of oil as an integral component of social relations of production, precisely class dimension, unlike the articulation of it as a solid commodity, as often portrayed in mainstream literature.

Over time, the bourgeoisie has accumulated significantly greater profits from the unlimited surplus value generated by the proletariat. In this way, the expansion of production and accumulation not only shapes and influences the social formation of society but also transcends national borders as it aims to seek new markets. Consequently, it becomes clear that capitalism includes inherently expansionist features, as Marx indicates in his famous statement (Allinson, 2011:43):

> "The need for a constantly expanding market for its products chases the bourgeoisie over the entire surface of the globe. It must nestle everywhere, settle everywhere, establish connections everywhere" (Marx & Engels, 2008:33).

The expansionary tendency of capitalism prompts capitalist societies to exploit non-capitalist ones, aiming to increase profits by extracting surplus value from the latter at the same time. In this respect, acquiring surplus value from non-capitalist areas is a consequence of the development of high-capitalist countries (Luxemburg, 1913:426). These tendencies created imperialism and colonialism, pushing non-capitalist regions to become capitalist. In other words, capitalism is not only expansionist, but it also forces non-capitalist regions to adopt the capitalist mode of production (Marx, 2008:39). In this way, a distinction between early capitalist and late capitalist societies becomes evident within the theoretical framework since the latter's capitalist development formed its peculiar way of development. Hence, uneven development

within the global capitalist order leads to distinct developments within late capitalist countries. Even though Venezuela's modern state formation and capitalist development date to the 1820s, after using oil as a prominent source of economic development, the country experienced peculiar integration into the capitalist system. This context brings us to the theory of UCD, which is the significant theoretical foundation of this study.

2.2.2. Uneven and Combined Development (UCD)

The UCD is a theoretical framework that explains the various development practices of countries within the international capitalist economy by considering their internal peculiarities and how they interact. The theory aims to show how capitalism's global expansion creates circumstances in which access to capital and markets is hugely unequally distributed geographically (Callinicos, 2017:544). In addition, the theory aims to elucidate how the development of capitalist societies is interrelated with that of others in the context of their integration into the global economy. In this regard, the UCD provides a conceptual framework that aims to exceed the analytical distinction between domestic and international levels of analysis. In the context of Venezuela, the UCD plays a significant role in explaining the country's capitalist development trajectory as it integrated into the international capitalist economy after the oil reserves had been explored. Nevertheless, firstly, the theory's origin is initially explained, followed by a brief discussion of its fundamental propositions.

The UCD was developed by Leon Trotsky to assess the peculiar capitalist development of Tzarist Russia. According to Trotsky, Russia's capitalist development differed from its early capitalist counterparts, such as England. This difference and peculiarity can be understood within the specific international context deriving from the practices of uneven capitalist development. Unevenness as 'the most general law of the historic process' constitutes a sharp distinction between capitalist and backward countries (Trotsky, 1930:3). Capitalism's inherently spatially expansionist tendencies compel backward countries to adopt capitalist development. Within this context, the 'whip of external necessities' refers to the foundation of the capitalist transition of backward countries (Ibid:3). Indeed, the latest concept indicates a backward country's

transformation to the capitalist mode of production stemming from the military and economic pressures from capitalist countries (Allinson, 2012:61). However, this transition never takes place in a single and unilinear stage like early capitalist powers. The unilinear development approaches based on the Enlightenment assume a specific progression of nations as they pass through certain stages of development. However, Trotsky suggests that the progress of late capitalist countries does not have to follow the same stages of development as the early ones. Countries that underwent capitalist transformation later are compelled to adapt and use currently existing capitalist technologies, skills, and practices to attain a specific level of development. The term 'the privilege of historic backwardness' describes the incorporation of material and intellectual capabilities from advanced countries into the development of late capitalist nations (Trotsky, 1930:2). However, the latter does not acquire the resources absolutely and blindly. The circumstances of late capitalist countries' cultural and socioeconomic capacities are crucial factors for the extent to which the existing resources are borrowed (Allinson, 2010:472; Trotsky, 1959:3). Therefore, this leads to the peculiar development within the late capitalist countries.

Under the circumstances in which the whip of external necessities prevails, backward countries are forced to make leaps to achieve capitalist development (Trotsky, 1930:3). Nevertheless, differences in countries' adaptation of capitalist conditions, which are contingent upon their socio-cultural characteristics, render their development distinctive and combined. Another law, 'the combined development,' comes from different development patterns. Hence, the development of backward nations has a combined character encompassing their internal socio-cultural and economic characteristics and degree of integration into the capitalist economy, indicated by Trotsky as 'an amalgam of archaic with more contemporary forms' (Ibid:2-3).

The law of combined development includes implicitly significant theoretical points. Firstly, it points out the interaction between societies as they coexist within the international capitalist system (Rosenberg, 2016:17). The interaction engenders distinctiveness and complexity for those countries that aim to adopt a particular form of capitalist development. In addition, it paves the way for historical changes and developments, including crises (Ibid:17). Secondly, the combined development

demonstrates different types of countries resulting from the combination of pre-existing social and economic structures with capitalism. At the same time, their integration into the international capitalist economy is attained (Ibid:24). The differences render their development and characteristics unique and peculiar within the international context. The respective point is essential for analyzing the Venezuelan case, as its integration into the global economy took a peculiar form, causing it to combine under uneven conditions.

Having elucidated the fundamental premises of the UCD, some conceptual and analytical points should be touched upon to clarify the respective theory. First, how the UCD is analytically utilized while examining a specific country's development trajectory should be understood. Even though the theory aims to exceed the analytical distinction between domestic and international spheres, it should be operationalized from where the analysis must be taken as a starting point. To answer this question, one should look at the foundation of the UCD from the historical materialist approach. As mentioned above, capitalism's spatial expansion engenders social and political multiplicities and creates uneven conditions within the international capitalist system (Ashman,2006:94). Because of the differentiation in the degree of penetration in capitalist relations of production, multiplicity occurs across countries (Ibid:90). Hence, the combined development at the national level results from the uneven development in the global economy (Barker, 2006: 74). In this regard, the emergence of capitalist core historically, that created unevenness, became a causal mechanism of the combined development (Rosenberg, 2005:68-69). In this study, the integration of Venezuela into the global economy is assessed with this analytical framework. After the exploration of oil reserves, the international capitalist powers' involvement in the Venezuelan economy as a causal mechanism created circumstances in which the trajectory of the combined development of the country was realized.

Secondly, as mentioned above, the combined development leads to multiplicity and differentiation between capitalist societies. As a natural consequence, every late capitalist country has reached a different development level and degree of integration into the global economy. Consequently, the peculiar capitalist practices of countries within the international capitalist economy constitute an international division of labor

that renders some states subordinated against their core capitalist counterparts (Ashman, 2009:42). Despite the successful developmental level of Russia and later China in the 1980s, a plethora of late capitalist countries could not achieve this level. In this regard, the study evaluates the Venezuelan case on its capitalist development, not as the ultimate point as a peripheral country. Conversely, despite the distinction in the development levels, combined development is prone to show contradictions and crises, as most of the late capitalist countries have experienced (Özdemir, 2018: 38). Thus, the political and economic crises of Venezuela are evaluated within this framework, in such a way that reproduces the combination of development.

Then, in connection with the previous point, the unevenness of global capitalism is reproduced according to specific international conditions. Depending on the conditions in which the capitalist relations are reproduced that are prone to crisis, countries' ways of integration into the global economy vary temporally and spatially. For instance, in the aftermath of the Second World War, the international conjuncture forced Latin American countries to adopt new forms of economic policies as a part of 'the whip of external necessities' (Oliveira, 2019: 14). Consequently, the changing conditions, that are contingent upon the international context on the Venezuelan case are examined within this framework.

Finally, most late capitalist countries have experienced significant transitions within their state structures as the backward nations that are compelled to adopt capitalist relations deriving from the whip of external necessities require state-centered development practices. The state-led capitalist development of the late capitalist countries mainly results from the combined development to make leaps (Dunford & Liu, 2016:14; Desai, 2015; Rolf, 2015). Empirically, the state played a central role in the incorporation of capitalist development into the Russian economy by concentrating on the industries to make leaps as a consequence of the combined development with traditional feudal structure (Bieler & Morton, 2014:35). This also requires a class-based state articulation as a part of combined development within the late-capitalist countries.

Overall, the UCD is a theoretical concept that aims to describe the peculiar capitalist development practices of the countries within the international capitalist economy. The

emergence of capitalism in one part of the world has an influence on other parts in such a way that enhances the transition to the specific form of capitalist development (Ashman, 2009:37). These uneven conditions lead to the whip of external necessities for backward nations as Trotsky indicates as an economic and geopolitical pressure for the latter to adapt the capitalist mode of production. However, the privilege of historic backwardness facilitates backward nations to make leaps. Therefore, the backward nations can achieve a combined character of development.

The interaction between countries and their different degrees of integration into the global economy render late-capitalist countries peculiar and unique within the international system. Some analytical problems regarding the causal mechanisms of the concepts and the consequences of the law of combined development on the multiplicity of states play significant roles in making theory complementary to this study.

Finally, state-led development as a part of the combined development constitutes a crucial foundation for this study's analysis of the capitalist state. Within the Venezuelan case, the state structure demonstrated a peculiar and combined character as it integrated into the global economy after the oil reserves had been found within the country. In this respect, the state should be conceptualized and how it is operationalized in this case according to the historical materialist framework.

2.2.3. Capitalist State as a Social Relation

Marxist literature encompasses diverse articulations of the state. The instrumentalist understanding characterizes it as the instrument of the bourgeoisie class, asserting that the state is shaped and constructed in accordance with the needs of the dominant class (Poulantzas, 1978:12). This Leninist conceptualization reduces the state to the economic relations of the bourgeoisie. However, the evolving international context in the post-war period prompted scholars to formulate a new understanding of the state. Nicos Poulantzas played a significant role in this shift, developing concepts and frameworks that would influence subsequent political science writings. In this study, essential concepts articulated by Poulantzas about the state and classes will be applied to the Venezuelan case.

2.2.3.1. The Articulation of the Capitalist State

Poulantzas initially rejects the traditional formalist-economist view of the state, as mentioned earlier, criticizing it for reducing the state to a mere outcome of a specific mode of production (Ibid:15). According to Poulantzas, the state encompasses broader and multiple dimensions, including various relations of production within any society. Economic functions constitute only one aspect of the state's role (Clarke, 2004:30). In this sense, the state cannot be viewed merely as an instrument of dominant classes; instead, it is a necessity to ensure the integrity of society (Ibid:25).

Having critiqued the instrumentalist state theory, Poulantzas endeavors to outline his general framework of the state. According to him, it is essential to recognize that every mode of production involves functional interrelations between political, economic, and ideological levels (Barrow, 2011:30). At this juncture, Poulantzas integrates the Althusserian perspective that society is shaped by economic, political, and ideological dimensions into his structuralist theory (Clarke, 2004:25). This perspective offers a more nuanced understanding of the state.

Contrary to the conventional view, which posits that the economic side cannot independently reproduce itself, Poulantzas contends that the political and ideological spheres of the state play direct roles in the reproduction of production in various forms (Poulantzas, 1978:17). This is attributed to the relatively autonomous nature of the economic level of the capitalist mode of production from the political and ideological levels (Barrow, 2011:31). Within the capitalist mode of production, the boundaries between the state and the economy are not distinct entities but rather different expressions within the capitalist framework (Poulantzas, 1978:18-19). Consequently, Poulantzas seeks to construct a framework in which the state is understood in a capitalist society.

For Poulantzas, the state fundamentally refers to a capitalist state characterized by the relations of production and the social division of labor (Ibid:24). In simpler terms, the state is considered a capitalist state to the extent that it ensures the reproduction of capitalist society (Clarke, 2004:26). However, he emphasizes that the formulation of

the capitalist state is not static and is subject to social and historical changes, as Poulantzas (1978:25) suggests:

> "The theory of the capitalist state cannot be isolated from the history of its constitution and reproduction.".

Poulantzas proceeds to delve into the nuances of the capitalist state and its relationship with the bourgeoisie class. In addition to his refusal to view the capitalist state as an instrument of the bourgeoisie, Poulantzas also rejects the notion of complete autonomy of the state from the interests of the dominant class, as suggested by mainstream political science literature. While the capitalist state may not be wholly tied to the economic interests of the dominant class, it is intricately connected to their political interests, maintaining relative autonomy (Poulantzas, 1973:282). Thus, Poulantzas introduces the concept of the 'relative autonomy of the state' to articulate the intricate relations between the state and dominant classes.

The concept of the relative autonomy of the state facilitates the coexistence of different fractions and classes within a given mode of production. In this framework, the capitalist state not only protects the interests of the dominant class but also develops its mechanisms for self-reproduction. In simpler terms, the state establishes its strategic terrain (Wissel, 2011:217). Consequently, the capitalist state entails autonomy from dominant classes, occasionally confronting both dominant and dominated classes while consolidating its political power (Poulantzas, 1973:286). However, in the end, the state provides the foundation for the dominant class to reproduce capitalist relations systematically. As a consequence, the state becomes a manifestation of the political struggle among dominant classes in any society (Ibid:289). Nevertheless, it is imperative to stress that the relative autonomy of the state does not imply complete independence from society. Instead, it specifically indicates the autonomy of certain class interests, not the autonomy of society at large (Bratsis, 2002:257-258).

2.2.3.2. Power Bloc

Having addressed the position of the state in a given capitalist formation, Poulantzas aims to describe the relations between different capitalist fractions in the capitalist

formation. At this juncture, he develops the concept of 'power bloc' to indicate the intertwined relationship between the dominant classes in a given political unity (Poulantzas, 1973:229). Power bloc includes the coexistence of various classes and fractions in a society (Ibid:296). It is noteworthy that the unified coexistence of the capitalist fractions also represents a political domination of the fractions. In this vein, the power bloc is directly linked to the political practices of the dominant classes and the plurality of these fractions (Ibid:231). Then, he focuses on the hegemonic or dominant class within the power bloc. He articulates:

> "This hegemonic class or fraction is, in fact, the dominant element of the contradictory unity of politically dominant classes or fractions, forming part of the power bloc (Ibid:237).".

In this respect, the hegemonic class becomes a prominent class within the power bloc that coexists with the other fractions in a politically unified position in relation to the capitalist state (Ibid: 239). In other words, the hegemonic class reflects its interests over other fractions in the power bloc about how the surplus value is attained from the society. When it comes to the state, it is not neutral between classes. Instead, it ensures a balance between classes according to their material condensation of balance (Jessop, 1999:50-51).

This conceptualization plays a significant role in analyzing the Venezuelan case. Since the discovery of oil, the capitalist fractions within the power bloc underwent a significant transformation. The oil sector has included the dominant capitalist fraction constituting a politically unified position in relations with the state. In this respect, the conceptualization of the power bloc sheds light on the characteristics of the Venezuelan state.

According to Poulantzas, the institutionalized power bloc aligns with the unity of the state (Bratsis, 2002:259). In other words, the unity of state power coincides with the hegemonic position of the dominant class, constituting the political unity of the power bloc (Poulantzas, 1973:297). In this context, the capitalist state, on the one hand, is oriented towards fulfilling the objectives of the dominant class within the power bloc. On the other hand, it possesses a relative autonomy that allows it to reproduce itself and ensure its existence by influencing the external relations of classes.

Another concept highlighted by Poulantzas is 'state form.' State form essentially emerges from 'the degrees of unity and relative autonomy' (Poulantzas, 1973:308). This concept should not be misconstrued as referring to types of government. According to Poulantzas, the dominant fractions in the power bloc shape relations with the state in a manner that constitutes a specific type of state form. Therefore, the particular form of the state depends on how the state reproduces itself and the extent to which the power bloc establishes itself as a unified political power.

The concept of the power bloc represents a specific era of dominance by certain fractions. It is crucial to note that the concept is not constant or immune to endogenous factors. The dominant class within the power bloc can undergo changes based on international conditions and internal variables within a given society. For example, power blocs and state forms exhibit variations during the war period and especially after the 1980s. The phenomenon of globalization, coinciding with neoliberalism, has particularly reshaped the roles of states within the global capitalist system. Consequently, the shift towards globalization necessitates a new conceptualization of the state in this context.

Poulantzas develops the concept of the internal or interior bourgeoisie. The internal bourgeoisie is neither entirely dependent on external or international capital, nor purely national, as it operates within its own specific boundaries (Wissel, 2002:219). Consequently, the concept of the internal bourgeoisie should not be evaluated separately from the notions of internationalized capital and the nation-state.

According to Poulantzas, the changing dynamics of global power have led to transformations in nation-states. However, this transformation does not signify the decline of nation-states but rather indicates the 'internationalization of nation-states' (Wissel, 2011:216). Internationalization denotes shifts in class fractions and related state forms within a given capitalist formation. Poulantzas approaches this concept by examining the internal dynamics of a given society, diverging from a focus on the international capitalist structure (Ibid:216). Moreover, some argue that globalization primarily involves national economies and states engaged in capitalist competition (Wood, 2002:25). Therefore, it would be erroneous to conclude that nation-states are

diminishing in the globalized world; instead, they continue to reproduce within their territorial and political boundaries.

Within this global context, understanding how new state formations and social classes are articulated becomes crucial. Poulantzas endeavors to introduce new concepts that elucidate the evolving class conditions within a given state form. In classical Marxist literature, the national bourgeoisie and comprador bourgeoisie typically represent the primary social classes in a capitalist formation. However, Poulantzas introduces the concept of the 'internal' or 'interior' bourgeoisie. This internal bourgeoisie is neither entirely dependent on external or international capital nor purely national, as itoperates within its specific boundaries (Wissel, 2011:219). Therefore, the concept of the internal bourgeoisie should be considered in conjunction with the notions of internationalized capital and the nation-state.

In the context of the globalized neoliberal world, a new form of external-internal dynamics has emerged. With the advent of globalization and neoliberalism, capital, like the internationalized state, has undergone a process of internationalization, giving rise to a new class formation known as the 'transnationalized bourgeoisie class' (Ibid:221). Neoliberalism reinforces its capitalist class, leading to a blurring of the domestic-international dichotomy and the potential intersection of the internationalized national class with the transnationalized capitalist class (Ibid:223). Particularly, neoliberalism has brought about a fundamental transformation of state and social formation in Venezuela.

The internationalization of the state and the oil sector in the 1990s led to the development of a new set of dynamics that would influence the Chávez era, shaping the state and economic relations. Poulantzas's state articulation, along with subsequent analyses of the transformation of the state, provides a theoretical framework for this study. However, to comprehend the transformation of the power bloc during the Chávez era, a conceptual framework is required to elucidate the development of certain policies. The strategic policies employed by the Chávez administration directed towards dominant classes that are closely linked to the administration necessitate the application of Bob Jessop's concept of 'strategic selectivity' for this study.

2.2.3.3. Strategic Selectivity Approach

Poulantzas' articulation of the capitalist state gives a substantial understanding of the relations between the state and the bourgeoisie. However, some scholars aim to broaden Poulantzas' state theory, overcoming the structure-agency dichotomy. In parallel with the relative autonomy of state and power bloc concepts of Poulantzas, some try to analyze how the state exercises and reproduces itself by delving into policy practices. In this vein, Bob Jessop develops the Strategic Relational Approach to explain the interrelated dynamics of state and economy by including strategic selectivity, which would be used as a significant conceptual framework for this study. The Strategic Relational Approach (SRA) enhances the understanding of the state by directing attention to the effects and exercises of state power as reflections of a shifting balance of forces (Jessop, 2016:54). By embodying both structure and agency, it clarifies the evolving dynamics related to the class contradictions within the power bloc due to the impacts of state power. Structures are neither isolated entities nor entirely constrained; they encompass dynamic constraints and opportunities linked to the agent. Similarly, actions depend on the strategic capacities inherent in the structure (Ibid:55). This mutual interaction underscores the significance of actions within a specific strategic context or, more broadly, within the structure.

Having addressed the SRA, Jessop develops the 'strategic selectivity' concept to focus on how state and other institutionalized actors can intervene in specific domains in accordance with their capabilities. In other words, the concept tries to shed light on the strategic context, which prioritizes some actors and classes over others in a given structure (Jessop, 1999:51). At this juncture, within a specific structure, state actors can formulate policies that prioritize certain classes. These policies develop particularly in connection with changes in the power bloc. Thus, states employstrategic selectivity to formulate policies that prioritize certain dominant classes basedon their ideological, political, and economic interests.

In the Venezuelan case, strategic selectivity will play a significant role in clarifying how the Chávez administration formulated policies that favor certain classes linked to the administration. However, this characterization should not undermine Poulantzas's

explanation of the relationship between the state and the bourgeoisie. First and foremost, strategic selectivity in this thesis merely constructs a conceptual framework for the policy practices that prioritize specific classes, leaving aside the discussion of structure-agency. Additionally, the changes in the power bloc during the Chávez era and the strategic selectivity of putting a specific class at the forefront, which are the subjects of the thesis, do not imply the elimination of traditional classes from the power bloc. Merely, state actors' interests are more coherent with certain classes, which link to the government.

Overall, Poulantzas has made significant contributions to the field of political science through his theoretical framework and conceptualization of the state. His development of the concept of the relative autonomy of the state highlights its dual nature. This nature includes unity through the integration of different fractions under one dominant class while exhibiting relative autonomy by reproducing itself within the capitalist formation. Additionally, Poulantzas introduces the power bloc concept to elucidate the relationships between various fractions in a capitalist society under the dominance of one class. The interactions between the state and different actors are crucial in shaping a specific state form, which can change within specific historical conditions, defining the boundaries within which it operates. In the neoliberal globalized world, nation-states have evolved into new forms of state, mirroring changes in class structures within global capitalist accumulation. The internationalization of the capitalist state underlines the transformation of the domestic-international dichotomy, as the internal bourgeoisie and transnational bourgeoisie have emerged as new class formations within the structure.

However, understanding the transformations in the power bloc during certain periods necessitates the analysis of specific policies. In this context, Bob Jessop's concept of strategic selectivity holds significance for this study. The concept examines how the state creates policies that bring certain classes to the forefront, thereby explaining the change in the power bloc. Thus, it adds a dimension involving agency to structural analysis.

This chapter elaborated on the theoretical and conceptual frameworks regarding development and state. The chapter initially dealt with the mainstream approaches to

the political and economic circumstances of resource-rich countries. The concepts of resource curse and Dutch disease were developed by scholars to address the dynamics of resource-abundant countries, which hindered their long-term development, unlike their industrialized counterparts. Resource Curse indicates the paradoxical possession of natural resources in the development of the country. The concept suggests that resource-abundant countries become less developed than resource-poor countries. Dutch Disease is a significant empirical tool to demonstrate why this occurs. Despite their economic-based analyses, both concepts included assessments regarding political and social spheres. RST, theoretically, constitutes significant political analyses according to some scholars.

In Venezuela, the conventional conceptualization of the state is often associated with its possession of oil. These approaches, which perceive oil as a mere 'thing' rather than as a crucial element within the relations of production, tend to construct their arguments by emphasizing negative connotations associated with the state. All of these rely on the basic premises of the RST. According to the RST, oil-abundant states are not prone to bolster long-term development due to their specific type of state structures or the policy choices of decision-makers. The respective approach occupies a significant place within the literature, especially from the empirical side of the studies. However, RST tends to neglect the peculiarity of oil resulting from social relations. In addition, the scholars are not eager to address the international structure of how the states become rentier. Consequently, as in mainstream literature, RST does not give a sufficient explanation of the features of oil or natural resource-abundant countries despite their significant empirical contributions.

Unlike the all-mainstream approaches that discard means of production, classes, and uneven development, historical materialist-based theories will be able to facilitate the conceptual framework for explaining the hypotheses of the study. Firstly, in order to specify international conditions that shape the states in the Global South, UCD will be used as guiding conceptual toolkits. According to Leon Trotsky, capitalistdevelopment is always prone to expand itself over territories. As in the example of 19th century Russia, non-capitalist countries aimed to ensure capitalist development resulting from the ‘whip of external necessity.’ However, the uneven development brings about

combined development practices within the late capitalist countries. The concepts refer to the conditions of each late capitalist society's sociological peculiarities. With this contradictory nature of combined development, class-based conflict would be inevitable. However, the respective concept also includes the periods in which underdeveloped countries have to undergo significant transformations in their development practices owing to their position and conditions within the global economy. In other words, their capitalist practices demonstrate changing characteristics in accordance with the uneven capitalist dynamics of the international system. In this respect, UCD presents essential conceptual tools to demonstrate how the international structure in global capitalist accumulation has impacted the development of late-capitalist countries.

Finally, Poulantzas' articulation of the state gives an essential ontological and epistemological background to understand the relationship between the state and classes. Unlike the conventional view of the state, the capitalist state has relative autonomy from different classes to reproduce itself within the conditions of the capitalist mode of production. The power bloc also represents state formation under one hegemonic fraction. However, in the neoliberal globalized world, the state form has altered with regard to changing conditions of global accumulation. The internationalization of the state with emerging different capitalist classes constitutes the significant peculiarity of the capitalist state in the contemporary world. Finally, in a given articulation of the state, it is noteworthy to understand how the capitalist state sometimes favors specific class interests during specific periods. In this respect, Bob Jessop's strategic selectivity concept will be a significant conceptual tool to evaluate the changing dynamics of the power bloc during the Bolivarian Revolution in Venezuela. Within these frameworks, the Venezuelan case will be assessed in the subsequent chapters of the study. Before the main part of the thesis, the historical background of Venezuela related to oil in the 20th century will be briefly examined.

CHAPTER 3

HISTORY OF OIL IN VENEZUELA

Venezuela's social, political, and economic landscape underwent radical transformation when oil began constituting the country's main source of revenue in the early decades of the 20th century. This transformation molded not only state-society relations but also the country's way of integration into the international capitalist economy. This chapter focuses on the historical background of Venezuela's capitalist development within the 20th century, embracing its social, political, and economic trajectory. The purpose of the chapter is to elucidate how Venezuela's oil-led economy and state structure were shaped within the uneven conditions of international capitalist dynamics. In this vein, it demonstrates the impacts of international dynamics on the combination of development trajectory within the country, as the UCD provides the analytical tool.

The chapter initially tackles the emergence of oil-based development with the involvement of foreign oil companies in Venezuela in relation to international capitalist practices during the Juan Vicente Gómez period. At this juncture, it is demonstrated how oil companies shaped the way of peculiar development within the context of capitalist conditions and how these capitalist relations constituted a specific state form. Then, the chapter elaborates on the period after Gómez until 1958, corresponding with political instability and regime crisis stemming from the contradictions of combined development. In this period, the oil-led economy was reproduced in accordance with the necessary conditions within the international capitalist system. The third part of the chapter assesses the greater control of the state over the oil industry after the 1958 Punto Fijo era, which is characterized by political stability. In this period, Venezuela attained state expansion depending on oil prices in the global market. Despite the attempts to nationalize the industry, oil dependence and foreign companies' involvement sustained during this period. In addition, the emerging

state form included the coexistence of different capitalist fractions within the power bloc to achieve these policy objectives. Finally, the chapter examines the period when neoliberal practices started to be implemented in the 1990s. In the 1990s, the social and economic crises reached their peak in such a way that created political and regime crises as the internal and external repression to adapt neoliberal practices paved the way for social inequalities. Hence, the combination of development dynamics engendered unprecedented social and political backlash against the ruling elites since 1958, which laid the groundwork for the Hugo Chávez administration.

Overall, the chapter aims to contribute to IPE analysis on Venezuelan capitalist development. The main objective is to exhibit how uneven international capitalist dynamics shaped the reproduction of oil-led policy practices. In this respect, despite the radical attempts regarding the oil industry, it is demonstrated that the Chávez administration's dependence on oil revenues relied on the historical development trajectory of the country in relation to its international capitalist dynamics. In addition, the class dynamics within state form throughout the 20th century intertwined with combined development patterns. Consequently, it needs to be demonstrated how state form and class structure changed during the Chávez administration and how the changing structures reproduced the oil-dependent policies in relation to the IPE. In this sense, the chapter aims to overcome the analytical dichotomy between domestic and international spheres by taking into account a historical approach.

3.1. The Emergence of Oil-Led Development

The emergence of oil as a source of revenue in the 1910s coincided with Juan Vicente Gómez's military dictatorship between 1908 and 1935. Increasing revenues from the oil brought about unprecedented structural changes in the state and society within the country. Furthermore, it set in motion peculiar development dynamics regarding Venezuela's integration into the international capitalist economy. All these dynamics would constitute the combined development, which entailed class contradictions in state-society relations. In this respect, it is initially noteworthy to briefly elaborate on Venezuela's economy before the oil era by touching upon the general climate in the global economy. Initially, the framework under which the oil companies' involvement

in the Venezuelan economy took place should be roughly drawn to determine the international impacts on the Venezuelan economy.

The global expansion of capitalism in the 19th century led to imperial competition between great capitalist powers. The imperial rivalry, just as it occurred among early capitalist countries like England, France, and the Netherlands, also emerged between late capitalist ones like Germany, Japan, and Italy (Alam, 2003:9). Subsequently, the economic competition turned into military conflicts, which paved the way for the emergence of the First World War I. Moreover, the imperial contest among major capitalist powers for control over their colonies heightened global inequality between the developed and underdeveloped countries. Capitalist countries exploited the colonized regions to generate substantial surplus value. This situation, in the long term, widened the unevenness in the global economy. On the other side, underdeveloped countries and regions were compelled to integrate into the global economy by providing raw materials or natural resources to the core capitalist nations. Hence, global unevenness resulting from the capitalist dynamics intensified in a way that was detrimental to the periphery, such as Asia, Africa, and Latin America.

Since the Industrial Revolution, the technological advancements of imperial powers became clear. Industrialized countries aimed to enhance the use of technological products in transportation and communication (World Economic Outlook, 2000: 152-153). These technological developments also overlapped with the need for natural resources to produce and use them. In this respect, some of the industrialized capitalist countries, primarily the US and England, sought to find oil resources. After the US-based Standard Oil Company drilled the first oil well in Pennsylvania in 1859, the oil industry developed rapidly not only within the borders of the US but also internationally (Philip, 1982:7). With the merger of Royal Dutch and Shell - Netherlands and England based oil companies- in the early 20th century, intensified the competition for searching new oil reserves across the globe with the direct encouragement of the respective capitalist states (Ibid:8).

During and after the First World War, the US administration and British government witnessed logistical difficulties in the supply of oil from the Middle East (McBeth,

1983:32). Hence, the prominent oil companies were encouraged by the governments to find new oil reserves across the globe. Some Latin American countries, such as Venezuela, were being attracted by major oil companies due to the potential existence of resources. At this juncture, Venezuela's oil exploration activities the government at that time gave an impulse for the oil companies to engage in the country's economy (Ibid:32). In this regard, it is pertinent to acknowledge that the capitalist dynamics that came to the fore at the international scene, paved the way for the peculiar way of development practices in Venezuela. Hence, it is essential to elucidate the peculiar development dynamics of Venezuela before and after the oil era.

3.1.1. The Venezuelan Economy Before Oil

Venezuela's integration into the international capitalist economy developed in an unequal and crisis-oriented way. Throughout the 19th and early 20th centuries, agricultural exports constituted the main source of revenue for Venezuela. Coffee was the predominant product, along with cocoa, which was primarily exported to the United States, Germany, and France (Banko, 2016). However, the increasing unevenness in the global capitalist economy led to unequal trade relations between developed and developing capitalist nations. In the case of Venezuela, raw material exports to the developed countries were cheaper than the products the country needed to import, such as manufactured goods. In addition to the unstable prices of raw materials in the international commodity market, the contraction of trade in the country at the end of the 19th century ensued (Ibid). In this regard, the unequal relationship within the global system resulted in a significant burden of foreign debt for Venezuela.

In the early 20th century, foreign debts reached an unprecedented level from Bs. 189 million in 1900 and 1905 Bs. 224.7 million (Coronil, 1997:69; Pardo, 1973: r62). The rising debts also exacerbated tension between Venezuela and its debtors. In 1902, Germany, Italy, and England threatened the Venezuelan state to invade the country if it would not pay the foreign debts by blockading Venezuela's ports and bombing the port of Puerto Cabello (Ibid). These circumstances raised awareness for Venezuela that agricultural exports could not solely solve the chronic fiscal problems for ensuring the nation's wealth and security. Thus, the administrations sought to find other sources

of revenue by rotating the policies into the mining activities because of the whip of external necessity.

3.1.2. The Expansion of the Oil Industry

After Juan Vicente Gómez had seized power in 1908, he pursued increasing mining activities within the country. Despite the awareness of the existence of oil reserves, the country's economic elite avoided taking a risk in making investments regarding these natural resources. This situation made the Gómez administration totally dependent on foreign capital during this period (McBeth, 1983: 6).

Initially, British capitalists attained greater importance in Venezuela for the exploration of oil fields. Some commercial elites of Venezuela, such as Valladares and Vigas, attained concessions on the oil fields for exploration activities. Subsequently, those concessions were acquired by Henri Deterding, the head of Shell (Ibid: 12). In addition, some small-type British-based companies, such as the General Asphalt Company, were involved in exploration activities with the encouragement of the Gómez administration. In 1913, the first oil well was drilled by the respective company at the Guanoco site in Sucre (Tinker-Salas, 2009:45). This development engendered not only the involvement of British capitalists but also, subsequently, the US-based oil companies in the country's economy (McBeth, 1983:12). The entrance of main oil companies in Venezuela developed a new type of relations between Venezuela and great powers. These relations fostered a peculiar way of development in Venezuela.

By the 1920s, British-based oil companies and British capitalists were also involved in oil activities by financing the development of the industry within Venezuela (McBeth, 1983:27). Until the 1920s, Shell was a prominent oil company by providing a huge amount of oil production, that made Venezuela one of the major oil producers in the world (Ibid:13). Despite the reluctance of major US-based oil companies to make investments in Venezuela, the First World War provided them with the impetus to invest in the oil industry, primarily through the involvement of the Standard Oil Company in 1918 (Tinker-Salas, 2009:57-58). In the 1920s, Exxon, as a subsidiary of the Standard Oil Company, and Gulf Oil became the prominent US-based oil

companies within the country as the US-Venezuela relations developed. At this juncture, Shell, Exxon, and Gulf Oil constituted almost complete total production of oil in Venezuela by the death of Gómez in 1935 (McBeth, 1983:70).

3.1.3. The Centralization of the State and Oil Companies

The expansion of the oil industry coincided with the centralization of the state during the Gómez era. The dictatorship of Gómez created incentives for foreign oil companies to function and develop the oil industry freely. In this sense, the emergence of an oil-led economy transformed the entire economic and social order. Hence, the strong state could suppress the new contradictions stemming from the transformation of the social and economic formation of the country.

With the rise of the oil economy, the state structure underwent significant transformations, influenced by its interactions with foreign oil companies during the Gómez era. Centralization of the state during this period paved the way for increased control over the operations of oil companies within the country. Having discovered the first oil reserves within the country, Gómez pursued to associate the oil-led development with the progress and modernization of the nation against its backward features (Tinker-Salas, 2009:15). According to this narrative, Venezuela included politically and economically divided into the regions, where the caudillos were the head of each region, addressing its backwardness in the 19th century. At this juncture, oil would pave the way for integration into the world economy with progress and modernization (Ibid:190).

The alleged backward political peculiarity of the country based on regional caudillos was replaced by the centralization of the state to control the whole economy (Coronil, 1997:83). The Gómez administration utilized oil revenues to deepen centralization of the state (Strønen, 2017:31). The first attempt took place after the 1914 Constitution strengthening the political power of the Executive and abolishing the Council of State to control and negotiate oil-based concessions with state control (McBeth, 1983:14-15). In addition, the expansion and centralization of the state also coincided with the increase of bureaucracy within the state. When the oil revenues flew to the centralized

state, the Gómez administration increased the number of bureaucrats from 13.500 to 53.100 personnel between 1920 and 1936 (Tinker-Salas, 2009:70-71). Finally, according to the laws and regulations of that era, the management of national reserves, including lakes, rivers, and communal lands, was centralized under the Gómez administration to decide how they would be exploited (McBeth, 1983:35). The Gómez administration sought to open the oil industry into the international market as much as possible, indicating the necessity of foreign capital for the development of the country. Due to the fact that the existence of foreign oil companies represented the progress and modernization of the nation, the laws and regulations were articulated in favor of the companies. With the 1922 oil law, the oil production tax was reduced from 15% to 10%, and the foreign oil companies acquired significant success in the exemption of customs duties (Ibid:62).

Overall, the emergence of the oil economy overlapped with the centralization of state apparatus during the Gómez administration. The main objectives of Gómez are to acquire and control the revenues from the oil industry by providing security to the oil companies to operate freely within the country. However, the oil-based development led to significant contradictions within society despite the huge revenues. Thus, the combination of existing classes and social formations with the emergence of new conditions paved the way for contradictions subsequently.

3.1.4. Social-Economic Change

Venezuela's agricultural economy in the 19th century underwent structural changes. These changes allowed both the agricultural and oil sectors to coexist within the country's economic landscape, precipitating contradictions in society. (Tinker-Salas, 2009:37). Furthermore, new class formations emerged in the places where the oil industry prevailed. The emerging commercial classes in the urban cities resulting from the expansion of the oil industry also had significant impacts on the socio-economic landscape. All these circumstances entailed a peculiar way of development with the combination of pre-oil and post-oil relations of production and social formations.

After the oil industry had constituted the major source of revenue of the government, traditional economic sectors such as coffee and other agricultural exports took a

backseat after 1925 (Coronil, 1997:78). While the oil industry increased at a mean annual rate of 75% from 1925 to 1936, the agriculture merely grew at 3.5 % and commercial activities at 9.9% annually (McBeth, 1983:112). The clear gap in these economic sectors had important ramifications on the general economic landscape. The huge revenues from oil led to the appreciation of the Bolivar, which made agricultural exports non-competitive in the international market. Hence, this situation impeded local industry from producing by fostering imports (Coronil, 1997:87).

The growing oil industry and declining local production also addressed the altered class dynamics. The oil industry increased urbanization, which laid the groundwork for the emergence of a new commercial class based on the revenues from the construction sector (Ibid:87). On the other side, despite the declining position of the traditional agrarian class, it did not vanish as the oil became the primary source of revenue. Instead, the landowners embraced new circumstances by investing in new economic activities (Ibid:87). Therefore, old dominant and emerging classes were able to reproduce themselves to coexist in the new capitalist formation.

On the other hand, despite the growing economy relying on oil, the majority of the population did not benefit from the revenues so much as the Gómez administration did. Conversely, the existence of foreign oil companies created disparities in society. The wages earned in the oil industry became greater than the wages in the agriculture sector. Thus, many peasants around the country aimed to work for the oil companies by migrating from the rural areas, where the labor power gradually decreased (McBeth, 1983:124). In this respect, the migration within the country to the places where the oil industry is located created an amalgam of traditional and modern visions of society.

Overall, Venezuela suffered a huge amount of foreign debt to the industrialized capitalist countries in the early 20th century, resulting from the uneven conditions in global capitalism. In this respect, after Gómez had assumed power in 1908, he immediately sought to find other alternative sources of economy as a whip of external necessity. In corollary, with the rising demand for oil from industrialized countries, Venezuela created incentives for foreign oil companies to extract oil from the soil. Hence, Venezuela became an oil-exporting state, replacing an agriculturally oriented

economy. On the other hand, the emergence of the oil economy led to new social and economic formations in which the traditional and modern economic conditions coexisted in a contradictory way. The Gómez dictatorship aimed to hinder the possible backlash and contradictions within society with repression by gaining oil revenues. Because of this, the Gómez era has also been defined as the 'petroleum dictatorship' owing to his attempts to empower the state apparatus (Tarver, Frederick and Rivas, 2005:85). However, after he died in 1935, the contradictions in social sense precipitated political and regime crises in the subsequent periods.

3.2. Political Crises During and After the Second World War

During the Gómez era, the development of the oil economy not only led to a new form of integration into the international economy but also brought with it complex social dynamics. The emergence of the complex social formations engendered new contradictions within society. Contradictions based on class structures came to the surface in the political sphere. From 1935 to 1958, Venezuela witnessed significant political and regime crises between democratization and military dictatorship.

Along with the domestic dynamics, the international capitalist economy also molded Venezuela's political and economic spheres in the case of oil-led development. The Second World War and the Cold War dynamics provided circumstances for the reproduction of oil-based development, which relied primarily on the US influence. The advancement of US influence and pressure on the oil industry in Venezuela could mainly characterize this period. At this juncture, the respective political transformations and altered state structure were also related to the external dynamics of the reproduction of the oil economy.

3.2.1. Democratization Period (1935-1948)

Gómez's death created strong incentives for politicians to encourage the transition to democracy. This period was described as the expansion of democratic rights and liberties until the 1948 dictatorship. Furthermore, after Gómez, the administrations formulated policies and created institutions to bolster economic development and

welfare (Ellner, 2008:39). However, the class conflicts within the power bloc came to the surface. They led to the interruption of the democratization period with an unexpected coup d'état in 1948.

3.2.1.1. Democratization and the Classes

At the onset of Gómez's death, Eleazar López Contreras (1883–1973) was appointed by the Council of Ministers as the new president of Venezuela in 1935 (Tarver, Frederick and Rivas, 2005:92). He implemented significant changes in the administrative body by establishing new political organizations to promote gradual democratization resulting from the strong demand from society. The combined capitalist dynamics after the development of the oil economy provoked new demands from the emerging classes and class contradictions. The development of urban areas engendered new types of economic relations, such as commercial-based activities, as mentioned above. These business-oriented groups, such as Fedecámaras and other middle-class groups, also started to involve political processes within the power bloc as their economic activities developed. In this vein, they demanded more liberated and unrestricted economic spaces for their activities. Hence, their demands could only be turned into practice when the democratic reforms were implemented. At this juncture, after General Isaías Medina Angarita (1941–1945) assumed the presidency as a successor of López Contreras, he maintained the promotion of democratization in many aspects due to the increasing pressures from emerging opposition parties, primarily Acción Democrática (AD).

Furthermore, the democratization included economic welfare and granting rights to the working class. The destructive conditions in the oil sector for the working class, exacerbating disparity within society, engendered a social backlash against the administrations. For instance, oil workers in the Zulia state arranged a massive strike, demanding better working conditions and wages and establishing unions (Coronil, 1997:126).

However, towards the end of Medina's presidency, the bourgeoisie showed up with rising demands against the administration. In particular, AD played the main role of opposition while demanding more democratization against the policies of Medina,

resulting in the expansion of the state. On the other hand, the negative sentiments from the young members of the military against the president gradually loomed owing to the military's declining share from expanding oil windfall, unlike in Gómez's dictatorship. All of these reasons caused young military members to aim at staging a coup by installing Unión Patriótica Militar (UPM) with the support of Romulo Betancourt and AD (Tinker-Salas, 2015:81). Hence, Medina had to resign from his office, and the military junta assumed the presidency. This fact also marked the beginning of the Trienio period, from 1945 until 1948.

In this period, the AD administration aimed to implement social inclusion policies encompassing the local producers and working class. The government boosted the expansion of private business in industry and agriculture by providing financialsources to the local organizations via the Corporación Venezolana de Fomento (Venezuelan Development Corporation), founded in 1946 (Coronil, 1997:135-136). Inaddition, the AD also aimed to utilize the sources for the working class by encouragingtrade unions in the oil sector. Hence, trade unions in the oil sector became stronger andmore effective in bargaining (Ibid:144). However, those labor-oriented policies created concerns among the middle and upper classes due to the socialist orientations of the administration (Ibid:139). In particular, the oil companies sometimes felt uncomfortable with the government's increasing labor inclusion policies.

3.2.1.2. Oil Policies and the US Influence

After Gómez, oil policies and the relations of government with the oil companies did not change radically. Despite the nationalist movements across Latin America, Venezuela aimed to attain greater control of the oil industry by increasing taxation particularly. On the other side of the coin, the US exerted pressure on the Venezuelan state in order to prevent the interruption of oil production during the Second World War.

The oil companies and the US were concerned about Mexico's nationalization of the oil industry in the late 1930s as nationalist movements diffused within Latin America. They aimed to hinder Venezuela from acting similarly by interrupting the oil supplies (Tinker-Salas, 2009:10). In this respect, the US focused on Venezuela's oil production

before the Second World War due to the need for oil supply. At this juncture, the US organized military contingency plans to safeguard oilfields in case of interruption in oil production during the Second World War (Ibid:6;214). Such external pressures led Venezuela to maintain an oil-dependent economy. However, the administration needed to reformulate relations with the oil companies owing to domestic pressure, as mentioned above.

Whereas the nationalization attempt, after Gómez, the subsequent governments pursued the modification of tax and tariff exemptions in relation to the oil companies in order to increase state revenues (Coronil, 1997:106). The conditions of the Second World War and the demand for oil gave Venezuela an advantage in bargaining with oil companies (Ibid:106). Thus, the companies approved negotiations to implement tax increases and labor reforms (Tinker-Salas, 2009:15). Furthermore, during the Medina Angarita presidency, the Hydrocarbons Law of 1943 was issued, which included building refineries across the country (Ellner, 2008:41). Then, he arranged negotiation tools with the US government about concessions of oil companies. From the US side, under the conditions of war, it was hazardous to lose control of the oil industry (Tinker-Salas, 2015:78). Hence, the oil companies decided to negotiate with the country. These developments were significant as it was the first time Venezuela aimed to control its source of wealth against the interests of foreign companies.

On the other hand, the oil companies felt uncomfortable with the administration's attempts. Consequently, they compelled AD to decrease the taxes on oil production, threatening to stop the investments in Venezuela. Therefore, the AD administration decided to adjust the tax regulation in 1948, setting the 50-50 principle as an equal concession between the oil companies and the state (Coronil, 1997:137).In the end, the state became unable to acquire surplus revenues from the industry in spite of the nationalist rhetoric (Tinker-Salas, 2009:210-211). It also demonstrated the strong influence of the US and foreign oil companies on Venezuela's management regarding its natural source.

As mentioned above, the democratization period after Gómez included negative sentiments among the middle and upper classes against the administration along with the oil companies. During the last period of the Trienio, the military's uneasiness

against the government came to the fore in a way that it would prepare another coup in November 1948 (Tarver, Frederick & Rivas, 2005:102). After the elimination of the civil administration, the military once again took power under the leadership of Marcos Pérez Jiménez from 1948 to 1958.

3.2.2. Pérez Jiménez Dictatorship

The class contradictions within the state and society in the previous period engendered the circumstances in which the regime and political stability problems came to the fore. At this juncture, the Pérez Jiménez dictatorship represented a rupture of democratization that began after 1935. Along with the dictatorship's attempt to abolish democratic institutions, it provided more concessions to oil companies that coincided with the aspirations of the US at that time within the context of emerging Cold War conditions. Hence, Pérez Jiménez's administration was accused of bowing down to foreign interests regarding oil concessions granted to the companies (Ellner, 2008:46-47).

After the end of the Second World War, the significance of international economic relations stood out strictly as the international economy became more interdependent (Ewell, 1984:109). At the beginning of the 1950s, the oil assumed its significance for the developed countries. In particular, the Korean War, the nationalization of the oil industry in Iran, and the Suez crisis stimulated the demand for Venezuelan oil, especially from the US side (Ibid: 110). In the 1950s, the US administration aimed to initiate oil explorations and establish new deposits in certain Latin American countries. As the competition among oil producers intensified, Venezuela felt compelled to safeguard its interests regarding the oil. (Tinker-Salas, 2005:157; The Lamp-Summer, 1956: 2-5). In addition to the international pressure, Venezuela's dependence on oil increased as Pérez Jiménez followed the oil-centered economic policies.

This period could be characterized by the huge influence of foreign oil companies on Venezuela as the administration granted huge space for their economic activities. The main objective of Pérez Jiménez was to increase production in the oil industry. At this point, he refused to control the oil industry on price control and management issues, unlike in the previous period. Thus, the military administration decided to decrease the

taxes that were taken from the oil companies (Coronil, 1997:181). Then, the administration sold a huge number of new concessions to the oil companies to expand the production of oil (Ewell, 1984: 110). In addition, Pérez Jiménez aimed to abolish any obstacles from society that interrupted oil production. At this juncture, the administration utilized the coercive state apparatus to suppress opposition with the cooperation of oil companies. For instance, the military dictatorship used the Seguridad Nacional (SN) as political police to safeguard stability. In a similar vein, the respective institution also developed an intelligence service to do the same job for major oil companies within the country (Tinker-Salas, 2015:90).

The administration articulated all these endeavors to finance the Nuevo Ideal Nacional (New National Ideal) program of Pérez Jiménez to promote Public Private Partnerships (PPP). The program included large infrastructure projects to facilitate communication and transportation within the country (Tarver, Frederick and Rivas, 2005:105). This general framework of a military dictatorship led to the empowerment of the bourgeoisie class, which engaged in commercial and construction activities regarding PPP and other areas (Coronil, 1997: 187). Furthermore, the local elites or "criollo capitalists" thrived as the main beneficiaries of the projects that the government embarked upon because of their receipt of high amounts of contracts and financial inducements (Tinker-Salas, 2015:88-89). It also showed the clientelist relations between the government and business elites stemming from the oil revenues.

Despite the increasing economic independence and strength of the bourgeoisie supported initially by Pérez Jiménez, their capacity gradually started to be restricted by the same administration. In this respect, toward the end of the 1950s, the bourgeoisie gradually abandoned supporting Pérez Jiménez by encouraging democratization (Coronil, 1997:200). Furthermore, with widespread backlash fueled by the repression of labor within society, the Pérez Jiménez dictatorship came to an end in 1958, marking the beginning of a new phase of democratization in the nation.
Overall, the years between 1936 and 1958 entailed political instabilities and social contradictions resulting from the complex development dynamics of the oil economy after Gómez. From 1936 to 1948, the entire democratization period included not only the basic demand for democracy but also the demand to resolve exacerbated class

contradictions resulting from the combined development of the Gómez era in social formation. Owing to urbanization, the working class witnessed more unequal conditions within the oil industry, along with the peasants who depended on agricultural revenues. This demand from the grassroots pushed the administrations to increase control of the oil industry by articulating social programs. After the democratization period, Pérez Jiménez's dictatorship reversed these policies, favoring mainly the oil companies by giving importance to commercial activities.

On the other hand, the dependence on oil revenues is maintained as the main economic policy due to the conditions of the global economy. While the Second World War and the Cold War dynamics brought about the necessity of oil, the great powers, especially the US, exerted pressure on Venezuela to provide oil production without interruption. Therefore, the oil-led economy was reproduced, resulting from the external pressures in line with the new dynamics of the global economy.

3.3. "Pacted Democracy" and State Capitalism (1958-1989)

The Pacted Democracy or Punto Fijo era started when the leaders of AD (Betancourt), COPEI (Rafael Caldera), and URD (Jóvito Villalba) gathered to sign a document seeking democracy and excluding military from the political stage (Tinker-Salas, 2015:92). The respective period was not only about the democratization of Venezuela but also stability lasting almost 40 years, during which only two parties played a leading role in the political scene, unlike the political instabilities in the previous period. AD and COPEI won the elections in different periods and were prominent actors in broad political fields and economic management until the substantial crisis in the 1990s.

On the economic side, the Punto Fijo era could be characterized by increasing state control over the economy and taking responsibility for providing social services (Tinker-Salas, 2009:13). Until the 1973 oil boom; the Import Substitution Industrialization constituted the prominent economic agenda of the administrations. After the 1973 oil boom, Venezuela obtained more revenue than it had ever achieved before. At this juncture, it was the first time that the nation aimed to exert huge

influence over its natural resources. However, the temporary economic growth reversed from the beginning of the 1980s. Venezuela suffered from fiscal problems and foreign debt, precipitating the country's economic downturn until the 1990s.

International economic conditions molded Venezuela's economic and political landscape in the entire period. The imposition of high tariffs by developed nations on imports from Third World countries, particularly by the US, has left many nations vulnerable to economic changes. Thus, many Third World countries aimed to pursue Import Substitution Industrialization (ISI) policies by implementing protective tariffs and exchange controls, promoting industrial development and the state's involvement in the economy in certain industries (Baer, 1972:98). Within this context, Venezuela aimed to promote internal development to diversify its exports with direct engagement of the state over the economy. In this respect, this policy objective could be attained merely in the circumstances that political stability was ensured among political elites. In this respect, the new stable power bloc within the state form developed owing to the necessities of the global capitalist dynamics.

3.3.1. State Control Over the Economy (1959-1974)

After the overthrow of Pérez Jiménez, Rómulo Betancourt aimed to implement ISI policies as an official policy to ensure development (Astorga, 2000:216). During this period, the US decided to change the trade policy regarding oil imports. In addition, there was a downward trend in oil prices through the activities of the oil companies. In this respect, Venezuela pursued forging alliances with similar oil-exporter countries to counterbalance the power of international actors in the oil sector. In addition, Venezuela aimed to promote internal development by encouraging national industry in response to the US policy and international conditions. In order to achieve these goals, the administrations sought to create coalitions with the bourgeoisie in the new state form in accordance with the peculiar development dynamics of the country.

After Betancourt assumed the presidency in 1958, US President Dwight Eisenhower proclaimed the imposition of tariffs on oil imports from Venezuela in 1959 (Tinker-Salas, 2009:227). The imposition of quotas on oil generated unfavorable consequences

for Venezuela because the US constituted most of the country's exports (Ewell, 1996:202). In addition, during this period, oil prices decreased owing to the intervention of international oil companies (Tinker-Salas, 2009:227). All these circumstances highlighted Venezuela's vulnerability to international conditions regarding oil (Ewell, 1996:202).

To address the latter issue, Betancourt's ministry of hydrocarbons Juan Pablo Pérez Alfonzo participated in a congress with major oil producer countries in Cairo in 1959 (Ewell, 1984:136). Pérez Alfonzo negotiated with other oil-producing countries to mitigate the negative impacts of oil price volatility (Tinker-Salas, 2015:97). In this respect, the Organization of Petroleum Exporting Countries (OPEC) was established among oil-producer countries to achieve this objective (Ewell,1984:136). Hence, becoming an official member of OPEC, Venezuela sought to increase the state control of the oil industry as a whip of external necessity.

Secondly, the new democratic administration aimed to expand state control over the economy within the country to diversify the economy. According to the officials, this initially could be attained by controlling the oil industry. However, Betancourt and his minister offered gradual control over the oil industry by training managers and engineers to produce oil instead of an abrupt nationalization attempt (Ibid:135). For this purpose, the Corporación Venezolana del Petróleo (Venezuelan Petroleum Corporation, CVP) was established in order for the state to join the oil industry (Ibid:137). The administration thought that the CVP could compete with the private capital at a certain level (Ellner, 2008:61). In addition, the state aimed to increase taxes from the oil companies to receive more revenues. For instance, President Raúl Leoni (1964-1969) put into effect a new taxation policy against foreign oil companies to increase their income. However, this demand created a backlash among the companies and their business partners, such as Fedecámaras (Venezuelan Federation of Chambers of Commerce) (Ewell, 1996:203). In addition, he maintained his predecessor's policy by enhancing government control over the industry through new regulations, including Decree 187, which tasked the CVP with supplying one-third of the national oil market (Tarver, Frederick and Rivas, 2005:126-127). These attempts paved the way for the subsequent increase of state control over the nation's wealth, especially after the oil

boom in 1973.

As mentioned above, the new democratic administrations carried out ISI policies to enhance development. Betancourt initially founded Corporación Venezolana de Fomento (Venezuelan Development Corporation – CVF). The main aim of this institution was to boost industry by gaining private investments across the country (Ewell, 1984:137). Industrial development included mainly metal and transport sectors to promote diversification, such as in the automobile industry, which was developed in 1948 (Astorga, 2000:217).

Achieving these objectives was accompanied by the new state form, which included different capitalist fractions within the state forging a coalition to promote development. At this juncture, the democratic administrations were eager to include business communities in economic management and pursue their respective objectives. The most important organization was Fedecámaras, which was founded in 1944 (Ewell, 1984:133).

Fedecámaras was a significant business community in Venezuela that aimed to establish close ties with the administration. The organization is comprised mainly of commercial, industrial, and agriculture-related businesspeople. In addition, it had close ties with the foreign oil companies. For instance, a strong lobby regarding oil occurred within the organization against the AD's policies regarding tax increases from the companies (Ibid:135-136). Even though the AD leaders did not want Fedecámaras to participate in decision-making, they followed the advice of the organization on many issues despite the community's opposition to the ISI policies (Ibid:133). In this respect, the AD aimed to establish another association, which included industrialists, to promote ISI policies. Pro-Venezuela was formed in 1960 as a more national organization with the presidency of Alejandro Hernández, who had been the president of Fedecámaras between 1958 and 1960 (Ibid:133-134). Despite all these changes, Fedecámaras exerted a greater influence on the administration within the power bloc throughout this period.

Secondly, the AD administration increased financial support to the Church, which had also been influential in politics, by gaining its support to achieve the objectives of the administration (Ibid:133). Finally, even though the new democratic institutions did not

have a radical stance towards labor and agriculture, they merely pursued establishing close ties with the local community leaders or union leaders (Ibid:129)

Overall, the coalition from above constituted a corporatist framework encompassing different capital fractions, including both domestic and foreign actors within the new state form (Ellner, 2008:59). On the one hand, the emerging new power bloc promised to bring about political stability for decades. On the other hand, it also constructed a social structure that marginalized and excluded the disenfranchised segments of society.

In sum, after the overthrow of Pérez Jiménez, the democratic transition arose from the coalitions of main political parties to bring about political stability. At that time, the US imposition of tariffs on oil imports from Venezuela and declining oil prices left Venezuela vulnerable to international conditions. In this respect, Venezuela participated in the establishment of OPEC with other oil producer countries to control the oil prices. In addition, the general international economic landscape in the aftermath of the Second World War made lots of Third World countries pursue internal development objectives like Venezuela. In this sense, the new democratic administrations sought to promote internal development with ISI policies. However, promoting sustainable industry and development objectives required a stable and coalition state form, including the coexistence of different capital fractions within the power bloc. The administration aimed to consolidate its power with the peaceful coexistence with Fedecámaras, the traditional Church, and foreign oil companies in a corporatist framework to promote development. Nevertheless, all these objectives could not prevent oil from remaining the country's primary economic source. It was particularly evident during the oil boom period.

3.3.2. Oil Boom and Oil Bust (1974-1989)

After the third Arab-Israel war in 1973 (also known as the Yom Kippur War), Arab countries embarked on embargoes against the oil-importer developed countries. As a result of embargoes, the price of crude oil quadrupled and led to an oil shock among Western countries (Coronil, 1997:237). Even though Venezuela did not participate

directly in the Arab boycott, it took actions within the organization in such a way as to create this situation (Bye, 1979:58). In this period, there was an unprecedentedincrease in the price of petroleum from approximately $2.01 per barrel at the beginningof the 1970s to $29.40 in 1982 (Ewell, 1984:196). Consequently, within this international context, the 1970s was an outstanding period for Venezuelan economic and political development (Ellner, 2008:71). The government attempted to develop state capitalism by making the state the main governor of the economy and strengthening the administrative body (Reyes, 2003:215). These policy objectives reached a peak when the country's source of wealth was nationalized.

However, in this period, Venezuela's oil dependency increased more than before because of both internal and external dynamics. In particular, the increasing ties between business and the state ensured the reproduction of oil-dependent policies. In addition, the US influence over Venezuela reached an unprecedented level to sustain oil production. All these situations not only increased the country's oil dependency but also led to financial difficulties in the 1980s. Hence, the country would witness massive economic and social crises in the 1990s.

The oil boom coincided with the inauguration of Carlos Andres Pérez as the president in 1974. Having taken office, he described this development as a historic opportunity to tackle the country's underdevelopment issue, initiating the project of Gran Venezuela (Great Venezuela) (Coronil, 1997:237). After he had addressed the National Congress on April 29, 1974, Pérez commenced to enact the legislation for the transition of Venezuela's economic-political structure (Ellner, 2008:71).

The Pérez government first decided to nationalize the iron industry in January 1975 (Ewell, 1984:196). In a similar vein, the steel industry became a part of the state, like the former one (Bye, 1979:58). These efforts were significant for the administration to see to what extent nationalization policies created new paths for development. In this vein, the government created new administrative bodies in correlation with the nationalization of some sectors. For instance, the Consejo Siderúrgico Nacional (National Iron and Steel Council) was established to endeavor the procurement of iron concessions and make prevalent iron and steel products over iron-ore exports (Tarver,

Frederick and Rivas, 2005:132).

By and large, the most radical attempt of Pérez's presidency was regarding the nation's wealth. The OPEC nations had decided to develop new objectives regarding the national control of oil industries at the 1968 conference. After the oil boom, only Venezuela had not nationalized its oil industry within the organization by 1976 (Coronil, 1997:56). In response to this, the Pérez administration issued new regulations about the nationalization of the oil industry in 1976. The nationalization law included 19 oil companies (16 of them were foreign-owned) to place them under the same roof with the establishment of PDVSA (Petróleos de Venezuela). The names of Creole, Shell, and Mene Grande were altered in order: Lagoven, Maraven, and Meneven (Tinker-Salas, 2009:228). The main objective of Perez's government was to take full control of the oil industry in control and coordination issues (Ibid:132-133).

However, there was no intention of dismantling all foreign influences over the country's resources. The establishment of PDVSA safeguarded the structure and the corporate culture of the oil companies. For instance, the US and British-based oil companies continued to send foreign personnel on technical issues for Venezuela's industry (Tinker-Salas, 2009:228-229). In parallel with this, the PDVSA authorized new contracts exchanging technological assistance from the companies (Bye,1979:67-68). In addition, the companies would gain compensation and be part of joint initiatives, creating a new form of relationship between the state and oil companies (Tinker-Salas, 2015:104). Finally, the companies' structure and adaptation to the Venezuelan economy provided them with the ability to protect their whole control of production, especially from refining to marketing (Bye, 1979:75). In sum, despite the increase of state control, the oil companies' prominent role in the sector was maintained.

The developments related to the nationalization of the oil industry led to the enhancement of the state apparatus. The bureaucratization was intensified so that state control over the economy would increase. For instance, Perez's government initiated almost ninety-one administrative bodies, nearly eighty SOEs, and about 146 Public-Private Partnerships, which also meant that government expenditures quadrupled

between 1960 and 1975 (Ewell, 1984:204). The government issued projects by investing $53 billion from the budget to establish new infrastructure projects and improve the conditions in the non-oil sectors, such as agriculture and public health (Tarver, Frederick, and Rivas, 2005:134). The respective developing conditions within state capitalism, the Venezuelan state became the main employer in the economic sectors (Ellner, 2008:71). Overall, Pérez pledged to promote development, diversify the economy, and bolster welfare in the whole sense resulting from the huge revenues from oil.

However, the Pérez administration was far from putting these pledges into practice. Internally, the administration's close ties with the business elites did not bring about equal distribution of oil revenues and promote development in the long term. The capitalist fractions that existed in the power bloc since 1958 wielded a great influence on the state to benefit oil revenues. When the state expanded, the administrations sought to cultivate alliances with the bourgeoisie, as did during the oil boom. For example, Pérez aimed to attain the support of the Western Group of Maracaibo financials and entrepreneurs to support his endeavors (Ewell, 1984:206).

Furthermore, the relations between the state and the bourgeoisie were intensified in favor of the latter when the state became a debtor to the business elites both domestically and abroad as the state aimed to implement large-scale projects (Ibid:181). These relations also made the state dependent on the revenues readily available to pay the debts. Hence, the state formulated policies that reproduced its dependence on oil revenues.

In terms of external influence, the US exerted huge pressure on Venezuela to maintain oil supplies. Aftermath of the oil boom, the US issued a Trade Act amendment in 1974 to counterattack the Arab nations in trade resulting from the Arab embargo of 1973 (Ewell, 1984:208). As mentioned above, Venezuela did not participate in this embargo. However, Secretary Henry Kissinger from the US indicated using military force to take control of oil fields in case of emerging national security issues. In addition, the US excluded Venezuela and other OPEC members, benefiting the tariff preferences for the developing nations. These economic and political pressures

compelled Venezuela to maintain the oil supply to the US without interruption to Venezuela's huge dependence on food imports from the US (Ewell, 1996:204). Even after the nationalization of the oil industry, the US constituted the largest beneficiary of Venezuelan oil, importing between two and three million barrels a day (Tinker-Salas, 2009:229). Thus, Venezuela's oil production was maintained, resulting from the external pressures.

Venezuela suffered significant foreign debts resulting from the huge spending of the state since the beginning of the 1980s. After Luis Herrera Campins (1979-1983) had assumed the presidency, he tried to lessen state subsidies in some areas to encourage private investments in struggling with the challenges posed by public debt and high inflation (Ellner, 2008:79). For example, he removed subsidies targeting many food items and the restriction of food imports (Ewell, 1984:214). Nevertheless, these attempts could not hinder Venezuela from experiencing high devaluation in 1983. The so-called "viernes negro" (Black Friday) of February 1983 arose from the sharp devaluation of the Bolivar against the US dollar (Tarver, Frederick and Rivas, 2005:140). The Bolivar exchange rate against the US dollar increased from 4.30 to 42.31 between 1980 and 1989 (Ibid: 141).

Jaime Lusinchi (1984-1989) addressed the issues of foreign debts and high inflation. In order to struggle with these problems, Lusinchi's presidency could represent a bridge between the end of the developmental era and the implementation of neoliberal policies in the 1990s. The government embarked on the first version of International Monetary Fund (IMF) based austerity measures to tackle the devastating economic crisis (Tinker-Salas, 2015:114). His aim, like his predecessor, was to lessen the public burden on economic management by reducing state subsidies and embarking on privatization. In addition, he tried to bargain with foreign creditors without the participation of the IMF as part of the austerity measures (Ellner, 2008:82). However, those policies did nothing but deepen mismanagement and economic-social crisis within the country. Corruption and mismanagement continued to constitute chronic problems in the Venezuelan economy, resulting in the decline of the productive capacities of state-owned companies (Ibid).

Overall, the oil boom ensured unprecedented economic revenues for Venezuela after

1973. President Perez's objectives regarding augmenting state control over the oil industry engendered the nationalization of the oil industry. Hence, the state expanded institutionally in such a way that provided social services, bolstered welfare, and reduced the dependency on oil by addressing the other sectors. However, those promises did not come into existence because of both internal and external dynamics. In addition to this external pressure from the US, the expansion of the Venezuelan state and the pledge to implement massive social services made Venezuela much more dependent on oil revenues in relation to the bourgeoisie. Hence, Venezuela began to suffer the foreign debt resulting from the fiscal deficits from the end of the decade. When this fiscal problem accompanied the decline in oil revenues, Venezuela witnessed an economic downturn that led to social crises at an unprecedented level at the end of the 1980s.

3.4. Neoliberal Era and Regime Crisis in the 1990s

During the 1990s, Venezuela reversed the economic policies of the previous period by adopting so-called neoliberal policy prescriptions. The rising public and foreign debt burden compelled the Venezuelan state to embrace extreme privatization and opening trade policies, as demanded by international financial institutions such as the IMF and World Bank. In this respect, the neoliberal era entailed a significant transformation of the state regarding economic management. The respective transition also encompassed the nation's main source of wealth, the oil sector. The opening policy of oil, formulated by the neoliberal administrations, aimed to dismantle the previous nationalization attempts on the industry. In this respect, the state and oil sector underwent internationalization by integrating into the international capitalist economy in peculiar ways.

However, the radical transformation of economic management engendered a social backlash against the ruling elites at an unprecedented level due to the increasing inequality within society. In other words, the dissidents from the masses grew so much that they aimed to dismantle the political order that had been established between the state and power bloc, paving the way for the regime crisis. Hence, the 1990s can be characterized as a period in which the contradictions of the combined development

dynamics that had been formed since 1958, along with the destructive impact of neoliberal policies, came to the surface.

3.4.1. International Developments

After the collapse of the Bretton Woods system in 1973, many economists and politicians questioned the role of the state in economic management to resolve macroeconomic problems. Consequently, states started to lessen public expenditures and government regulations while bolstering privatizations (Kotz, 2003:15). This new liberal understanding, so-called neoliberalism, gained momentum among policymakers, relying on the idea of a retreat of the state from the economy (Cohen & Centeno, 2006:1).

From the side of developing countries, ISI was gradually abandoned owing to the rising macroeconomic problems of public and foreign debts. Within the context of Latin America, many countries tried to resolve their macroeconomic problems and find solutions for financing foreign debts during the 1980s, which was also known as the 'debt crisis' (Harris, 2000:141).

For hegemonic capitalist powers, foreign debt constituted a crucial political weapon to control the debtor countries (Lander, 2005:23). In particular, the US and international financial organizations, such as the IMF, World Bank, and World Trade Organization (WTO), gained the power to impose controls and give prescriptions to most of the Latin American countries particularly, that suffered significant debt crisis since the beginning of the 1980s. It also created conditions for the creditors and financial organizations that wielded their power over the debtors (Ibid:24).

At this juncture, the governments started to implement the policy guidelines prescribed by prominent international organizations such as the IMF and World Bank, and so forth. By doing so, they sought to restructure their economies, focusing on a growth-oriented economic model rather than the development model of previous decades (Topal, 2020:81-82). Consequently, the governments began the adaptation of the 'Washington Consensus,' which relied on structural adjustment policies. According to

it, the governments would aim at macroeconomic stability while controlling inflation and lessening public deficits, and the liberalization of their economy into the world market with the implementation of privatization and deregulation policies (Gore, 2000:789). At the end of the 1980s, Venezuela decided to formulate those policies to resolve the country's economic crisis.

From the perspective of oil producers, after the first half of the 1980s, oil prices plummeted suddenly. The decline in prices led OPEC members to decrease production from 30 million barrels a day to almost 15.5 million between 1973 and 1986 (Giusti, 1999:121). In this sense, emerging economic problems compelled many oil producers to integrate the global economy according to the requirements of capitalist powers to adopt the Washington Consensus. In addition, the establishment of the International Energy Association (IEA) by the oil importers to counterbalance the OPEC exerted great influence over the latter. Margaret Thatcher's oil policies in the North Sea on the elimination of royalties and decreased taxes were supported by IEA, which would subsequently affect Venezuela's "oil opening" policy (Lander, 2005:23; Mommer, 2003). Then, the power of multinational oil companies against oil-producing nations reached the highest level, resulting from the dynamics of neoliberalism. (Contreras, 1995:136; Chevalier, 1988). Finally, the demise of the Soviet Union in 1991 advanced many oil-producer nations to implement privatization programs and establish new oil contracts with the companies that would be beneficial for the latter (Ibid: 136). Hence, a plethora of developing oil-producer countries had to bow down to the interests of the oil companies within the global unevenness.

Overall, the emergence of neoliberalism promoted by the great capitalist powers compelled many debtor developing countries to formulate new policy prescriptions, the so-called Washington Consensus. Then, lots of countries implemented extreme privatization and opening trade to reaffirm themselves within the international capitalist economy. The oil producer countries, primarily Venezuela, witnessed a destructive economic crisis at the end of the 1980s with the decline of oil revenues. The privileges granted to foreign oil companies within the neoliberal system and the encouragement of neoliberal policies from the great capitalist powers whipped Venezuela to reverse its economic policies from the previous period.

3.4.2. The Privatization and “La Apertura Petrolera”

When Carlos Andres Pérez assumed his presidency for the second time, he announced new policy programs, so-called 'structural adjustment policies,' to ensure macroeconomic stability advanced by international financial agencies. Until 1989, Venezuela normally tried to detach itself from being a debtor to international financial institutions owing to its reliance on oil revenues (Tinker-Salas, 2015:118). In this respect, the state underwent an internationalization process in coherence with the global economy.

Having taken office, however, Pérez deviated from his previous political stance by celebrating el Gran Viaje (The Great Turn) (Coronil, 1997:375). In theory, new policy formulations represented a shift from a protected oil economy to an open economy (Ibid:375). In this respect, he put into effect the privatization programs and changed the economic structure according to the necessities of the Washington Consensus. For instance, Pérez changed the structure of labor law in 1936 to comply with international conditions by constituting a flexible workforce (Ellner, 2008:90).

After his presidency, Rafael Caldera, in his second term, focused on privatization programs in particular. For instance, Caldera announced the sale of state airline firms in 1994 (Ellner, 2008:100). Privatization policies were also intensified in the financial sector. In order to rescue the banks that suffered from the economic crisis, the Caldera administration formulated a transfer of funds from public to private institutions or businessmen (Tinker-Salas, 2015:128). It also demonstrated the new form of developing relations between the state and business within the power bloc in the conditions of neoliberalism.

The most radical neoliberal policy embodied the country's source of wealth. Caldera announced la Apertura Petrolera, or the new Oil Opening policy, in 1997. The opening policy aimed to reverse the nationalization attempt of the oil industry twenty years ago. Hence, the policy consisted of the privatization of PDVSA's activities to encourage it to establish strategic partnerships or organizations between private firms and individuals (Giusti, 1999:118). In addition, it was aimed that PDVSA abandon its

previous status as a public enterprise, sticking to the principles of international economic institutions (Lander, 2005:30). Hence, the opening policy assumed the foreign direct investment in the oil sector, liberal tax regimes and removing quotas to ensure free trade, refuting the influence of the OPEC (Ibid:30; Mommer, 1999: 70-98). Owing to these objectives and changes, PDVSA sought the strategy of internationalization to search new markets, primarily in the US, to promote cooperation and agreements with private firms (Giusti, 1999:118).

In sum, according to the neoliberal principles, the administrations pursuedprivatization programs and promoted free trade in 1990s Venezuela. Likewise, the oilindustry experienced a radical neoliberal program with the involvement of foreign direct investments and privatization of some segments of the company. However, these developments brought about significant drawbacks and problems that would ensue in the country. First, the business elites mostly benefited from the privatization programs. In this respect, the AD and COPEI administrations aimed to maintain political order since 1958 in the power bloc. In addition, the internationalization of the industry led to the involvement of international capitalist actors in the oil industry. Hence, oil became a source of revenue that provided welfare for only the upper and middle classes of society, excluding most of the people. The situation that had been ongoing since 1958 came to the surface during the neoliberal era and will create significant social conflict, paving the way for the demise of the Punto Fijo era.

3.4.3. Social Conflicts and the End of the Punto Fijo

The attempts of Venezuela to integrate into the global capitalist economy with neoliberal policies created a backlash within the society, in which the respective policies disadvantaged people. The most important backlash took place in Caracas in 1989 as a reaction to neoliberal policies and rising economic inequality covering the lower classes. These protests were not only a reaction against the neoliberal policies but also the existing state form since 1958, which excluded the masses from political participation and fair economic distribution.

Perez's decision to bolster 'austerity measures' to resolve macroeconomic problems included the increasing prices of domestic gasoline and services such as electricity and

water to ensure adaptation to the global market (Tinker-Salas, 2015:119). However, none of the parts of society were capable of preparing for these new measures (Coronil, 1997:375). In this respect, rising prices in all of the services, difficult living conditions, and impoverishment led people to think that the state betrayed their lives and needs (Ibid:378). Hence, one of the most bloody demonstrations took place in Caracas on February 27; the first turmoil commenced at some of the essential points of Caracas' public transportation system (Lopez-Maya, 2003:121). At the same time, student demonstrations continued to reject the structural adjustment programs of the Pérez presidency (Ibid:122). Having expanded over other major cities of the country, the riots also included looting and burning of commercial stores (Coronil, 1997:376). In the end, el Caracazo lasted almost five days as the most effective and brutally suppressed riot against neoliberalism within the region until that time, leading to many deaths (Ibid:376).

Overall, the Caracazo was a turning point in Venezuelan politics, reshaping state-society relations (Tinker-Salas, 2015:117). The riots were not only against the increasing fares of transportation or poor living conditions but also against the Punto Fijo system, in which AD and COPEI compromised with each other to govern the country as an elitist pact since 1958 (Akgemci, 2014:219). In other words, this crisis emerged as a reflection of the contradictions created by the social formation, which included the power bloc in a combined manner with the exclusion and suppression of the society. Hence, 30 years of political stability relied on oil income for the first time, leading to a regime crisis (Ibid:376).

In sum, this chapter aimed to demonstrate the political and economic development trajectory of Venezuela in the 20th century. The global unevenness and external pressures forced Venezuela to find other sources of revenue along with agricultural revenues. After the exploration of oil, the country experienced a transition to the oil economy with the cooperation between the Gómez dictatorship and foreign oil companies. The transition to the oil economy not only shaped the country's integration into the international capitalist economy but also the state-society relations in a contradictory manner. Emerging new classes in the urban centers of the country led to unequal access to oil revenues, weakening traditional classes and agriculture. The

changing demographic and class structure of the country engendered contradictions, which lasted and came to the surface until the end of the 20th century. After Gómez's death, contradictions regarding the form of state between capitalist fractions exposed political instabilities. It was a subject in which capitalist fractions involved in the power bloc sometimes created conflicts between state elites and the bourgeoisie. In this respect, the period up to 1958 encompassed processes involving democratization and dictatorships. In addition, the country positioned itself as a main supplier of oil to the US and other capitalist powers in relation to global dynamics.

After the end of the Second World War, protective measures and economic models that encouraged internal development came to the fore across the globe. Venezuela, as a key oil supplier to the US, experienced unequal trade relations and declined oil revenues owing to the decrease in prices. The adoption of protectionist policies by large economies, such as trade quotas, compelled Venezuela to embrace ISI policies. This whip of external necessity also required a state form, including the peaceful coexistence of capitalist fractions within the power bloc, to formulate sustainable development policies. In this respect, the Punto Fijo era emerged, indicating political stability and increasing state control over the oil industry. However, the exclusion of the masses from politics constituted the combined character of the development model of that era. This character came to the surface when neoliberal principles were adopted with social backlash. In addition, the external pressures and internal dynamics paved the way for Venezuela to reaffirm its oil producer peculiarity in the global economy. From the 1980s onwards, the debt crisis, decline in oil prices, and economic turmoil forced Venezuela to collaborate with international financial institutions. Adhering to neoliberal principles that shaped the world economy introduced a new external necessity for Venezuela.

Consequently, neoliberal policies such as privatization and free trade were adopted. In the emerging scenario, the state not only aimed to preserve the power bloc in every way but also continued oil-based policies. However, the increasingly impoverished population began organizing widespread protests against the existing regime, marking the end of a period characterized by political stability since 1958. With the 1998 elections, Hugo Chávez's rise to power ushered in a new era for Venezuela.

CHAPTER 4

OIL DEPENDENCY DURING THE BOLIVARIAN REVOLUTION

Hugo Chávez's victory following the 1998 elections marked an unprecedented transition in Venezuela's political and social landscape. Politically, the respective moment indicated the termination of the political system spanning 40 years where two parties had predominated in the administrative structure. In the social scene, the Chávez era arguably indicated a radical social inclusion of society. It was the first time that the demands of poor, subordinated, and excluded segments of society became the main agenda of the administration. In this regard, the state and society witnessed radical transformation after Chávez assumed the presidency. In parallel with the social and political transformation, the Chávez administration pursued to reverse the previous neoliberal-based economic policies. His economic objectives entailed increasing state control over the economy regarding the nation's main source of wealth. At this juncture, the state undertook a key and decisive role in the oil industry to an unprecedented degree.

All these radical changes coincided with the transformation in the state form and class structure. In the previous period, capitalist fractions based on the oil sector, which included Fedecámaras and related US-based capitalist fractions, coexisted within the power bloc in a way that contributed to the establishment of political stability. The state ensured stability by preserving the peaceful coexistence of these classes with the hegemony of the foreign-based oil sector. Even though sometimes the administrations sought to foreground domestic capitalist fractions resulting from the strategic selectivity, as seen in the ISI period, the entire system had been preserved by the 2000s. However, Chávez's presidency marked a radical change in the class structure of the state. Chávez's radical policy programs related to the country's economic sectors resulted in adverse consequences for the existing dominant classes. These consequences restructured class relations within the power bloc in a way that would

provide the emergence of new classes, the so-called Bolibourgeoisie, by disrupting the existing dominant classes. In particular, the new administration's fundamental efforts toward the oil sector constituted the primary source of conflicts within society, ensuring transformation within the power bloc.

Hence, the main objective of Chávez was to set in motion the development of society in such a way that aligned with the paradigm of the leftist spectrum. More importantly, the revolutionary endeavors of the administration also aimed to construct a productive economy, encouraging production in sectors beyond the oil industry.

On the other hand, despite the social policies of the administration to bolster development and productive endeavors, Venezuela has been more dependent on oil than when Chávez assumed the presidency. This chapter aims to shed light on the reasons why oil dependence carries on, constituting the country's economic faith despite the radical pledgements from the administration. At this juncture, the chapter includes a theoretical framework that encompasses both domestic and international spheres, as indicated in this study, to develop a comprehensive analysis.

Initially, the emergence of the bolibourgeoisie, which the Chávez administration supported after the coup and oil strike in 2002-3, contributed to the perpetuation of oil dependence. The state has utilized oil revenues stemming from the oil boom to ensure that the bolibourgeoisie will become the dominant capitalist fraction by strengthening its position within the power bloc. The selective strategy from the Chávez administration in favor of the bolibourgeoisie was also put into practice with the implemented social programs by the administration. Although social programs have been aimed to bolster welfare in society, the emerging bolibourgeoisie also benefited from these social programs for their interests. Thus, The objectives of establishing a productive economy have become detached from reality.

Secondly, the involvement of different international capitalist fractions in the oil sector and power bloc, except for the US-based capitalists, engenders the necessity of IPE analysis. The oil boom in the 2000s coincided with the growing demand for oil from emerging capitalist powers such as China and India. The entrenchment of economic

relations within the international system and increasing unevenness resulting from the neoliberal dynamics brought about new dependent relations between Venezuela and other capitalist powers. The new dependent relations, particularly stemming from the country's historical integration into the international capitalist system through oil, have been reproduced peculiarly. In this respect, the impacts of global dynamics on the reproduction of Venezuelan dependence on oil will be shown.

Finally, it is noteworthy to explain that the chapter does not aim to conclude the preeminence of international structure on the main determinant factor of Venezuela. Instead, along with the domestic changes in state-society relations, internationalfactors will be tackled as another causal mechanism related to the former to address the dependent variable of the hypothesis. Hence, the analysis aims to comprehensively address domestic and international factors within the specified theoretical framework. However, initially, it should be demonstrated how the existing state form and class structure underwent a radical transformation employed by the Chávez administration. The changing conditions in the dominant class structure will shed light on how the traditional capitalist classes have pushed the administration to support alternative dominant class fractions by adhering to the oil dependency.

4.1. Transformation of State and Class Structure

The implementation of neoliberal policies imposed by international conditions in the 1990s created serious contradictions and conflicts within Venezuelan society. When the neoliberal policy formulations were combined with the social and economic structure of the country, contradictions and conflicts became inevitable. These contradictions led to a crisis, necessitating the need for an administration to restructure the existing political system. At this juncture, the 1998 elections implied a historical milestone for Venezuela. Hugo Chávez Frias won the 1998 elections by gaining 56% of the votes (New York Times, 1998). The victory of Chávez from MVR (Movimiento V Republica) also meant the end of the 40-year two-party tradition. It was the first time any party except for AD and COPEI assumed power. The new administration formulated radical policies throughout the process in a way that the existing state and class structure underwent radical changes.

Owing to the devastating impacts of neoliberalism on the country's economy, Chávez strove to restructure the economy by empowering state control over economic issues. Both the oil and commercial sectors within the country witnessed unprecedented changes. The new constitution, along with other regulations, underscored the importance of nationalizing certain segments of the economy. However, these endeavors contradicted the interests of existing dominant capitalist classes within the state. Consequently, conflicts between the administration and the existing power bloc came to the surface in an attempt to stage a coup against Chávez in 2002. Then, the strikes in the oil sector and the constitutional referendum in 2004 demonstrated the polarization between the administration and dominant capitalist fractions, leading to the dismantling of the latter by Chávez. Hence, these developments paved the way for the emergence of new capitalist fractions within the power bloc as a part of strategic selectivity employed by the administration. At this juncture, it would be clear that the state would reproduce capitalist relations by establishing ties with other domestic capitalist fractions. In this regard, firstly, the laws and regulations will be briefly elucidated to clarify which issues have triggered conflictual situations within the power bloc.

4.1.1. Laws and Regulations Regarding the Economy

Chávez initially aimed to codify a new constitution to demonstrate the ideals of Bolivarian ideology. The constitution entailed political, social, and economic transformation of the country. Then, the administration issued the regulations regarding the economic policy and primarily the oil sector. These regulations would also pave the way for conflicts between the existing capitalist fractions and the administration.

4.1.1.1. New Constitution

After Chávez had gained victory in the elections, he immediately called the necessity of writing a new constitution (Krauss, 1999). Because he aimed to alter the existing power relations within the state, he relied on 40 years of traditional state elites (Tinker-Salas, 2015:136). Towards the end of the year, the new constitution was approved by

71% percent of Chávez supporters (Rohter, 1999). The constitution stipulated the laws which would change state structure and state-society relations in theory.

Initially, the president's duties have been widened in such a way that the power of that branch would be strengthened as the president becomes a primary actor responsible for the country's development. For instance, unlike the 1961 constitution, the president gains authorizations for direct involvement in state affairs and other government activities (RBV, 1999). In this vein, the executive branch is also capable of issuing decrees and regulations in a wider range of government areas and in an easier way. For instance, Article 3 refers to the main objectives of the state in promoting the development and welfare of society (RBV, 1999). Furthermore, other articles discuss the active role of the state in various sectors of the economy. The state's guarantee over other sectors of the economy, such as rural development, agriculture, and small and medium-sized manufacturing, has been promulgated by the constitution (RBV, 1999). At this juncture, the diversification of the economy and reducing oil dependence became significant agendas for the new administration.

Having addressed the responsibilities of the state to bolster social development and a productive economy, the subsequent articles invoke the positions of foreign-based companies within the country. According to Article 301, foreign-based enterprises can not prevail over domestic ones:

> …Business enterprises, organs or persons of foreign nationality shall not be granted with regimes more advantageous than those established for Venezuelan nationals. Foreign investment is subject to the same conditions as domestic investment. (RBV, 1999).

This article indicates a counter-reaction against the neoliberal administrations in the 1990s that allowed foreign enterprises to take place with some privileges and tax exemptions within the country. Hence, this regulation laid the groundwork for equal treatment between foreign-based companies and local investments, including the nation's main source of wealth. In this regard, it is also aimed to lessen foreign control over the oil industry. Article 303 addresses the management of oil politics within the country:

> For reasons of economic and political sovereignty and national strategy, the State shall retain all shares of Petroleos de Venezuela, S.A. or the organ created to manage the petroleum industry, with the exception of subsidiaries, strategic joint ventures, business enterprises, and any other venture established or coming in the future to be established as a consequence of the carrying on of the business of Petroleos de Venezuela, S.A. (RBV, 1999).

The new government's objective to direct the oil sector coincided with terminating foreign companies' domination over the sector, as indicated in the previous article. Hence, Chávez viewed the issue of PDVSA discursively as a national sovereignty issue as well. Even though the Perez government put forward similar regulations and discourses about PDVSA in the 1970s, it was the first time any constitutional draft was codified for the usage of a nation's source of wealth with a specific political agenda.

Overall, the new constitution was promulgated by the Chávez administration to ensure the development of the entire society. It demonstrated the objectives of the new administration on controlling the nation's source of revenue. Hence, the approval of the constitution from society paved the way for the subsequent policy regulations and implementations regarding increasing state control over the economy.

4.1.1.2. Regulations on the Oil Industry and Domestic Economy

Chávez's immediate call for regulations on the oil industry stemmed from the international uncertainty for the oil market after the 1998 Asian crisis. The Asian financial crisis engendered a huge decline in oil prices in the market due to a decrease in demand. Upon this, many OPEC countries decided to implement production quotas to hinder the oversupply (Hellinger, 2016:211). In this condition, Chávez undertook the responsibility of negotiating with OPEC countries for oil production and prices. In this vein, he appointed Alí Rodríguez Araque as the oil minister, reversing the oil policy of the OPEC (Mommer, 2002:8). After the Caracas summit in 2000 with other OPEC countries, Venezuela defended its interests regarding the industry despite the international pressure (Hellinger, 2016:212). Consequently, it demonstrated the protective objectives of the Chávez administration for the oil sector.

Having demonstrated the endeavors to increase control within the OPEC, Chávez and Rodríguez Araque aimed to exert control over the oil industry by assigning oil

nationalists within the ministry (Ibid:212). In this way, the Chávez administration was capable of asserting greater power over PDVSA. For this purpose, Chávez assigned General Guaicaipuro Lameda as the president despite his non-oil sector origin (Hults, 2012:432). Hence, the state aimed to assure its authority over the industry by intervening in the management and technical issues of the company (Hellinger, 2016:212).

Chávez's objectives for the oil industry relied on the repudiation of the foreign, particularly the US, intervention in the nation's wealth. For example, before and during the initial years of the Chávez administration, PDVSA was established by linking four separate institutions in the name of ensuring checks and balances of the company management. One of them was the Securities and Exchange Commission (SEC) of the US, along with the Central Bank and the Ministry (Corrales and Penfold, 2011:79-80). The objective of the commission was to monitor financial activities and finance the PDVSA (US-SEC, 2003). It also showed the significant influence of the US capitalists on Venezuela's oil industry. In this vein, Chávez's objectives contradicted the aspirations of the US-based capitalist fractions.

After the constitutional approval from society, Chávez issued presidential decrees regarding the usage of the nation's natural resources. He issued initially revolutionary regulation of 'The law of Hydrocarbons' (Ley Organica de Hidrocarburos) to demonstrate the scope and authority of the state over the oil industry. The law first introduces that all natural resources are deemed as state property. It also stipulates that the revenues from hydrocarbons are used for the sake of the welfare of citizens (PDVSA, 2001). The most important part of the regulations comprised of the royalty and share of states over the activities.

In the past, the state had received approximately 16% royalty from the extraction of oil. In the case of extracting heavy crude oil, the percentage of royalty could be lowered to 1%, especially in the Orinoco Oil Belt (Wilpert, 2007:95). However, the new regulations included radical changes in favor of the state. As Article 44 indicates, the state royalty from the extraction of oil is 30%, almost twofold from previous payments. Even in the case of heavy crude oil extraction in the Orinoco Oil Belt, the state can

only reduce payments to 20% (PDVSA, 2001). Hence, the state would be able to gain huge concessions and revenues from the oil sector.

The radical regulations also encompassed other sectors of the economy to bolster domestic production. Chávez issued new regulations relating to agriculture and rural development. The Land Law and Agrarian Development (Ley de Tierras y Desarollo Agrario) was enacted in 2001 to ensure fair distribution of land, equality, and democracy in rural areas (Gaceta Oficial, 2001). The law stipulates the radical transformation in rural areas in such a way that the state would redistribute the zones of huge landowners. The law finds the latifundias and outsourcing activities to constitute a great contradiction with the ideal of national agricultural development (Gaceta Oficial, 2001). Previously, Article 307 of the 1999 Constitution included the preliminary remarks for the respective regulation:

> "The predominance of large land estates is contrary to the interests of society… Farmers and other agricultural producers are entitled to own land, in the cases and forms specified under the pertinent law…" (RBV, 1999).

Based on Article 307 of the constitution, Articles 69 and 70 of the Land Law declared the expropriation of latifundias by the National Land Institute by eliminating them (Gaceta Oficial, 2001). The main objective of expropriation is to ensure sustainable agricultural development and prepare more equal circumstances for rural producers (Ibid). Finally, private persons or companies can not enjoy power over the lands that have been expropriated by the National Land Institute (Ibid). Consequently, any attempt to exploit those expropriated lands for private initiations has been hindered by this regulation. Finally, other regulations were promulgated to improve the conditions of local producers. For instance, the Fishing Law was enacted so that 'artisanal fishers' could engage in the fishing market with better opportunities (Wilpert, 2007:23). In light of all these developments, the Chávez administration decided to implement further expropriation policies because of the malfunction of private enterprises (Schincariol, 2020:46).

Owing to these initiatives, the Chávez administration faced substantial opposition from prominent business organizations and members of the oil industry. The leading

organization was Fedacamaras, which was strictly against those policies due to the administration's anti-business endeavors (Wilpert, 2007:23). In this regard, the opposition arranged a one-day strike against the Chávez administration in December 2001 (Hults, 2012:433). When the growing opposition aimed to stage a coup against Chávez in 2002, the first time the political scene underwent radical transformation after that.

Overall, the new constitution and regulations have been promulgated in accordance with the necessities of domestic and international conditions. OPEC's production quotas and Venezuela's devastating economic situation at that time pushed the Chávez administration to empower state control over natural resources and the general economy. However, the existing capitalist classes within the country demonstrated their negative sentiments against these initiatives, which paved the way for the political turmoil.

4.1.2. The Change in the Power Bloc: The Coup and Oil Strike

The Chávez administration's substantial regulations concerning economic sources and activities unleashed strong dissidents among traditional capitalist classes. Fedecámaras and foreign and domestic-based capitalist fractions in the oil industry galvanized against the administration, leading to the coup in 2002 and the general oil strike after that. The political crises, which were accompanied by economic problems, compelled the Chávez administration to weaken the existing dominant classes in the power bloc. The weakening ties between the administration and traditional elites signified a shift in the power bloc, arising in tandem with the administration's strategic selectivity.

As indicated above, Chávez's political, ideological, and economic objectives were directed toward the development of Venezuela in a multidimensional way. He put forward progressive ideas for the nation's development and rejected the previous political and economic system. According to him, the state would play a key role in enhancing sustainable development and equality instead of bowing down to foreign interests. In this respect, all these regulations and initiatives were promoted to empower state control and weaken foreign influence over the economy. At this point,

the oil industry became the main agenda for the administration to strengthen state control.

On the other hand, the enhancement of control over the oil industry, achieved by regulating PDVSA, prompted opposition from within the industry and foreign oil companies, leading them to voice their concerns against the administration. The growing dissident became clear even to the president of PDVSA Lameda, who was appointed by Chávez before. Lameda renounced the Hydrocarbons Law enacted by the administration. In response to this repudiation, Chávez discarded Lameda and assigned Gastón Parr, who had a strong nationalist linkage over the oil industry (Mommer, 2002:9).

Beyond the oil industry, other business classes were against the policies of the Chávez administration. Fedecámaras had constituted a substantial place within the power bloc since 1958, along with the oil capitalists. The organization consisted of various segments of capitalist classes since its foundation in 1944, and all of them were capable of involving political activities in their relation with the state. However, after the 1998 election, Fedecámaras aimed to weaken its relations with the administration by circumventing negotiations and political activities as the latter started to strengthen the role of the state in tackling economic issues (Ellner, 2018:4). In addition, the new policies against the interests of business elites in the domestic sector created ample dissidents within Fedecámaras. The regulations embracing the rural areas on the dismantling of latifundias contradicted the substantial interests of the landowners, comprising a significant segment within Fedecámaras. When these regulations were accompanied by the involvement of the state in other sectors of the economy, the dissidents turned into massive political turmoil. Hence, the groundwork was laid for a change in the power bloc and the state form.

Rising dissidents against Chávez due to the implementation of radical policies paved the way for social mobilizations. On April 9, 2002, the trade union ‘the Confederation of Venezuelan Workers (CTV) affiliated with Fedacamaras initially outlawed strikes against the Chávez administration (The Economist, 2002). Although the reasons mentioned above played a significant role in calling for the strike, the oil policies of

the Chávez administration were the prominent factor triggering the strike. The appointment of Chávez into the PDVSA by removing the old personnel created dissidents among old union bosses and government officials (Ibid). The strikes were so effective that they reduced the percentage of oil exports in PDVSA (Schincariol, 2020:43). Besides, oil production also decreased by 20% due to the strikes (The Economist, 2002).

On 11 April 2002, civil demonstrations grew exponentially in such a way that pro-Chávez military officials intervened in the protests (Bellos, 2002). However, some of the military officials were contra-Chávez and viewed him as a traitor (The Economist, 2002). On that day, those military officials forced Chávez to resign from the administration. Later, Chávez was arrested, and Pedro Carmano, who was previously the head of Fedacamaras, was brought to the presidency (Campbell, 2002). The next day, he announced the dissolution of the National Assembly and 1999 Constitution by naming himself as the head of a conservative administration (Corrales and Penfold, 2011: 22). However, the reactions of Chávez supporters strengthened, and with the support of pro-Chávez military officials, Chávez was brought to Miraflores Palace by helicopter after two days (Bellos, 2002). Overcoming the failed coup attempt would constitute a milestone in the subsequent years for the Chávez administration.

In the aftermath of the coup, the administration accused the PDVSA managers of supporting the political turmoil. In this respect, Chávez aimed to exert greater control over PDVSA on both political and management (Corrales and Penfold, 2011:23). However, this objective would only be implemented after the opposition initiated a general oil strike across the country at the end of that year.

Even though the opposition could not overthrow Chávez with the coup, it utilized other measures to weaken the legitimacy of the existing administration. The dissidents reached the peak level against the administration by calling a general strike across the country. On December 2, 2002, CTV and the leaders of the PDVSA called *paro civico nacional* (a national work stoppage) across the country (Tinker-Salas, 2015:158). Even though the opposition called them ‘general strikes,’ it was deliberately the lockout of management administrative bodies of not only the oil sector but also other small and

medium-sized businesses (Wilpert, 2007:25).

In the oil sector, some of the refineries were closed, and the oil shipments from Venezuela were suspended (Price, 2002). The notable thing was the cessation of shipments from Lake Maracaibo, the site of the largest oil production.

It demonstrated that the strikes had spread widely, significantly impacting Venezuela's trade relations with other countries. For this reason, from the administration side, those protests were nothing but sabotage of the economy (Rodríguez Villouta, 2002). The main reason for calling a general strike for the opposition was to call early elections and resign the Chávez from the presidency (Ibid). However, the Chávez supporters were gradually raising sentiments toward the general strikes (Wilpert, 2007:25). In this regard, the growing strikes also demonstrated the sharpening polarization between Chávez supporters and opposition in society (Price, 2002).

The worsening economic conditions could not hinder the general strike until February 2003 (Tinker-Salas, 2015:160). On the other hand, the opposition was not able to succeed, forcing Chávez to resign. Conversely, the administration blamed the opposition for the country's economic downturn. At the outset of the strike, there was an economic decline of 8.9 percent in GDP at the end of 2002. In addition, by the end of 2003, the economy underwent a shrinkage of 7.8 percent of GDP (Corrales and Penfold, 2011:53). This situation laid the foundation for the administration’s attempt to dismantle the opposition from the oil industry. Hence, the initial steps were taken to alter the class structure and relations within the power bloc. In addition, due to the economic contraction, the administration prioritized the revenues stemming from oil much more effectively.

Following the coup and oil strike, the administration aimed to exert a greater influence on the industry by dismantling the entire structure of PDVSA. These objectives initially ensured the dismissal of existing staff and personnel within the company. Chávez initially discarded the managers and other staff members in PDVSA owing to their support of the uprisings. Nearly 18.000 employees, including main managers, were removed from their positions (Ibid:78). Moreover, PDVSA dismissed technical

staff due to their influence on the sabotage of the oil industry. This technical staff worked in INTESA as a joint venture with the US-based Science Applications International Corporation (SAIC) for the Information Technology (IT) infrastructure in PDVSA (Hernandez Toledo, 2012). After the strike, the Chávez administration ceased all economic relations with the company (Corrales and Penfold, 2011:86).

In addition, Chávez took the initiative to enhance state control over the company's administrative structure. For this purpose, having discarded managers and personnel from the opposition, he initially appointed his political allies to the management position of the company. For instance, the Ministry of Energy and Mines Rafael Ramírez was brought into the president of PDVSA concurrently (Goldstein & Baena, 2010:398). Hence, the ministry and PDVSA were unified under one institution, making the company directly dependent on the state (Corrales and Penfold, 2011:78). Furthermore, along with the new financial arrangements between the company and the Central Bank, the board of managers was tied to the president (Ibid:78-80).

Finally, the companies' ties to the US aimed to be removed in the realm of finance. As indicated above, the SEC, as a US-based financial structure, constituted significant financial dependency of the company on the US capitalists. However, the transformation of PDVSA into a SOE led to the rupture of these relations. PDVSA's new role in bolstering welfare required a substantial use of oil revenues to finance these objectives. In this respect, after paying debts to the US in 2006, PDVSA sought to dismiss any audit mechanisms from the SEC (Ibid:80).

All these changes within the oil industry can be explained by altering the class structure and power bloc. Prior to the Chávez administration, the US-based capitalists,as can be called the transnational bourgeoisie, foreign oil companies, and domestic capitalist classes within Fedecámaras, had constituted the dominant capitalist fractionswithin the power bloc. Since the oil industry was the fundamental sector of the economy, those capitalist classes had a significant influence on the oil economy. However, Chávez's radical attempts regarding the dismissal of dominant capitalist classes from the oil industry also led to change in the power bloc. However, dismantling the existing structure of the oil industry did not mean that the administration would abandon the

oil-led policies. Instead, the weakened US influenceon the industry and domestic capitalist classes laid the groundwork for the emergenceof new classes within the power bloc. This tendency led to the reproduction of an oil-led economy resulting from strategic selectivity.

Overall, the Chávez administration's policies regarding strengthening state control over the economy created strong dissidents against it. Traditional capitalist classes within the power bloc, such as the US-based capitalist classes and domestic ones like Fedecámaras, staged political turmoil against the administration. The decline of the economy stemming from the political uprisings compelled Chávez to dismantle existing capitalist classes within the power bloc, primarily in the oil industry. Despite the encouragement of the domestic economy by the administration, these attempts did not lead to the abandonment of an oil-dependent economy. Conversely, Chávez pursued forging new alliances in economic management to fill the vacuum in the power bloc, depending on the oil revenues.

4.2. The Dependence on Oil Revenues: Emerging New Class and Social Programs

At the outset of his presidency, Chávez pledged to ensure a productive economy that was not solely characterized by reliance on oil revenues. For him, this endeavor required state control over the economy. However, changing class relations after the political turmoil led to the reproduction of oil-dependent policies despite the respective promises. In this section, the reasons will be critically analyzed on two causal mechanisms: Firstly, after the dismissal of the traditional bourgeoisie from the power bloc, the administration sought to forge new alliances to enhance its power. In this respect, Chávez pursued cooperation and alliances with domestic business classes. However, these objectives became possible as long as the administration provided economic resources to them in order to strengthen the respective capitalist fractions. In this vein, the promises and financial assistance by the state were also provided by the oil revenues. Hence, the state's selective strategy to empower specific capitalist classes was ensured by the dependence on oil revenues.

Secondly, Chávez issued social programs for those who lived in poverty conditions. The oil revenues financed all the programs. However, some of the emerging business

classes related to the administration engaged in those programs to benefit themselves. In particular, despite the objectives of bolstering welfare, some social programs were implemented for the integration of the excluded people into the capitalist market. Thus, capital-labor relations have been restructured in favor of the bolibourgeoisie as they have started to include a new labor force for their capital accumulation. Consequently, the productive usage of oil revenues was far from reality and reproduced oil dependency. Hence, the section will conclude with the necessity of analyses beyond the domestic sphere in elaboration on oil dependency.

4.2.1. New Capitalist Fractions Within the Power Bloc: Bolibourgeoisie

The developing relationship between the emerging capitalist fractions and the administration during the political turmoil paved the way for the subsequent government initiatives to foster new alliances. The emergence of those classes, the so-called Bolibourgeoisie, as dominant fractions within the power bloc coincided with the selective strategy employed by the state. However, it should be noted that the traditional dominant classes did not abandon the political scene. The state continued to conduct relations with Fedecámaras and other traditional capitalist fractions at a certain level. In this respect, only their hegemonic positions were terminated by the Chávez administration.

Even though mass Chávez supporters' protests became effective in overcoming the opposition during the social mobilizations, the essential thing was developing close ties between the administration and some businesspeople who called themselves Chávez supporters. Amid the strike, transportation became an essential issue for the administration to supply required goods. In this respect, some small and medium-sized companies offered assistance in the transportation of goods to a significant portion of society (Ellner, 2017:40). For instance, the Bolivarian Federation of Cattlemen and Agriculturalists (la Federación Bolivariana de Ganaderos y Agricultores —Fegaven) under the leadership of Balsamino Belandria, who had been close ties with Chávez before, granted assistance to the administration on supplying small agricultural products in the midst of the strike (Ellner, 2018:5; Chávez, 2003:196).

The National Confederation of Farmers and Cattlemen of Venezuela (la Confederación Nacional de Agricultores y Ganaderos de Venezuela – CONFAGAN) was established

during the crises in 2002 to promote sustainable agricultural development (Chávez, 2003:255). The head of the local business, José Agustín Campos, developed close ties with Chávez to enhance development in agriculture, encouraging further investments from businesspeople (CONFAGAN, n.d.). In addition, Fedeinsturia, although its establishment dated back prior to the Chávez administration, galvanized against the contra-Chávez mobilizations by promoting 'productive socialism.'

The head of Fedeindustria, Miguel Pérez Abad, represented small and medium-sized businesspeople collaborating with the administration. He also joined Chávez's party, the United Socialist Party (Partido Socialista Unido—PSUV) (Ellner, 2018:5). Finally, Businesspeople for Venezuela (Empresarios por Venezuela—Empreven) was established in 2002 by the administration to Fedecámaras, including many businesspeople who were linked with Chávez (Ibid:5).

The state empowered all these small and medium-sized emerging capitalists against the traditional bourgeoisie. The selective strategy of the Chávez administration in favor of the non-dominant business classes until then was implemented after the general strike. Chávez announced that 'preferential dollars' would be used to fund businesspeople who had not joined the strike. Providing financial assistance from the state to the respective businesspeople engendered significant backlash among Fedecámaras (Ibid:5). In this regard, the head of Fedecámaras Albis Muñoz blamed the administration for attempting to establish parallel business structure (Ellner, 2017:40). On the other side, this policy choice as a strategic selectivity instigated the strengthening of Bolibourgeoisie (Ibid:5). The most important characteristic of the emerging bourgeoisie was their commitment to Chávez after the political crises.

The emergence of Bolibourgeoisie also coincided with the state expansion of the economy. The increasing number of state-owned enterprises accompanied the nationalization programs in some sectors employed by the administration. For instance, CANTV, as a telephone and internet service provider, and AES-Electricidad de Caracas, as a provider of electric services, were expropriated (Ibid:63). At this juncture, Chávez announced that state contracts, subsidies, and job opportunities would be provided for those productive business elites (Corrales and Penfold,

2011:44).

The emergence of a new bourgeoisie depending on financial assistance from the administration and the government expansion required significant financial sources for the state. In this regard, the Chávez administration utilized oil revenues to financethe emerging classes against the traditional bourgeoisie. The bolibourgeoisie relied primarily on preferential dollars and other financial assistance from the government, providing them with strong ties with Chávez.

For instance, after 2003, one of the biggest banks in Venezuela, Banesco, underwent structural changes. Unlike its previous support of anti-Chavista movements, the new president of the Bank, Juan Carlos Escotet, established strong economic and political ties with Chávez, leading him to be called a boliburgués. Owing to the developing relations between Banesco and the state, the former became dependent on the government's social programs and financial assistance stemming from preferential treatment (Ellner, 2018:9; Geromel, 2013).

On the other hand, Chávez's expectations about the emerging productive business class did not reflect reality. When the oil boom turned into an oil bust in the 2010s, the non-oil sector concurrently underwent shrinkage. In this vein, the fact that a certain growth in the non-oil sector arose during the oil boom could also be explained by the increase in aggregate demand and consumption, including telecommunication and financial services.

Figure 4.1 illustrates the growth of non-oil sectors, primarily focusing on transportation, communication, and financial services, to demonstrate the growth of demand in parallel with the oil boom after 2003. The rising demand in these sectors surpassed the growth rate of production of goods. As seen in Figure 4.2, the rise in imports has been the result of the objectives of closing the gap between supply and demand (Corrales and Penfold, 2011:60).

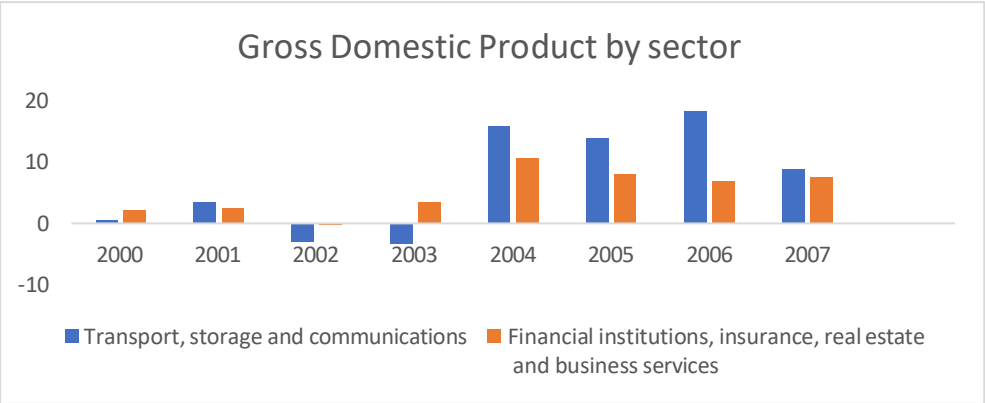


Figure 4. 1. Annual Growth, Gross Domestic Product by sector from 2000 to 2007 in Venezuela (CEPAL, 2008).

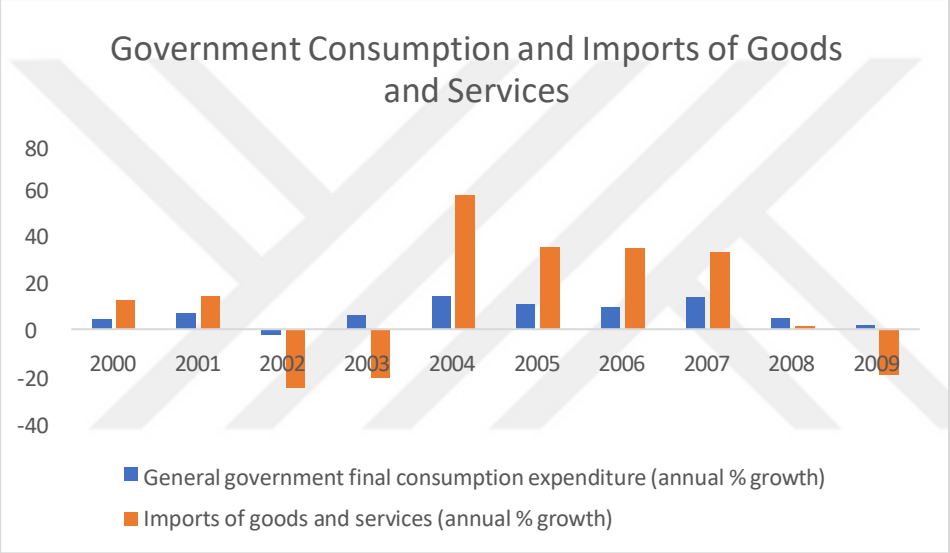


Figure 4. 2. Government consumption and imports of goods and services from 2000 to 2009 (The World Bank, 2015).

This also demonstrated the increasing dependence on oil revenues by the Chávez administration in order for the bolibourgeoisie to consolidate its power within the power bloc. The new bourgeoisie's dependence on financial resources from the state also overlapped with the need for oil revenues for the country. In this respect, the Chávez administration's selective political strategy regarding the establishment of dominant capitalist fractions within the power bloc in the name of bolstering a productive economy required oil revenues to finance and empower the emerging class. Overall, the Chávez administration implemented a selective strategy favoring the new bourgeoisie class to ensure transformation in the power bloc by dismissing the traditional one for the sake of consolidating its power. However, this objectiverequired

a huge number of financial resources to develop and support the newbourgeoisie. Concurrently, oil revenues became the main financial revenue of the stateas the oil boom took place after 2003. Despite the growth of some sectors in the economy during the oil boom, the rise in imports and consumption became determinant in the respective sectors. Thus, Chávez's selective strategy to direct resources to the emerging bourgeoisie demonstrated a continuum in the reliance on oilrevenues.

4.2.2. Social Programs and New Bourgeoisie in the Reliance on Oil

The Chávez administration tried to bolster welfare and development, aiming to foster the Bolivarian revolution. The administration focused on the poor segments of society, which had been excluded and marginalized before. In parallel with rising oil revenues to the country, the administration decided to initiate missions to access the poor areas. The mainstream literature elaborated on the social programs as an instance of lavish spending of oil revenues. Although this study does not accept this perspective, it concludes that the involvement of some businesspeople in the social programs with encouragement from the administration implicitly led to the reproduction of oil-dependent policies.

Moreover, some of the social programs, particularly education reforms, were designed to create opportunities for increased employment resulting from the expansion of government institutions, targeting a specific segment of society instead of enhancing a productive economy. Consequently, the dependence on oil has continued to increase over time. In this regard, firstly, it will be explained how oil paved the way for the implementation of these programs in Venezuela by looking into the price and the usage of oil rent.

4.2.2.1. Usage of Oil Revenues and Business Interests

After 2003, the oil prices in the commodity market increased drastically, which created an oil boom for the oil-abundant countries. The price of oil tripled from 2000 to 2010 per barrel (BP, 2013). In 2003, while oil prices were hovering around $31, they reached a peak of approximately $100 per barrel in 2008 (EIA, 2023). This unprecedented

increase facilitated the embarkment of welfare policies for those whoseeconomies relied on oil revenues. Venezuela's oil rent between 2001 and 2005 doubledfrom 14% of GDP to approximately 28% of GDP (The World Bank, 2021). In comparison with the previous peak in 1981, oil revenue was drastically higher in 2008(Corrales and Penfold, 2011:55). In parallel with all these developments, the Chávez administration initially aimed at establishing the mechanisms and institutions that would transfer the oil revenues to society.

In 2005, the government announced the foundation of the 'Fund for National Development' (Fondo De Desarrollo Nacional SA.- FONDEN). The institution aims to promote social and economic development with financial transfers to the areas in which sustainable development will be ensured (Gaceta Oficial, 2005). The fact that one of the authorized persons within the administration body of the fund is the oil minister demonstrates the main objective of the initiation. The fund can accumulate surplus oil revenues to finance education, health, or other social development objectives (Pérez, 2022). In addition, in case of any extraordinary issues, such as national disasters, the fund can sell currency to the Central Bank of Venezuela (Gaceta Oficial, 2005).

Fonden played a significant role in ensuring the development of Venezuela when the oil windfall constituted a significant portion of revenues to the government. However, the structure and functions of Fonden have been criticized by the opposition. First of all, the currency transfer from the fund to the Central Bank can lead to hyperinflation due to the re-usage and printing Bolivar (Wilpert, 2007:75). Secondly, according to some critiques, the misuse of oil revenues increased unregular public expenditures and public burden (Transparencia Venezuela, 2023).

Furthermore, Fonden was sometimes misused by some segments within the bolibourgeoisie in the name of ensuring social programs. For instance, Arné Chacón, the president of the Banco Real and brother of the Minister of Technology Jesse Chacón, was charged with corruption. The bank was assigned to ensure the construction of a sugarcane plant in the state of Barinas, stemming from the Fonden funds. Nevertheless, the plant was never erected. Therefore, Arné Chacón was arrested due to the misuse of Fonden's money (Corrales and Penfold, 2011:59-60).

As mentioned above, the strengthening of the bolibourgeoisie relied on the financial resources provided by the state. At the same time, some of the business groups, primarily Empreven, aimed to involve social programs to attain greater profits. For example, the president of Empreven, Alejandro Uzcátegui, encouraged many business groups to cooperate with the administration for some social programs, such as the housing construction program Misión Vivienda (Ellner, 2018:5). In this respect, the social programs stemming from the oil revenues were promoted concurrently with the interests of the new bourgeoisie class.

Overall, the implementation of social programs coincided with the oil boom after 2003. The revenue flow to the state also required a financial institution to use the revenues effectively. In this respect, Fondem was established to finance social programs to bolster development and a productive economy. However, the involvement of business classes, which were closely linked with the administration in the social programs, sometimes led to the misuse and misallocation of oil revenues into non-productive expenditures. Thus, the oil revenues served no purpose other than expanding the interests of the bolibourgeoisie.

4.2.2.2. Social Programs and Reliance on Oil

In the case of missions, even though the primary objective of the administration was to promote development and lessen inequality in society, the attempts were far from establishing a productive economy. Firstly, the emergence of the new state form, comprised of a new power bloc, led to the expansion of the state control over the economy with expropriations. Those attempts created a labor demand for state-owned companies, primarily for PDVSA. In this respect, the administration provided educational and other large-scale reforms with the cooperation of some business groups, which were closely tied to the government. However, these attempts served an economic system designed for the increased utilization of oil revenues in the long term. However, initially, some of the missions related to the subject should be elucidated.

Education was an essential component of ensuring development for Chávez, as indicated in the Constitution. The unequal access to education had sharpened the

division between those who lived in poor and urban areas. The Chávez administration aimed at resolving this inequality by bolstering developmental policies. For this purpose, the government utilized almost 7% of GDP and 20% of the country's budget to embark on education policies (PSUV, 2012). Basically, almost all missions were funded by PDVSA (Wilpert, 2007:131). Hence, the oil revenues became the fundamental financial source of these missions.

Initially, Chávez initiated the *Mision Robinson* program to reach the illiterate people in 2003 (Ministerio Comunicacion, 2021). The respective mission was to cover not only the people who lived in Barrios or rural areas but also all excluded people by reaching native communities (Ministerio Comunicacion, 2021). The program was so successful that by the end of 2005, approximately 1.5 million citizens had managed to read and write their languages (Chávez, 2021). Furthermore, to overcome unequal access to education, the administration aimed other education programs. For instance, The *Mision Ribas* was launched in 2005 to resolve this issue by creating equal conditions for secondary education. Regardless of age, the program facilitated graduation from secondary school for students who had not met the costs of education before (ECLAC, n.d.).

Finally, university education constituted the most unequal conditions in the Venezuelan society. Expensive tuition fees and other costs have impeded many people from applying to universities. In the same year, the Chávez administration issued a presidential decree, the so-called *Mision Sucre,* to enhance equal access to universities. According to this, the universities must be free, and no tuition fees should be charged (Ministerio Education, n.d.). Hence, the respective mission aims to facilitate conditions for students who are eager to study at any university.

Those education policies were also coherent with the political objectives of the administration. The expansion of state-owned enterprises in all sectors created labor shortages. To overcome this problem, many firms developed robust relations with PDVSA and its affiliates to manage social programs (Corrales and Penfold, 2011:63). Misión Sucre was crucial to addressing this issue for attaining a higher number of university graduations. Therefore, those who graduated with a university degree would

be assigned to state-owned companies and the public sector as white-collar workers (Ellner, 2018:15). Figure 4.3 demonstrates the decrease in unemployment during the Chávez period since the 2000s.

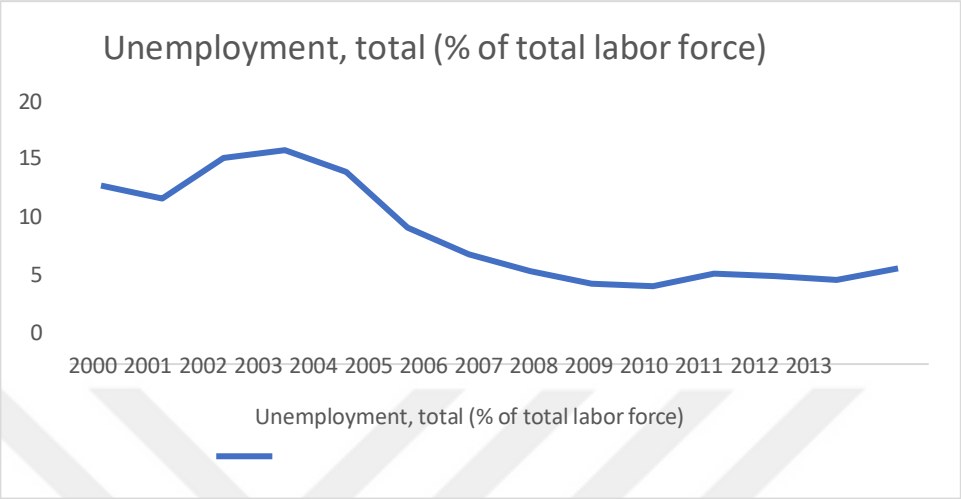


Figure 4. 3. Unemployment rate (%of total labor force) (The World Bank, 2015).

The Vuelvan Caras (About Face) Mission became the essential program representing the political objectives of the state and power bloc. The objectives of the mission entailed training sessions and providing skills for students in communities to prepare them for employment (Ellner, 2011:427). Carlos Lanz, a leftist educational reformer, was appointed for the mission by Chávez. Along with drafting educational programs, he aimed to demonstrate to the students how one should be equipped according to the necessities of a working environment as he became president of the state-owned aluminum company ALCASA (Ibid:428). In this respect, the social programs in many areas were also closely related to the interests of emerging business classes.

Overall, social programs, from health to education, constituted an essential part of the Bolivarian Revolution ideals for Chávez. The oil revenues almost completely financed the missions. However, the state form changing class formation reproduced the oil dependence despite the multidimensional development objectives. The social programs overlapped with the expansion of the state and labor shortages. Furthermore, some segments within the bolibourgeoisie were assigned as the leading groups of these programs. The huge benefits of those groups from oil revenues especially hindered bolstering a productive economy in the long term. As shown in Figure 4.4, non-oil

sectors have not demonstrated a significant growth rate in the middle of the 2000s. However, when the oil prices started to plummet in 2013, the respective sectors' share of GDP decreased. For instance, agriculture, forestry, and fishing comprised only an average of 4.1% of GDP (World Bank, 2014). Likewise, industrial production has been in a downtrend since the 2000s (Banco Central de Venezuela, 2019). In this respect, the perpetuation of oil dependence has been shaping the country's development.

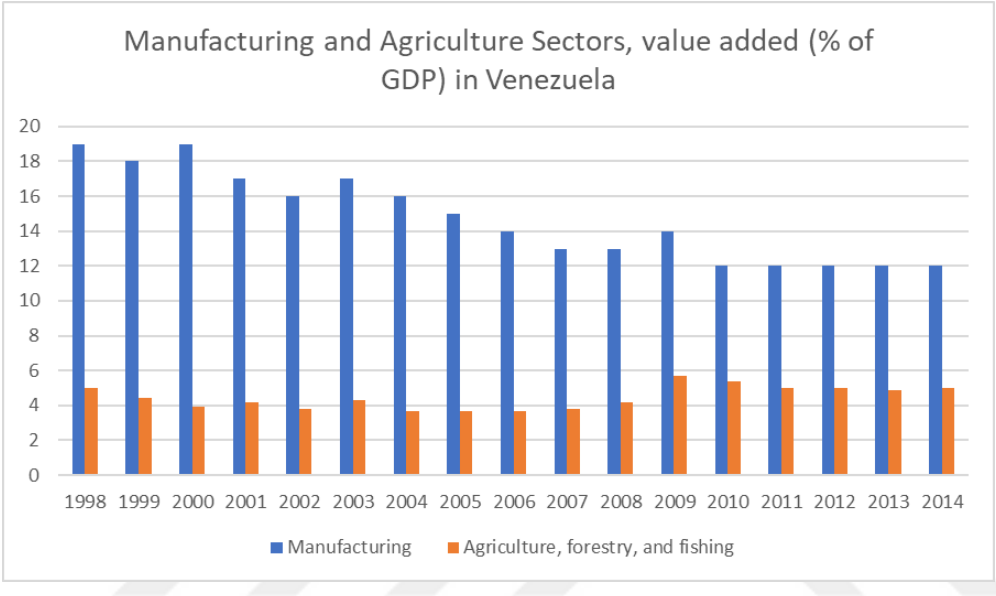


Figure 4. 4. Manufacturing and agriculture sectors (% of GDP) in Venezuela (World Bank, 2015).

In a nutshell, this section covered the emerging classes within the power bloc resulting from the selective political strategy of the Chávez administration to ensure Bolivarian development and a productive economy. At this juncture, Dismantling the traditional bourgeoisie required new alliances for Chávez to consolidate his power. He implemented selective strategies to direct policies for the interests of the bolibourgeoisie. However, the strengthening of those emerging classes fundamentally required financial assistance from the government. In this respect, oil revenues provided opportunities for Chávez to consolidate his power and transform the power bloc. In addition, social programs such as missions were promoted by the administration with the cooperation of some segments of the bolibourgeoisie. It also indicated that the bolibourgeoisie benefited from the oil revenues to bolster social programs. Finally, the expansion of the state and increasing volume of the public sector

required new employees, which comprised a significant portion of the population related to the social programs. Hence, oil dependence was maintained, resulting from the administration's selective strategy.

However, the perspective that associates the emergence of bolibourgeoisie with sustaining oil dependence provides a brief and insufficient explanation. As can be seen before, Venezuela's transformation into the oil economy coincided with the peculiar way of integration into the international capitalist economy since the beginning of the 1900s. Even in the Chávez era, these capitalist relations were sustained according to the necessities of international capitalist powers. Venezuela's objectives of lessening the influence of the US capitalists on the oil industry should not imply that the country has adopted a closed economy. In this respect, it should be demonstrated under which circumstances Venezuela reproduced its oil dependence according to the necessities within the uneven capitalist dynamics of the global economy.

4.3. International Capitalist Dynamics and Dependence on Oil

In the previous section, the sub-hypothesis of the study was put forward and discussed. As a result of the state's implementation of a selective strategy, the bolibourgeoisie emerged within the power bloc. The new bourgeoisie substantially relied on oil revenues for its development. It, in turn, facilitated the reproduction of the oil-dependent policies rather than fostering the enhancement of a productive economy. While this analysis provides a significant dimension in explaining internal dynamics, it falls short of developing a sufficient framework.

Considering Venezuela's historical economic development, uneven capitalist dynamics, and the international division of labor have relegated Venezuela to a position within the periphery solely as an oil- producing country. Throughout the historical process, these policies have been reproduced, as mentioned in the previous chapter. In addition, the existence of international capitalist groups within the country's oil industry has demonstrated that the state and the power bloc have been intertwined with the international capitalist dynamics. In this respect, an analysis is required that encompasses both domestic and international spheres.

In parallel with the argument of this study, this section will elaborate on how uneven international capitalist dynamics led to the reproduction of oil dependency or, basically, oil-led economy. This section demonstrates that the uneven neoliberal capitalist dynamics led to the reproduction of oil dependency in Venezuela. Evaluating the causal mechanisms in the process can be ensured through conceptual tools such as the internationalization of the state and the state's selective strategy in favor of non-US-based capitalist groups in the oil sector.

These tools also demonstrate the intertwined relationship between the domestic dynamics discussed in the previous section and international dynamics. In this regard, the global demand for oil in the 2000s reached an unprecedented level due to the emergence of other major industrialized capitalist powers. The newly emerging dependency relations and unequal dynamics have led Venezuela to pursue oil-dependent policies.

4.3.1. Neoliberal Dynamics: Internationalization of the Oil Industry

The uneven capitalist dynamics in the 21st century should be understood within the framework of neoliberalism. As a result of neoliberal capital accumulation, unevenness has intensified within the global system. The increasing accumulation of capital in favor of core capitalist countries also meant the explicit or implicit transfer of surplus value from underdeveloped countries to the core. The intensification of global unevenness since the beginning of the neoliberal era has compelled many peripheral countries to reproduce the economic relations tied to their historical development trajectory according to their positions within the international division of labor.

Since the 2000s, the global oil demand has demonstrated a significant upward trend, especially among non-OECD countries. While the demand for oil was approximately 1.3 million tonnes in 2000, it has skyrocketed to 2.3 million tonnes in 2019, which is the peak level (IEA, 2021). China, as a non-OECD country, has constituted the most significant part of this increasing demand and consumption of oil. China’s demand for oil has almost tripled from 229 million to 642 million tonnes between 2000 and 2019 (IEA, 2021). The global oil demand and China’s share are illustrated in Figure 4.5.

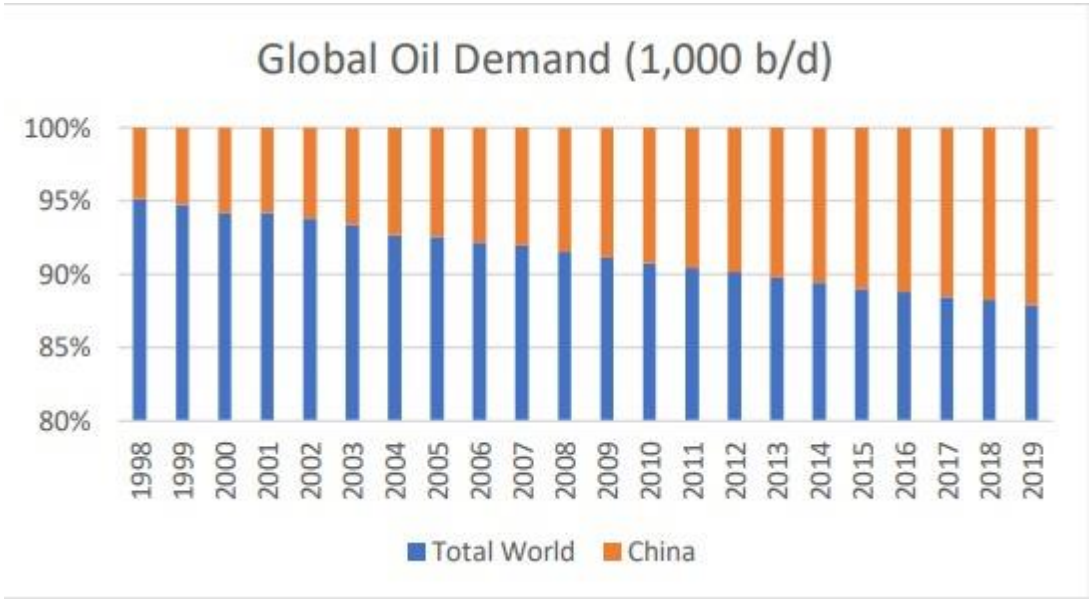


Figure 4. 5. Global Oil Demand (1,000 b/d) from 1998 to 2019 (OPEC).

In a similar vein, China's consumption of oil increased from approximately 5200 thousand barrels to 14.000 barrels within the same period (BP, 2013 & 2019). In addition to China, India's unprecedented growth in the 21st century also overlapped with its rising dependence on oil and gas. These developments have further increased the significance of oil-producing countries like Venezuela.

In the case of Venezuela, despite the revolutionary pledges from the Chávez administration regarding fostering development, Venezuela has demonstrated an incremental continuum of its oil-led economy. According to the data, Venezuela has been more dependent on oil than when Chávez assumed the presidency. For example, until the end of 2008, oil constituted 92% of the export revenues of the country (The Economist, 2008). This continuum should be addressed not only by looking at the internal dynamics but also the conditions within the global economy.

As mentioned in the previous chapter, Venezuela's oil industry, mainly PDVSA, underwent an internationalization process in the 1990s in parallel with the internationalization of the state. La Apertura Petrolera meant the privatization and internationalization of the oil industry with the direct encouragement of the state. Even though the Chávez administration aimed to reverse this policy by expropriating some private enterprises and protecting domestic industry, the internationalization of the oil

industry and the state has been sustained in new forms owing to the necessity of the global system.

After the political turmoil in 2002, the dominant position of American capital groups that were previously in a strong position within the state's power bloc was terminated. Even in PDVSA, financial groups such as the SEC were dismantled to reduce the influence of US-based capitalist factions. However, Chávez did not abandon the policies of internationalization of the oil industry. According to Venezuela's ambassador, eighteen countries are involved actively in the country's oil industry. The noteworthy change is that other capitalist powers, such as China, India, and Russia, have also become involved in the Venezuelan oil industry, and the state has encouraged this (Corrales and Penfold, 2011:82).

The reproduction of the internationalization of the state in the case of Venezuela led to the development of peculiar capitalist relations. Along with culminating the US preponderance in the industry, the country has been sustained to integrate into the global economy. For instance, PDVSA aimed to develop business relations with sponsorship of the state by establishing regulatory, supervising, and contracting structures to operate at the international level (López-Morales & Gonzalez-Barragán & Maldonado de Luna & Vélez-de Alba & Muller-Jasso, 2017:76). These endeavors coincided with the growing interests in creating ties with Asian countries, mainly China and India, through joint ventures (Ibid:74).

The Venezuelan state has maintained its reliance on foreign companies. Nevertheless, national oil companies like CNOC (China), Total (France), and STATOIL (Norway) have gained preponderance over privately owned companies, such as ExxonMobil and ConocoPhillips (the USA), in their relations with the state (Hellinger, 2016:213). In particular, the nationalization objectives of the Chávez administration sometimes conflicted with those of privately owned oil companies. For instance, amid the oil boom in 2007, the administration declared the nationalization of all Orinoco Tar Belt projects, where major American oil companies like ConocoPhillips and ExxonMobil operated. Both companies disapproved of this regulation and decided to pursue international arbitration measures (Corrales and Penfold, 2011:82). Conversely,

Chávez gave greater importance to the investments of national oil companies in the Orinoco Tar Belt such as from Belarus, Vietnam, and China (Hults, 2012:454).

China's significantly increasing interest in Venezuelan oil is crucial for understanding Venezuela's role in international capitalist relations. As a new economic giant, China's ambitious incentives to find other oil supplies made Venezuela attractive as the uncertain circumstances in Iran resulted from the US sanctions. In this respect, China provided nearly $20 billion for possible investments in the Orinoco region in 2010 (Corrales and Penfold, 2011:121). In addition, the total financial loans reached $40 billion from 2008 and 2014 (Hellinger, 2016:216). While Venezuelan exports to China comprised only 3.07% in 2007, this has dramatically increased to 26.5% in 2018 (OEC, 2021). In a similar vein, in the 2000s, the exports of oil were only 50.000 barrels per day; this reached 300.000 barrels per day in 2013 (Ferchen, 2014). In this sense, it demonstrates that China has been a growing oil partner of Venezuela despite the dominance of the US.

Overall, neoliberal capitalist dynamics still constitute the main economic relations between the countries as the international system has become more entrenched. In the Venezuelan case, despite the Chávez administration's implementations of state-led development strategies, the country's oil dependence has been sustained, resulting from the uneven global dynamics. First of all, the internationalization of the state and oil industry since the neoliberal reforms has been sustained in different forms. The increasing demand for oil and the emergence of new major economic powers in the international capitalist system have reshaped Venezuela's position within the international division of labor. In this context, consistent with Chávez's internal selective strategies, Venezuela has pursued to develop cooperations exclusively with nationally owned capitalist companies that are not solely based in the U.S. Despite the growing relations with other capitalist countries in the system, this has led to the reproduction of the oil-led development practice within Venezuela's historical development.

Consequently, it should be understood that the practices of the individual choices of presidents or parties have not solely determined the peculiarity of Venezuela as an oil-led economy. However, this does not mean that the international system merely

determines the oil-led economy. Like in Venezuela during the Chávez era and before, there were different practices in changing state-society relations and state forms within the country, which led to alter its development strategy. However, the intertwined relations between domestic and international spheres within the system should be taken into account to analyze the structure of oil-led economies.

In a nutshell, this chapter analyzed the oil-dependence and oil-led development strategy during the Chávez era. After Chávez had assumed the presidency, he aimed to restructure the country's economy owing to the destructive impact of neoliberalism. In this respect, the administration promulgated a new constitution and embarked on regulations to strengthen state control over the economy. Increasing state intervention in the economy, particularly the oil sector, engendered a backlash among traditional capitalist fractions within the power bloc. Therefore, the coup and general oil strike in 2002-3 constituted a turning point for the Venezuelan state and society. After the political turmoil, the administration aimed to reduce the influences of traditional capitalist classes on the state by supporting new business classes that were closely linked to the administration. In this respect, the state implemented a selective strategy to favor new business classes to discard the traditional bourgeoisie.

On the other hand, supporting and strengthening the class known as bolibourgeoisie was highly dependent on the state's reliance on oil revenues during this period. Thus, as a result of the selective strategy, the changing power bloc became dependent on oil for its existence. Secondly, the Chávez administration aimed to bolster welfare and long-term development with social programs. Even though the social programs ensured welfare in the short term, the reliance on oil has increased, and the bolibourgeoisie benefited from these social programs in a way that hindered any productive activities in the long term.

These internal dynamics intertwined with the international domain in the uneven capitalist practices within the global economy. The neoliberal period has increased unevenness within the system in a way that has never happened before. Theoretically, the neoliberal practices led to the internationalization of the state, and specifically the oil company, in Venezuela in the 1990s. Despite the opposing rhetoric of the Chávez

administration, in practice, neoliberal policies were continued in new forms due to the necessities of the system.

These internal dynamics are also intertwined with the international sphere in the uneven neoliberal capitalist practices within the global economy. Despite the anti-neoliberal and leftist discourse, the Venezuela has sustained some of the neoliberal practices by maintaining on the global level, changing capitalist relations encompass new growing economic powers as well. The economic practices of developed countries require raw materials and natural resources for their economic growth. Hence, their reliance on oil has impacts on the structures of oil exporters in the uneven capitalist system. Beyond this, global capitalist relations and Venezuela's position in the international system have had impacts on Venezuela’s oil-led economy since Venezuelan capitalist development took place in the 20th century.

CHAPTER 5

CONCLUSION

Does oil hinder the long-term development and productivity of the economy as a curse? Many analyses of this question revolve around positive or negative answers. However, is it accurate and sufficient to associate the absence of long-term development with the possession of oil? This study has tried to answer the second question by overcoming the restricted framework of the former. By and large, this attempt required new concepts and theoretical frameworks, which could be capable of posing the problem.

Venezuela, as an oil producer country within Latin America, encourages many scholars to address its state-society relations and development practices. After gaining independence, Venezuela sustained its economy through agricultural exports to industrialized countries. The emergence of an oil-led economy in the 1920s marked a significant transformation of the country's state-society relations within the international capitalist economy. From this point, many studies have aimed to tackle the spotty economic and social development practices of the country, which had been dependent on oil revenues.Chávez's assumption of the presidency in 1998 marked a radical transformation of Venezuela's state-society relations, invariably influencing its economic practices. On this point, this study has tried to elucidate Venezuela's oil-led development practices since 1998. Chávez aimed to reconstruct the power relations of society and pledged to bolster the productive economy, reducing the oil dependency. However, Venezuela's oil dependency has been maintained during the Chávez era despite the promises. This study aimed to answer why the oil dependency persisted during this period.

The literature answers this question through the lenses of conventional concepts and theories. Venezuela's unchanging development practices are mainly associated with

the Resource Curse and Dutch Disease concepts to cover all the same practices of natural resource-abundant countries. Dutch Disease aims to demonstrate why oil exporter countries demonstrate poor economic performances during the oil boom and oil bust periods. Similarly, the Resource Curse concept addresses the same question by covering other social and political dynamics on the country's dependence on oil revenues. These economic-based analyses have been combined with the application of RST in the Venezuelan case. The basis of the RST is the association of oil abundance with a specific type of state structure and social relations. According to the theory, rentier states are not prone to bolster productive economies and development due to their autonomous state structure from society. In other words, rentier states do not need to implement taxation policies due to their reliance on oil revenues, which render the state autonomous from society. This autonomy leads to the uneven receive and usage of oil revenues between the state and society. In this respect, the sole reliance on oil and uneven usage of this natural resource creates a huge obstacle for rentier states to ensure long-term development practices. In the Venezuelan case, many studies address the Chávez administration's lavish spending of oil revenues for social programs and authoritarian character as a rentier populist state. The reason for the maintenance of oil dependence is explained through this framework.

However, the conventional approach has significant drawbacks while analyzing state-society relations and development practices of Venezuela during the Chávez period. Initially, the changing class dynamics within the state form are neglected in analyzing state-society relations. RST neglects the class dynamics of those oil-abundant countries. For instance, few studies elaborate on Venezuela's oil-dependent economy during the Chávez period by taking into account the emergence of new dominant capitalist fractions within the power bloc on the reproduction of an oil-dependent economy. Within this theoretical background, Poulantzas' articulation of state was used for the analysis of the Venezuelan case.

In addition, the conceptual analyses fall short of demonstrating the conditions of the uneven international system and its impacts on the structures of oil-abundant countries. In other words, they are far from demonstrating the dynamics in which an oil-led economy is reproduced within the international capitalist structure. Venezuela's new

form of integration into the uneven global capitalist economy through the emergence of the oil economy led the country to adopt peculiar development practices. This uneven development also engendered combined development practices that would precipitate further contradictions within society. Therefore, the study evaluated Venezuela's capitalist development trajectory by taking into account the country's position within the international capitalist economy through the conceptual framework of UCD.

As indicated in the third chapter of the study, Venezuela's capitalist development trajectory since the beginning of the 20th century gave a new impetus to the country's way of integration into the global economy. With the discovery of oil reserves in Venezuela, the direct intervention of US-based foreign companies triggered the country's capitalist development. As a result, Venezuela integrated into the uneven international system in its peculiar and combined ways. This process unfolded within the context of various political crises until 1958. Notably, the decades transitioning between democracy and dictatorship mirror the country's capitalist development. However, the Punto Fijo Pact, established after 1958, brought about a termination of the period of political instabilities in previous decades. The evolution of the democratic system in the country ran in parallel with the state control over the economy, mainly the oil sector.

The political system dominated primarily by two parties, AD and COPEI, highlighted the elitist nature of the Punto Fijo era. In this period, the state increased its control over the economy and aimed to implement ISI policies. According to the necessities of international conjuncture, administrations sought to bolster the protective and industrial economy. Furthermore, administrations endeavored to strengthen state control over the oil industry. These objectives reached their peak when Perez established PDVSA in 1976 during the oil boom. Aiming to bolster a productive economy failed to meet these promises when the oil bust took place in the 1980s. The emerging economic crisis towards the end of the 1980s marked a new period for Venezuela, which was characterized by the implementation of neoliberal policies in the 1990s.

The growing economic crisis and increasing foreign debts compelled the administration to adopt neoliberal prescriptions by international financial institutions at the beginning of the 1990s. The liberalization of the economy, particularly the oil sector, overlapped with the process of internationalization of the state and oil sector according to the conditions of neoliberalism. La apertura petrolera policy was a significant example of this transformation of the oil sector by integrating into the global economy in a new form.

However, the contradiction between state and society since 1958 has deepened with neoliberalism. The neoliberal policies deepened the inequality of society and increased the demand for change among the masses. The extreme privatization practices, as encouraged by the international financial institutions, exacerbated inequality in society. Hence, the oil-led economy has persisted at an unprecedented level, like never before, with the process of internationalization. In addition, the political and economic demands from the masses led to the regime crisis, paving the way for Chávez's presidency in 1998.

As it was aimed in this study, Chávez's policies and objectives were elaborated with the class dynamics and international conditions. Chávez's envisioned political project encompassed a comprehensive transformation that would span the ideological, economic, and political dimensions of society. This transformation also contained aspects that would profoundly alter state form and state-society relations. At this juncture, the respective transformations were met with significant opposition from the traditional elites within society, leading to political instability. However, the Chávez administration was able to overcome these drawbacks and aimed to ensure radical transformation in society to bolster long-term development and a productive economy.

On the other hand, these promises have been far from reality. Venezuela's oil dependence has persisted due to both internal and external interrelated dynamics. As mentioned above, Chávez aimed to discard the traditional dominant classes from the power bloc by replacing them with bolibourgeoisie. The emergence of the bolibourgeoisie has been supported by the administration as a selective strategy. The selective strategy for supporting the bolibourgeoisie has entailed the usage of oil

revenues via preferential dollars. Hence, bolibourgeoisie became a dominant capitalist fraction within the power bloc, relying on oil revenues to sustain their power.

In addition, the implementation of social programs to improve the conditions of the impoverished segments of society required cooperation between new business groups within the bolibourgeoisie and the Chávez administration. The participation of business groups close to the government in these programs and the avoidance of productive economic investments have led to the continuation of Venezuela's oil dependency.

In parallel with the internal dynamics, Venezuela has persisted in its oil-led economy in accordance with the new conditions within the uneven international system. Despite Chávez's promises to end neoliberalism within the country, Venezuela has not been able to detach itself from neoliberal dynamics. As a result of the opening policy concerning the oil industry, the internationalization of the state and oil industry has been maintained within the system with new forms. The US, as a main trade partner of Venezuela, has decreased importance by the Chávez administration. However, during this period, the increase in global oil demand and the development of other capitalist powers, such as China, facilitated Venezuela's reproduction of its oil-producing position within uneven dynamics. Hence, the changing class structures and international conjuncture have molded Venezuela's state-society relations and development practices interrelatedly.

At this juncture, the dependence on oil has demonstrated an increasing continuum after the Chávez period. After 2013, Maduro's presidency coincided with a sharp decrease in oil prices and a new economic crisis. In this respect, the vulnerability of the Venezuelan economy against the international conditions has been maintained. Within this background, the developments after Chávez's death in 2013 can be assessed in future research since the Venezuelan state form and class structure related to the development practices in the 2000s had had radical impacts on even today's developments within the country. Many scholars associate the political and economic crisis of Venezuela with Chávez's radical policies. In this respect, this study paves the way for analyzing the Venezuelan case in a more critical and comprehensive framework, including IPE.

In addition, in Latin America, similar countries like Ecuador and Bolivia have experienced similar capitalist developments because of their natural resource abundance. Their stance against neoliberalism exhibits similarities. In this context, the phases of capitalist development in these countries and the evolving state-society relations can be examined comparatively. Therefore, it can lead to more comprehensive studies in Latin American research that not only remain confined to domestic aspects but also encompass the analysis of the IPE. Overall, the position of countries within the Global South in relation to developed nations can be critically examined within the context of existing capitalist relations. This approach can surpass traditional conceptualizations, opening up new perspectives for analysis as it was used in this study.

REFERENCES

Akgemci, E. (2014). Venezuela'da Şiddeti Anlamak. *Ankara Üniversitesi SBF Dergisi*, 69(01), 217-226. https://doi.org/10.1501/SBFder_0000002309

Alam, M. S. (2003). A Short History of the Global Economy Since 1800, available at SSRN: https://ssrn.com/abstract=951929 or http://dx.doi.org/10.2139/ssrn.951929

Allinson, J. (2011). The Social Origins of Alliances: Uneven and Combined Development and the Case of Jordan 1955-7 (Phd thesis, The University of Edinburgh).

Angosto-Ferrández, L. F. (2019). Neoextractivism and Class Formation: Lessons from the Orinoco Mining Arc Project in Venezuela, *Latin American Perspectives*, 46(1), 190–211. https://www.jstor.org/stable/48595479

Antunes de Oliveira, F. Development for whom? Beyond the developed/underdeveloped dichotomy. *J Int Relat Dev* 23, 924–946 (2020). https://doi.org/10.1057/s41268-019-00173-9

Ashman, S. (2006). From World Market to World Economy. In B. Dunn, & H. Radice (Eds.), *100 Years of Permanent Revolution: Results and Prospects*. London: Pluto. https://doi.org/10.2307/j.ctt18fs98g

Ashman, S. (2009). Capitalism, Uneven and Combined Development and the Transhistoric, *Cambridge Review of International Affairs*, 22:1, 29–46.

Astorga, P. (2000). Industrialization in Venezuela, 1936–83: The Problem of Abundance. In: Cárdenas, E., Ocampo, J.A., Thorp, R. (eds) An Economic History of Twentieth-Century Latin America. St Antony's Series. Palgrave Macmillan, London. https://doi.org/10.1057/9780230595682_8

Auty, R. M. (1993). Sustaining Development in Mineral Economies: The Resource Curse Thesis, Routledge, London published in the Taylor & Francis e-Library, 2003.

Baer, W. (1972). Import Substitution and Industrialization in Latin America: Experiences and Interpretations. Latin American Research Review, 7(1), 95–122. http://www.jstor.org/stable/2502457

Banco Central de Venezuela. (n.d.). Manufactura. Retrieved November 5, 2023, from https://www.bcv.org.ve/estadisticas/manufactura

Banko C. (2016). The Venezuelan foreign trade dynamics (XIX century) / La dinámica del comercio exterior venezolano (Siglo XIX), *Nuevo Mundo Mundos Nuevos* [En ligne], Colloques, mis en ligne le 16 décembre. Retrieved in 30.11.2023. URL: http://journals.openedition.org/nuevomundo/69978; DOI: https://doi.org/10.4000/nuevomundo.69978

Barker, C. (2006). Beyond Trotsky: extending combined and uneven development. In In B. Dunn, & H. Radice (Eds.), *100 Years of Permanent Revolution: Results and Prospects*. London: Pluto.

Barrow, Clyde W. 2011. (Re)reading Poulantzas: State Theory and the Epistemologies of Structuralism. In A. Gallas, L. Bretthauer, J. Kannankulam, and I. Stutzle (Eds.), *Reading Poulantzas*. London: Merlin Press.

Beblawi, H. (1990). The Rentier State in the Arab World, in H. Beblawi and G. Luciani (Eds.), *Volume II: The Rentier State*. The USA: Croom Helm.

Beinin, J. (2021). Introduction. In J. Beinin, B. Haddad and S. Seikaly (Eds.), *A Critical Political Economy of the Middle East and North Africa*. Stanford, CA: Stanford University Press.

Bellos, A. (2002). Chávez rises from very peculiar coup. *The Guardian*. Retrieved August 6, 2023, from https://www.theguardian.com/world/2002/apr/15/venezuela.alexbellos

Bieler, A. and Morton A. D. (2014) Uneven and Combined Development and Unequal Exchange: the second wind of neoliberal “free trade”?, *Globalizations*, 11(1): 35-45.

BP Statistical Review of World Energy, 68th Edition. (2019). Retrieved August 10, 2023,from https://www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/energy-economics/statistical-review/bp-stats-review- 2019-full-report.pdf

BP Statistical Review of World Energy. (2013). Retrieved August 10 2023, from https://www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/energy- economics/statistical-review/bp-stats-review-2013-full-report.pdf

Bratsis, P. (2002). Unthinking the State. In S. Aronowitz & P. Bratsis (Eds.), *Paradigm Lost: State Theory Reconsidered*. The USA: University of Minnesota Press.

Briceño Reyes. D. (2003). Notas sobre Historia Política Venezolana: 1973–2003. *Ágora, Trujillo*, pp:207-248

Bull, B., & Rosales, A. (2020). Into the shadows: sanctions, rentierism, and economic informalization in Venezuela, *European Review of Latin American and Caribbean Studies / Revista Europea de Estudios Latinoamericanos y Del Caribe*, 109:107–133. https://www.jstor.org/stable/26936905

Bye, V. (1979). Nationalization of Oil in Venezuela: Re-Defined Dependence and Legitimization of Imperialism, *Journal of Peace Research*, 16(1):57–78. http://www.jstor.org/stable/422789

CEPAL (2009). Economic survey of the Caribbean 2008-2009. *United Nations*, retrieved December 6 2023 from https://www.cepal.org/en/publications/38689- economic-survey-caribbean-2008-2009

Callinicos, A. (2007). Does Capitalism Need the State System?, *Cambridge Review of International Affairs*, 20(4): 533-549.

Campbell, D. (2002). The Coup. *The Guardian*. Retrieved August 6, 2023, from https://www.theguardian.com/world/2002/apr/22/venezuela.duncancampbell

Campbell, J. L. (1993). The State and Fiscal Sociology. *Annual Review of Sociology*, 19:163–185. http://www.jstor.org/stable/2083385

Chávez Frías, H. (2003). *Presidente de la República Bolivariana de Venezuela: Discursos e Intervenciones, Diciembre de 2002- enero de 2003*. (Segunda Edición Ampliada). Ediciones Plaza: La Habana.

Chávez, A. (2021). Misión Robinson: 18 años llevando la luz del conocimiento y aprendizaje al pueblo venezolano. *Ministerio del Poder Popular de Economía, Finanzasy Comercio Exterior.* Retrieved in August 6,

2023, from http://www.mppef.gob.ve/mision-robinson-18-anos-llevando-la-luz-del- conocimiento-y-aprendizaje-al-pueblo-venezolano/

Chaudhury K. (1989). The Price of Oil Wealth: Business and State in Labor Remittance and Oil Economies, *International Organization,* 43(101-145).

Chiasson-Lebel T. (2016). Neo-extractivism in Venezuela and Ecuador: A weapon of class conflict, *The Extractive Industries and Society*, 3(4): 888-901.

Clarke, S. (2004). Devlet Tartışmaları: Marksist Devlet Kuramına Doğru S. Clarke (der.), çev. İbrahim Yıldız, Ütopya Yayınları, Ankara.

Cohen, J. N., & Centeno, M. A. (2006). Neoliberalism and Patterns of Economic Performance, 1980-2000. *The Annals of the American Academy of Political and Social Science*, 606: 32–67. http://www.jstor.org/stable/25097817

CONFAGAN (Confederación de Agricultores y Ganaderos). (n.d.). *Organización.*Retrieved in November 6, 2023, from http://www.confagan.com/organizacion.php

Constitution of the Bolivarian Republic of Venezuela (1999) (in English translation from the original legal text). Retrieved in August 7 2023 from https://www.refworld.org/cgi-bin/texis/vtx/rwmain/opendocpdf.pdf?reldoc=y&docid=5485a9064

Contreras, J. M. (1995). La Apertura Petrolera Venezolana: Un Proceso Inconcluso de Cambio en Sus Estructuras. *Investigación Económica*, 55(213): 129–145. http://www.jstor.org/stable/42778405

Corden, W. M. (1984). Booming Sector and Dutch Disease Economics: Survey and Consolidation. *Oxford Economic Papers, 36*(3): 359–380. http://www.jstor.org/stable/2662669

Coronil, F. (1997). *The Magical State: Nature, Money, and Modernity in Venezuela*. Chicago: University of Chicago Press.

Corrales, J., & Penfold, M. (2011). *Dragon in the Tropics: Hugo Chávez and the Political Economy of Revolution in Venezuela*. Brookings Institution Press. http://www.jstor.org/stable/10.7864/j.ctt127w6g

Delacroix, J. (1980). The Distributive State in the World System, *Studies in Comparative International Development*, 15(1): 3-21.

Dunford W. & Weidong L. (2016) Uneven and Combined Development, *Regional Studies*, DOI: 10.1080/00343404.2016.1262946

Ellner, S. (2008). *Rethinking Venezuelan Politics: Class, Conflict, and the Chávez Phenomenon*. Boulder: Lynne Rienner.

Ellner, S. (2011). Venezuela's Social-Based Democratic Model: Innovations and Limitations. *Journal of Latin American Studies*, 43(3): 421-449 doi:10.1017/ S0022216X11000757

Ellner, S. (2017). Implications of Marxist State Theory and How They Play Out in Venezuela. *Historical Materialism, 25*(2): 29-62. https://doi.org/10.1163/1569206X-12301419

Ellner, S. (2019). Class Strategies in Chavista Venezuela: Pragmatic and Populist Policies in a Broader Context. *Latin American Perspectives, 46*(1): 167-189. https://doi.org/10.1177/0094582X18798796

Ewell Judith, (1996). *Venezuela, and the United States: From Monroe's Hemisphere to Petroleum's Empire* Athens, GA: The University of Georgia Press.

Ewell, Judith (1984). *Venezuela: A Century of Change* Stanford University Press Ferchen, M. (2014). Crude Complications: Venezuela, China, and the United States.

The Guardian. Retrieved in October 28, 2023, from https://carnegieendowment.org/2014/10/23/crude-complications-venezuela-china- and-united-states-pub-56996

Gaceta Oficial de la República Bolivariana de Venezuela. (2001). Ley de Tierras y Desarrollo Agrario (Land and Agrarian Development Law).

Gaceta Oficial de la República Bolivariana de Venezuela. (2005). Número 38.269. Giusti, L. E. (1999). “La Apertura”: The Opening of Venezuela’s Oil Industry,

Journal of International Affairs, 53(1): 117–128. http://www.jstor.org/stable/24357788

Goldstein, A. (2010). Drivers of internationalisation of companies from emerging economies: Comparing Petrobras (Brazil) and PDVSA (Venezuela). *International journal of technological learning, innovation and development, 3*(4):392-407

Gore, C. (2000). The Rise and Fall of the Washington Consensus as a Paradigm for Developing Countries. *World Development*. 28(5): 789-804. 10.1016/S0305-750X(99)00160-6.

Hammond, J. L. (2011). The Resource Curse and Oil Revenues in Angola and Venezuela. *Science & Society*, *75*(3): 348–378. http://www.jstor.org/stable/41290174

Hanieh, A. (2021). Rethinking Class and State in the Gulf Cooperation Council. In J. Beinin, B. Haddad and S. Seikaly (Eds.), *A Critical Political Economy of the Middle East and North Africa*, Stanford, CA: Stanford University Press

Harris, R. L. (2000). The Effects of Globalization and Neoliberalism in Latin America at the Beginning of the Millennium. *Journal of Developing Societies*, *16*(1): 139-162. https://doi.org/10.1163/156852200512021

Hellinger, D. (2016). Resource nationalism and the Bolivarian revolution in Venezuela. In Haslam, P.A., & Heidrich, P. (Eds.), *The Political Economy of Natural Resources and Development: From neoliberalism to resource nationalism (1st ed.)*. Routledge. https://doi.org/10.4324/9781315687698

Hernandez Toledo, Y. (2012). The 2002 Oil Lockout: 10 Years Later. *The Venezuelan Analysis*. Retrieved August 6, 2023, from https://venezuelanalysis.com/analysis/7527/

Hults, D. (2011). Petróleos de Venezuela, S.A. (PDVSA): From independence to subservience. In D. Victor, D. Hults, & M. Thurber (Eds.), *Oil and Governance: State- Owned Enterprises and the World Energy Supply* Cambridge: Cambridge University Press. doi:10.1017/CBO9780511784057.013

International Energy Agency (IEA). (2021). *World Energy Outlook 2021*. Retrieved August 13, 2023, from https://www.iea.org/reports/world-energy-outlook-2021

International Monetary Fund (2000). Chapter V: The World Economy in the Twentieth Century: Striking Developments and Policy Lessons. In *World Economic Outlook*. Retrieved in Dec 1, 2023, from

https://doi.org/10.5089/9781557759368.081.ch005

Jessop B. (2016). *The state: past present future.* Polity Press. Retrieved December 1, 2023, from http://site.ebrary.com/id/11137551.

Jessop, Bob. (1999). The Strategic Selectivity of the State: Reflections on a Theme of Poulantzas. *Journal of the Hellenic Diaspora*. 25(1-2): 41-77

Karl, T. L. (1987). Petroleum and Political Pacts: The Transition to Democracy in Venezuela. *Latin American Research Review,* 22(1): 63-94. https://doi.org/10.1017/S0023879100016435

Karl, Terry Lynn (1997). *The Paradox of Plenty: Oil Booms and Petro-states,* Berkeley, University of California Press.

Kott, A. (2012). Assessing Whether Oil Dependency in Venezuela Contributes to National Instability. *Journal of Strategic Security, 5*(3): 69–86. http://www.jstor.org/stable/26463951

Kotz, David. (2003). Neoliberalism and the U.S. Economic Expansion of the '90s. *Monthly Review.* 54(11):17. 10.14452/MR-054-11-2003-04_2.

Krauss, C. (2006). New President in Venezuela Proposes to Rewrite the Constitution. *The New York Times.* Retrieved in August 6, 2023 from https://www.nytimes.com/1999/02/04/world/new-president-in-venezuela-proposes- to-rewrite-the-constitution.html

Lander, E. (2005). Venezuelan Social Conflict in a Global Context. *Latin American Perspectives*, 32(2): 20–38. http://www.jstor.org/stable/30040274

Levitsky, S. and Loxton, J. (2013). Populism and competitive authoritarianism in theAndes, *Democratization,* 20(1): 107-136. DOI: 10.1080/13510347.2013.738864

López-Morales, J. & Gonzalez-Barragan, R. & Maldonado-de Luna, A. & Vélez-De Alba, E. A. & Muller-Jasso, J. R. (2017). Internationalization of State Multilatinas: A Multi-Case Study in The Oil Sector. *International Journal of Business, Economics and Management*. 4(4): 65–81.

LTDA (2001). Ley de Tierras y Desarrollo Agrario Gaceta Oficial de la República Bolivariana de Venezuela Nº 37.323 del 13/11/2001. Decreto Nº 1546 del 09/11/2001. Caracas, Venezuela.

Luciani, G. (1990). Allocation vs. Production States: A Theoretical Framework. In H. Beblawi and G. Luciani (Eds.), *Volume II: The Rentier State*. The USA: Croom Helm.

Luong, P. J. and Weinthal, E. (2006). Rethinking the Resource Curse: Ownership Structure, Institutional Capacity, and Domestic Constraints. *Annual Review of Political Science*, vol: 9: 241-263.

Luxemburg, Rosa (1913/2003). *The Accumulation of Capital*; translated from the German by Agnes Schwarzschild; with an Introduction by Tadeusz Kowalik. London: Routledge & Kegan Paul.

Mahdavy, H. (1970). The Pattern and Problems of Economic Development in Rentier States: The Case of Iran. In M.A Cook (Eds.), *Studies in the Economic History of Middle East*, Oxford: Oxford University Press.

Marx, Karl. *A Contribution to the Critique of Political Economy* (1859/1999) On-Line Version, Marxists.org.

Marx, Karl. (1867/1999) *Capital: A Critique of Political Economy, Volume I*, Marx/Engels Internet Archive (marxists.org)

Marx, K., Engels, F., & Harvey, D. (2008). *The Communist Manifesto*. Pluto Press. https://doi.org/10.2307/j.ctt184qq4k

Maya, M. L. (2003). The Venezuelan "Caracazo" of 1989: Popular Protest and Institutional Weakness. *Journal of Latin American Studies*, 35(1): 117–137. http://www.jstor.org/stable/3875580

Mazzuca, S. (2013). Lessons from Latin America: The Rise of Rentier Populism. J*ournal of Democracy*, 24(2): 108-122.

McBeth, B. S. (1983). *Juan Vicente G6mez and the Oil Companies in Venezuela, 1908-1935*. Cambridge: Cambridge University Press.

Mien E, Goujon M. (2022). 40 Years of Dutch Disease Literature: Lessons for Developing Countries. *Comparative Economic Studies*, 64(3):351-383. doi: 10.1057/s41294-021-00177-w.

Ministerio del Poder Popular para la Comunicación y la Información (Mippci) (2021). Misión Robinson, 18 años de revolución educativa. Retrieved August 6, 2023, from http://www.minci.gob.ve/especial-mision-robinson-18-anos-de-revolucion- educativa/

Ministerio del Poder Popular para la Educación. (n.d.). Misión Sucre. Gobierno Bolivariano de Venezuela. Retrieved August 11, 2023, from http://www.misionsucre.gov.ve/#fundacion

Mommer, B. (2002). Subversive Oil. In S. Ellner and D. Hellinger (Eds.) *Venezuelan Politics in the Chávez Era: Polarization and Social Conflict*, Lynne Rienner.

Moore, M. (2004). Revenues, State Formation, and the Quality of Governance in Developing Countries. *International Political Science Review / Revue Internationale de Science Politique*, 25(3), 297–319. http://www.jstor.org/stable/1601669

OEC (The Observatory of Economic Complexity). (2021). *Venezuela: Exports, Imports, and Trade Partners*. Retrieved November 18, 2023, from https://oec.world/en/profile/country/ven

Okruhlik, G. (1999). Rentier Wealth, Unruly Law, and the Rise of Opposition: The Political Economy of Oil States, *Comparative Politics*, 31(3): 295-315.

OPEC (Organization of the Petroleum Exporting Countries) (n.d.) Table 4.7: World oil demand by country. Data Download. Retrieved December 13 2023 from https://asb.opec.org/data/ASB_Data.php

Özdemir, Ç. (2018). Turkey's Integration to Capitalism Within Uneven and Combined Development Approach: "1945-1960". *International Journal of Political Science and Urban Studies*, 6(2): 27-54. https://doi.org/10.14782/ipsus.460126.

PDVSA. (2001). *Ley Orgánica de Hidrocarburos* (Organic Law of Hydrocarbons). Pérez, G. (2022). Fonden cumple 17 años comprometidos con Venezuela. *MPPEFCE- Ministerio del Poder Popular de Economía, Finanzas y Comercio Exterior.*

Retrieved November 10, 2023, from http://www.mppef.gob.ve/fonden-cumple-17-anos-comprometidos-con-venezuela/

Philip, G. (1982). Oil and Politics in Latin America: Nationalist Movements and State Companies. *Cambridge Latin American Studies*. Cambridge: Cambridge University Press. doi:10.1017/CBO9780511528149

Poulantzas N. (1973). *Political Power and Social Classes.* London: NLB/Verso.

Poulantzas, N. (1978). *State, Power, Socialism*, Verso.

Price, N. (2002). Venezuelan Strike Halts Oil Exports. *The Guardian*. Retrieved August 6, 2023, from https://www.theguardian.com/world/2002/dec/07/oil.venezuela PSUV (Partido Socialista Unido de Venezuela). (2012). 17 de noviembre: A 9 años de la creación de la Misión Ribas. Retrieved August 6, 2023, from http://www.psuv.org.ve/portada/17-noviembre-a-9-anos-creacion-mision-ribas/

Purcell, TF (2017). The Political Economy of Rentier Capitalism and the Limits to Agrarian Transformation in Venezuela. *Journal of Agrarian Change*, 17(2): 296-312. ISSN 1471-0358 DOI: https://doi.org/10.1111/joac.12204

República Bolivariana de Venezuela (1999) Constitución de La República Bolivariana de Venezuela. Gazeta Ofcial, Caracas. Available on https://pdba.georgetown.edu/Constitutions/ Venezuela/ven1999.html

Rodríguez Villouta, A. (2002). Huelga en Venezuela. *BBC Mundo*. Retrieved August 6, 2023, from http://news.bbc.co.uk/hi/spanish/latin_america/newsid_2347000/2347897.stm

Rohter, L. (1999). Venezuelans Give Chávez All the Powers He Wanted. *The New York Times.* Retrieved August 6, 2023 https://www.nytimes.com/1999/12/16/world/venezuelans-give-Chávez-all-the-powers-he-wanted.html

Rosenberg, J. (2005). Globalization Theory: A Post Mortem, *International Politics* 42(1): 2-74.

Rosenberg, J. (2016). Uneven and Combined Development in Theory and History. In A. Anievas and K. Matin (Eds.) *Historical Sociology and World History: Uneven and Combined Development over the Longue Durée.* Lanham, MD: Rowman & Littlefield.

Ross, M. L. (1999). The Political Economy of the Resource Curse [Review of *The Paradox of Plenty: Oil Booms and Petro-States; Natural Resource Abundance and Economic Growth; Winners and Losers: How Sectors Shape the Developmental Prospects of States*, by T. L. Karl, J. D. Sachs, A. M. Warner, & D. M. Shafer]. *World Politics, 51*(2): 297–322. http://www.jstor.org/stable/25054077

Schemo, D. J. (1998). Venezuelans Elect an Ex-Coup Leader as Their President. *The New York Times*. Retrieved 8 August 2023, from https://www.nytimes.com/1998/12/07/world/venezuelans-elect-an-ex-coup-leader-as-their-president.html

Schincariol, V. E. (2020). *Society and Economy in Venezuela: An Overview of the Bolivarian Period (1998-2018)*. Switzerland: Springer.

SEC- United States Securities and Exchange Commission (2003). *PDVSA Finance*. Retrieved November 20 2023, from https://www.sec.gov/Archives/edgar/data/1074512/000104746903026083/a2115954z6-k.htm

Strønen, J. I. (2017). Grassroots Politics and Oil Culture in Venezuela: The Revolutionary Petro-State. Palgrave Press, Norway.

Sune, E. (2012). Defining the different: A Critical Analysis of the Rentier, Failed and Rouge State Theories [Electronic Resource] / Engin Sune, Supervisor: Assoc. Prof. Dr. Pınar Bedirhanoğlu. [M.S. - Master of Science]. Middle East Technical University.

Tarver, H. M. and Frederick, J. C. (2005). *The History of Venezuela*. The USA: Greenwood Press.

The Economist. (2002). Coup and Counter-Coup. Retrieved August 6, 2023, from https://www.economist.com/unknown/2002/04/16/coup-and-counter-coup

The Economist. (2002). After the Coup, the Reckoning. Retrieved August 6, 2023, from https://www.economist.com/the-americas/2002/04/18/after-the-coup-the-reckoning

The Economist. (2008). Socialism with Cheap Oil. Retrieved August 7, 2023, from https://www.economist.com/the-americas/2008/12/30/socialism-with-cheap-oil

Waldner, D. and Smith, B. (2015). Rentier States and State Transformations. In S.

Leibfried, E. Huber, M. Lange, J. Levy, F. Nullmeier, J. D. Stephens (Eds.), *Oxford Handbook on Transformations of the State.* Oxford University Press.

World Bank (2021). The Changing Wealth of Nations 2021: Managing Assets for the Future. E-library retrieved 01.12.2023 from https://doi.org/10.1596/978-1-4648- 1590-4 Creative Commons Attribution CC BY 3.0 IGO.

Tinker-Salas, M. (2009). *The Enduring Legacy: Oil, Culture, and Society in Venezuela*. Duke University Press. https://doi.org/10.2307/j.ctv11vc777

Tinker-Salas, M. (2015). *Venezuela: What Everyone Needs to Know.* Oxford: Oxford University.

Topal, Aylin (2020). Latin Amerika'da Bağımlılıktan Neoliberal Yeni-Kalkınmacılığa Kriz Dinamikleri, içinde E. Akgemci, K. Ateş, *Dünyanın Ters Köşesi Latin Amerika: Tarih, Toplum, Kültür.* İletişim Yayınları, İstanbul.

Transparencia Venezuela. (2021). Más de USD 174.000 millones comprometió el FONDEN en proyectos opacos e inconclusos. Retrieved August 6, 2023, from https://transparenciave.org/mas-de-usd-174-000-millones-comprometio-el-fonden- en-proyectos-opacos-e-inconclusos/

Trotsky, L (2000/1930). *The History of the Russian Revolution,* by Chris Russell for Marxists Internet Archive.

U.S. Energy Information Administration (EIA). (2023). *Annual Energy Outlook 2023*. Retrieved August 8, 2023, from https://www.eia.gov/outlooks/aeo/

United Nations Economic Commission for Latin America and the Caribbean (ECLAC). (n.d.). *Non-contributory Social Protection Programmes Database*. Retrieved 8 August 2023 from https://www.cepal.org/en/non-contributory-social- protection-programmes-database

Weyland, K. (2009). The Rise of Latin America's Two Lefts: Insights from Rentier State Theory. *Comparative Politics*, *41*(2): 145–164. http://www.jstor.org/stable/40599207

Wilpert, G. (2007). *Changing Venezuela by taking power: The history and policies of the Chávez government*. Verso Books.

Wissel, J. (2011). The Transnationalization of the Bourgeoisie and the New Networks of Power. In A. Gallas, L. Bretthauer, J. Kannankulam, and I. Stutzle (Eds.), *Reading Poulantzas*. London: Merlin Press.

Wood E. M. (2002). Global capital, national states. In Rupert, M., & Smith, H. (Eds.), *Historical Materialism and Globalisation: Essays on Continuity and Change* (1st ed.). Routledge. https://doi.org/10.4324/9781315541402

World Bank (n.d.). Agriculture, forestry, and fishing, value added (% of GDP) from World Bank national accounts data, and OECD National Accounts data files. Retrieved 8 december 2023 from https://data.worldbank.org/indicator/NV.AGR.TOTL.ZS

World Bank (n.d.). General government final consumption expenditure (constant LCU) - Venezuela, RB from World Bank national accounts data, and OECD National Accounts data files. Retrieved 8 december 2023 from https://data.worldbank.org/indicator/NE.CON.GOVT.KN?locations=VE

World Bank (n.d.). Unemployment, total (% of total labor force) (modeled ILO estimate) - Venezuela, RB from International Labour Organization. "ILO Modelled Estimates and Projections database (ILOEST)" ILOSTAT. Retrieved 7 December 2023 from https://data.worldbank.org/indicator/SL.UEM.TOTL.ZS?locations=VE

APPENDICES

A. TURKISH SUMMARY / TÜRKÇE ÖZET

Petrolün hâkim sektörü oluşturduğu ekonomilerde, devletler söz konusu doğal kaynağın ihracat gelirlerine dayanan bir ekonomik biçimi benimsemiştir. Bu devletlerin çoğunlukla Küresel Güney ülkeleri içerisinde yer alması, onların siyasi ve ekonomik yapılarının analizi için uygun bir temel teşkil etmektedir. Özellikle, söz konusu devletlerin Küresel Kuzey ülkelerinde sanayileşmeye dayanan gelişmiş kalkınma dinamiklerini gösterememesi, derin bir araştırma alanı yaratmıştır. Bu hususta, petrol temelli bir ekonomiye sahip olan Venezuela, bu araştırma alanına dahil olmuştur. Bu çalışma, 2000'ler sonrası Venezuela'nın devlet-toplum ilişkileri ekseninde petrol ekonomisini incelemiştir. Buna ek olarak çalışma, uluslararası ekonomik konjonktürü de baz alarak kavramsal düzlemde bütüncül bir yaklaşım edinmeyi amaçlamıştır.

Venezuela, 19. yüzyılda diğer birçok Latin Amerika ülkesinde görüldüğü gibi kahve ve kakao gibi tarımsal ürünlerin ihracatına dayanan bir ekonomiye sahipti. Ancak yüzyılın sonuna gelindiğinde, uluslararası ticaret rejiminin yarattığı eşitsiz dinamikler, Venezuela'nın dış borcunun artmasına neden olmuş ve söz konusu ekonomik düzenin sürdürülebilir olmadığı anlaşılmıştır. Uluslararası düzlemde gelişen dış baskılar ve ülke içerisinde artan ekonomik sorunlar, Venezuela devletini farklı ekonomik gelirler aramaya itmiştir. 1908 yılında iktidara gelen Juan Vicente Gomez, ülkedeki farklı doğal kaynakları keşfe girişmiş ve uluslararası petrol şirketlerinin de katkısıyla 1913 yılında petrol rezervleri keşfedilmiştir. 1. Dünya Savaşı'nın da ortaya çıkmasıyla, büyük kapitalist ülkelerin petrol talebi artmış ve büyük yabancı petrol şirketleri, Venezuela ekonomisine dahil olmuştur.

Eşitsiz boyutta gelişen uluslararası kapitalist dinamikler, Venezuela devletinin petrole dayanan ekonomik tarzı oluşturmaya itmiştir. Bu durum aynı zamanda, ülke içinde

bileşik kalkınma dinamikleri geliştirmiştir. Gomez askeri diktatörlüğü sırasında gelişen petrol ekonomisi, ülkenin siyasi, sosyal ve ekonomik yapısını yeniden yapılandıran süreci başlatmıştır. Ekonomik düzlemde Venezuela, önceki yüzyılın hâkim ekonomik tarzını geride bırakmış ve petrol, ülkenin ekonomik gelirlerinin temel kaynağı haline gelmiştir. Siyasi olarak devlet merkezileşmiş ve petrol gelirlerini elde etme ve kullanma açısından yegâne birim haline gelmiştir. Son olarak, sosyal açıdan ülke içerisinde petrol sanayinin geliştiği bölgelerde artan göç ve yeniden üretilen eşitsiz emek-sermaye ilişkileri, devlet-toplum ilişkilerinde yeni çelişkiler doğurmuştur.

Söz konusu eşitsiz ve bileşik gelişimin yarattığı yeni çelişkiler, Gomez'in 1935'te ölümünden sonraki süreçte ortaya çıkmıştır. Petrol sanayinin geliştiği büyük şehirlerde oluşan yeni ticari sınıflar ve onların politik düzleme dahil süreçleri, demokratikleşme talepleriyle eş değer bir biçimde gelişmiştir. Diğer bir yandan, petrol ekonomisinin gelişmesiyle beraber çalışan kesimlerin eşitsiz koşullara karşın talepleri ise, politik bir düzleme taşınmıştır. Son olarak, devlet içerisinde güçlü bir konumda yer alan askeri sınıfın yeniden hâkim sınıf olma saiki, sınflar arası çatışmayı artırmıştır. Böylece 1936-1958 arası, demokratikleşme ve diktatörlük arasında geçişler olan bir tür rejim istikrarsızlığına tekabül eden bir dönemi işaret etmektedir.

1958 sonrası dönem ise demokratikleşmeyi ve politik istikrarı içermektedir. Ülkenin ana siyasi partilerinin belli bir mutabakata varıp imzaladığı 'Punto Fijo' sözleşmesi, istikrarlı ve düzenli bir demokratik yönetimi amaçlamıştır. Söz konusu dönem 1998'e kadar sürerek, politik düzlemde AD ve COPEI'in hâkim partiler olarak süregeldiği bir süreci yansıtmaktadır.

Romulo Betancourt'un AD partisiyle iktidara geldiği söz konusu yeni dönemde, uluslararası ekonomik konjonktürde önemli değişimler gözlemlenmekteydi. 2. Dünya Savaşı sonrası, Küresel Güney ve Kuzey ülkeleri açık ticari rejimden ziyade korumacı politikalar izlemekteydi. ABD ve Avrupa ülkelerinin izlediği devlet destekli ekonomik politikalar, Küresel Güney ülkelerini devlet öncülüğünde kalkınmacı politikalar izlemeye itmiştir. Bu koşullar içerisinde Venezuela da İthal İkameci Sanayileşme adı verilen ekonomik politikaları uygulamaya girişmiştir. Buna göre devlet, ekonomide

bir öncü rol oynayarak kalkınmacı politikaları, özellikle sanayileşmeyi teşvik edecekti. Yeni demokratik hükümetin bahsi geçen ekonomik modeli uygulamaya girişmesindeki önemli diğer bir motivasyon, sadece petrol gelirlerine dayanan ekonomiyi çeşitlendirmekti. Bu hususta, devlet diğer ekonomik sektörler üzerinde belirleyici bir rol oynayarak kalkınma ekonomisi inşa etmeye girişti. Ancak başta ABD kaynaklı olmak üzere gelişen dış baskılar ve iç politik dinamikler, Venezuela'nın petrol temelli ekonomiden uzaklaşmasına engel olmuştur. Bu süreç, 1973 petrol fiyatlarının daha önce görülmemiş bir şekilde artmasıyla ve petrol üreticisi Arap devletlerinin Batı ülkelerine ambargo uygulamasıyla zirve noktasına ulaşmıştır.

Petrol fiyatlarının artması Venezuela devletinin ihracat gelirlerini daha önce görülmemiş bir boyutta artırmıştır. Böylece Perez yönetiminde devlet, petrol gelirlerinin ülkenin neredeyse bütün kurumsal ve sosyal mekanizmalara etkiyecek şekilde kullanılmasını sağlamıştır. Petrol endüstrisini devlet eliyle kontrol etme saikinde, Perez yönetimi devlet girişimli bir petrol şirketi olan PDVSA'yı kurmuştur. Ancak PDVSA'nın kurulması, devletin yabancı şirketlerden bağımsız özerk bir kontrolü anlamına gelmemektedir. Yabancı petrol şirketleri kendi çıkarlarına uygun biçimde petrol çıkarmaya devam etmiş. Söz konusu şirket, bütün bu çıkarları devlet destekli bir girişimin çatısı altına almaktan öteye gidememiştir.

Buna ek olarak, ABD'nin siyasi ve ekonomik baskıları, Venezuela devletinin geleneksel petrol politikalarından çıkmasına engel olmuş ve ABD'ye yönelik petrol ihracatları ambargoya rağmen aynı biçimde devam etmiştir. Diğer bir taraftan, petrol gelirlerinin kontrolsüz bir biçimde kullanımı, Perez yönetiminin ekonomiyi çeşitlendirme ve sanayileşmeye dayanan kalkınma stratejilerini hayata geçirmesinde engel olmuştur. Böylece ülke ekonomisi petrol gelirlerine daha bağlı hale gelmiş ve uluslararası emtia fiyatlarındaki değişimlere karşı daha duyarlı bir hale gelmiştir. Bu duyarlılık, 1980'lerde net bir şekilde görülmüştür.

1973 sonrası petrol gelirlerinin artması, devletin kurumsal olarak genişlemesine neden olmuştur. Böylece devletin mali yükü ve bununla paralel olarak dış borcu da artmıştır. Artan borçların yükü, petrol fiyatlarının düşmesiyle birlikte sonraki on yılı sarsacak derin bir ekonomik kriz yaratmıştır.

Bu koşullarda, ülkede sınıflar arası farklılıklar daha da derinleşmiştir. 1958 sonrası dönem, yukarıda bahsedildiği gibi AD ve COPEI partilerinin aralarında oluşturduğu bazı tarihçilerin adlandırdığı gibi elitist bir paktı temsil etmekteydi. Düşük gelirli kesimlerin temsil mekanizmalarından uzak olması, ekonomik anlamda yoksullaşmayı da beraberinde getirince toplum içindeki sınıfsal çelişkiler 1980'lerin sonunda daha da derinleşmiştir. Böylece demokratikleşme ve devlet temelli ekonomi olarak adlandırılan Punto Fijo döneminin büyük sınıfsal çelişkileri 1990'ların başında neoliberal politikaların uygulanmasıyla ortaya çıkacaktır.

1990'lara gelindiğinde yönetimler, önceki dönemin artan mali yükü azaltmayı birincil hedef haline getirmiştir. Bu hususta, IMF ve Dünya Bankası gibi öncül finansal kuruluşların önerileri doğrultusunda yapısal düzenlemelere gidilmiştir. Washington Uzlaşısı olarak da adlandırılan bu reçetelere göre; borç sorunu yaşayan ülkeler, devletlerin yükünü azaltmak için özelleştirme programları uygulamalı ve koruyucu politikaları sonlandırmalıdır. Venezuela, yeniden seçilen Perez başkanlığında söz konusu yapısal reformları uygulamaya girişmiştir.

Uluslararası konjonktürün yeni dinamikleri Venezuela'nın uluslararası kapitalist ekonomiye yeni bir biçimde eklemlenmesine neden olmuştur. Bu entegrasyon süreci, Poulantzas'ın 'devletin uluslararasılaşması' kavramıyla açıkladığı biçimde gerçekleşmiştir. Devletin uluslararasılaşmasının ekonomik yapıdaki en önemli belirteci ise gibi petrol endüstrisinin uluslararasılaşmasıyla gözlemlenmektedir. Özellikle 1997 yılında uygulanan La Apertura Petrolera politikası petrol şirketi olan PDVSA'nın uluslararası kapitalist dinamiklere eklemlenmesine yol açmıştır. Bütün bu gelişmeler, toplum içindeki çelişki ve çatışmaları daha önce görülmemiş bir düzeyde derinleşmiştir. Yüksek düzeyde gelişen kemer sıkma politikaları ve özelleştirme politikaları sonucu, düşük gelirli kesimler daha da dezavantajlı konuma düşmüştür. Bu çelişkilerin patlak vermesi, 1989 yılında gerçekleşen El Caracazo ile mümkün olmuştur. Artan enflasyon ve eşitsizliğin neticesinde gelişen toplumsal protestolar, uzun vadede rejim krizine yol açacak siyasi istikrarsızlıklar yaratmıştır. Bu da 1958 sonrası siyasi düzenin, kökünden sarsılması anlamına gelmekteydi. 1998 yılında yapılan seçimlerde Hugo Chávez'in başkanlığıyla, ülke hem sosyal hem de siyasi düzlemde yeni bir döneme girmiştir.

Yukarıda özetlenen Venezuela'nın kapitalist ekonomik gelişimi çelişkilerle dolu bir süreci içermektedir. Petrolün keşfedilmesiyle birlikte küresel ekonomiye yeni bir biçimde eklemlenen Venezuela, uluslararası kapitalist dinamiklerden doğrudan etkilenmiş ve büyük kapitalist devletlere petrol arzını sağlayan devlet olma biçimini sürdürmüştür. Bu çalışma, 20. yüzyılda Venezuela'nın kapitalist kalkınma dinamiklerini göz önününde bulundurarak, 2000'ler sonrası Chávez dönemindeki petrol bağımlılığı sürecini analiz etmiştir.

Chávez yönetiminin sosyal ve siyasi alanda radikal dönüşüm vaatleri, ekonomik politikaları da kapsamıştır. Sürdürülebilir, sanayileşmeyi de içeren çok boyutlu bir kalkınma planı, petrole bağımlı olan ekonomiyi çeşitlendirmeyi amaçlamıştır. Ancak gerek 2013'e kadar ki süreçte, gerekse Chávez sonrası Maduro yönetiminde görüldüğü üzere, Venezuela'nın petrol gelirlerine olan bağımlılığı son derece artmıştır. 2014 yılında emtia fiyatlarının düşüşüyle görülen ekonomik kriz, ABD'nin uyguladığı ambargoyla derinleşmiş ve ekonomiyi çeşitlendirmeye dayanan hedeflerin gerçekleşmesini sekteye uğratmıştır. Bu çalışma, Chávez yönetiminin radikal dönüşüm içeren politik hamlelerine rağmen neden petrol bağımlılığının devam ettiği sorusuna cevap aramaktadır.

Ana akım literatürü bu soruyu cevaplandırırken petrolün mevcudiyetini bir bağımsız değişken olarak ele alarak petrol bağımlılığını petrolün kendisiyle açıklamaya girişmektedir. Bu anlayışın başında Resource Curse ya da Kaynak Laneti olarak adlandırılan teoride; doğal kaynak zengini ülkelerin, kaynak zengini olmayan ülkelere göre geride kalmış gelişim dinamikleri gösterdiğini savunmaktadır. Bunun önemli bir nedeni, doğal kaynaklara sahiplik olduğu gibi söz konusu ülkelerdeki hükümetlerin ekonomik çeşitliliği teşvik edecek politikalardaki isteksizliğini vurgulamaktadır.

Kaynak Laneti teorisiyle ilişkili olarak geliştirilen diğer bir kavram olan Dutch Disease ya da Hollanda Hastalığı, söz konusu doğal kaynak zengini ülkelerin az gelişmiş dinamiklerini açıklarken kullanılan önemli bir kavramsal çerçeveyi oluşturmaktadır. Bahsi geçen teoriye göre, petrol örneğinden yola çıkılarak anlaşılırsa; petrol gelirlerinin yükseldiği dönemlerde ülke ekonomisine döviz girişi gerçekleştiğinden, ülkenin para birimi fazlasıyla değerlenmektedir. Böylece diğer ekonomik sektörler

olan tarım ve imalat sektörlerinin, uluslararası piyasada rekabet etme şansı düşmektedir. Bu da ülke ekonomisinin sadece petrol gibi doğal kaynaklara bağımlı bir hale gelmesine neden olmaktadır.

Kaynak Laneti ve Hollanda Hastalığı teorileri, empirik açıdan doğal kaynak zengini ülkelerin ekonomik tarzları hakkında önemli bilgiler verse de bu ülkelerin devlet yapısı ve devlet-toplum ilişklerini analizin dışında tutmaktadır. Sadece ekonomik düzlemde sınırlı kalan analizler ayrıca, bu ülkelerin uluslararası kapitalist sistemdeki konumlarını, eklemlenme biçimlerini ve kendilerini nasıl yeniden ürettiğiyle ilgili açıklamalar sunmamaktadır.

Petrol zengini ülkelerin devlet-toplum ilişkilerini kapsayan kavramsal çerçeve Rantiyer Devlet Teorisinden gelmektedir. İlk olarak Hossain Mahdavy tarafından geliştirilen teoriye göre, petrol zengini ülkeler rantçı devletler olarak adlandırılmaktadır. Rantçı devletler, diğer gelişmiş kapitalist ülkelere göre şu özelliklerle ayrılmaktadır: Bu devletlerin ekonomik gelirleri tamamen petrolgelirlerine dayanmakta olup yönetimler vergilendirme politikalarına ihtiyaç duymamaktadır. Böylece toplum herhangi bir temsil talebinde bulunmayarak devletin toplumdan otonom bir biçime ulaşmasına neden olur. Devletin söz konusu otonomisi,yöneticilerin kendi meşruiyetini sağlamak için petrol gelirlerinden kaynaklanan dağıtım politikalarını uygulamasıyla sağlanır. Ancak bu dağıtım politikaları hiçbir zaman eşit bir biçimde gerçekleşmediği için, patronaj siyaseti ortaya çıkar ve devlet elitlerine yakın belli gruplar bahsi geçen gelirlerden toplumun geri kalanından daha fazla faydalanır. Rantiyer Devlet Teorisi içindeki kavramsal tartışmalar, belirli dönemsel koşullarla birlikte dönüşüme uğramıştır. Örneğin; sonraki kuşak yazarlar, petrol ve demokrasi ilişkisine dair tartışmalar yürütmüştür.

Fakat Rantiyer Devlet Teorisi'nin problemli çıkış noktaları ve sonuçları mevcuttur. İlk olarak, yukarıda bahsedildiği gibi, petrol sadece fetişize edilmiş bir nesne değil aynı zamanda o devletin sosyal ilişkilerinin veya üretim ilişkilerinin güçlü bir boyutunu temsil eder. Bu yüzden rantiyer devlet kavramsallaştırması, devletin sınıfsal dinamiklerini göz ardı etme eğilimindedir. İkinci olarak, bahsi geçen teori, uluslararası dinamikleri analizin dışında tutarak neden bu ülkelerin rantiyer devlet olduklarına dair

sınırlı bir analiz ortaya koymaktadır. Yukarıda görüldüğü gibi Venezuela'nın petrol ekonomisine geçiş ve uluslararası kapitalist sisteme eklemlenmesi, büyük kapitalist güçlerin kapitalist üretim ilişkilerini dayatma sürecinden bağımsız olarak ele alınamaz. Böylece Rantiyer Devlet Teorisi, petrol üreticisi ülkelerin küresel kapitalist birikim sürecinde nasıl bir pozisyonda yer alıp, bunların kendilerini nasıl yeniden ürettiği hususunu ihmal etmiştir. Son olarak, bahsi geçen teorinin devlet kavramsallaştırması, Schumpeterci devlet anlayışının bir tezahürü olarak ortaya çıkmaktadır. Batı Avrupa ülkelerini temsil eden vergi devleti anlayışı temsil mekanizmalarını da içerdiğinden, rantiyer devletler bu özelliklerin eksikliğiyle karakterize edilmiştir. Bu hususta teori, Batı merkezli bir temelden hareket ederek, söz konusu devletlerin kendi içsel ve dışsal niteliklerine odaklanmayı ihmal etmiştir.

Çalışmanın sorusu olan Venezuela'nın neden Chávez döneminde petrol bağımlı ekonomiyi sürdürdüğü yönünde ana akım yaklaşımlar, yukarıda bahsedilen teorik çerçevelerde analiz edilmektedir. Chávez'in popülist ve otoriteryen olduğu iddiaedilen yönetimi, petrol gelirlerini plansızca harcamasına neden olduğu için sürdürülebilir bir ekonomi oluşturmaya engel teşkil etmiştir. Bu yaklaşımlar kapitalist formasyon içindeki yeni gelişen sınıfsal dinamikleri ihmal ettiği gibi, Uluslararası Politik Ekonomi'yi de analizin dışında tutmuştur.

Bu çalışma, ana akım yaklaşımların Venezuela vakasını ele alış tarzlarından farklı bir biçim olan Tarihsel Materyalist temelde bir analiz hedeflemiştir. Uluslararası ekonomik koşulları Eşitsiz ve Bileşik Gelişme teorisinden faydanalarak inceleyip Venezuela'nın petrol üreticisi ülke olma konumunu sistem içerisinde nasıl yeniden ürettiğini göstermektedir. Buna ek olarak, çalışma Poulantzas'ın devlet teorisinden ve Bob Jessop'ın Stratejik İlişkisel Yaklaşımından yararlanarak, Chávez dönemindeki değişen sınıfsal dinamikleri incelemektedir. Değişen sınıfsal dinamiklerle nasıl petrol bağımlı bir ekonominin yeniden üretildiği gösterilmektedir.

Tezin oluşturduğu argümantasyon iki analiz seviyesini yani ulusal ve uluslararası kapitalist dinamikleri kapsamak üzere geliştirilmiştir. Ulusal boyutta Chávez yönetimi, devlet-toplum ilişkilerinde radikal yapısal dönüşümler uygulayarak iktidar bloğu içerisinde yer alan hâkim sınıfsal yapıların da dönüşümünü sağlamıştır.

Geleneksel burjuvaziyi oluşturan Fedacamaras gibi oluşumların hâkim sınıf konumundan uzaklaşması ve Chávez yönetiminin desteklediği yeni sınıfsal oluşumların yani Boliburjuvazinin güçlenmesi, sınıfsal çelişkilerle ve doğrudan uygulanan politik tercihlerle açıklanmaktadır. Chávez yönetimi, Boliburjuvazinin desteklenmesi için halihazırda mevcut olan petrol gelirlerini kullanarak üretici ekonomi oluşturmaktansa, yeni sınıfsal düzeni korumaya dönük politikaları hedeflemiştir.

Uluslararası düzlemde ise, Chávez yönetiminin neoliberal politikaları reddeden politik söylemlerine rağmen, neoliberal kapitalist ilişkiler Venezuela devletini biçimlendiren ve onun petrol üreticisi konumunu yeniden üreten dinamikler içermektedir. Yukarıda ele alındığı gibi petrol endüstrisinin ve devletin uluslararasılaşması süreci, Chávez döneminde yeniden üretilmiştir. 2000'lerde Çin ve Hindistan gibi büyüyen yeni ekonomiler ve artan petrol talebi, Venezuela ekonomisinin uluslararası sistemdeki pozisyonunu yeniden üreterek ABD merkezli bir petrol bağımlılığından ziyade, küresel ekonomiye yeni bir biçimde eklemlenmiş bir petrol üreticisi devlet biçimini oluşturmuştur.

Söz konusu iki boyutlu argüman, iç ve dış dinamikleri bir arada ele alarak bütüncül bir analiz geliştirmeyi hedeflemiştir. Ulusal ve uluslararası analiz seviyelerini birleştiren nedensel mekanizma ise neoliberal dönemin getirdiği devletin ve sermayenin yani petrol endüstrisinin uluslararasılaşması kavramıyla oluşturulmuştur.

Chávez 1998 yılının başkanlık seçimlerini kazanmasının hemen ardından, yeni anayasanın yazıımı ve uygulanmasını hedeflemekteydi. Yeni Bolivarcı Cumhuriyetin anayasası; toplumun bütün kesimlerini kapsayan, onları siyasi süreçlere dahil eden ve ekonomik olarak eşit bir topluluk tahayyül etmektedir. Bu hususta, anayasanın ilk maddeleri mevcut neoliberal politikalara karşı çıkarak devletin görevinin vatandaşların sağlık ve eğitim haklarının sağlanması üzerine yazılmıştır. Buna ek olarak toplumun çoğunluğunu dışlayan elitist bir düzlemde varlığını sürdüren geçmişteki Punto Fijo dönemine karşı çıkarak yeni anayasa; toplumda marjinalleştirilmiş, dışlanmış ve bastırılmış kesimlerin siyasi temsil mekanizmalarına dahil olmasını hedefleyen yeni siyasi mekanizmalar hedeflenmiştir.

Ekonomik anlamda Bolivarcı devrim daha radikal hedefler içermekteydi. Her şeyden önce anayasa, yabancı şirketlerin ülkenin doğal kaynakları üzerinde neoliberal dönemin getirdiği son derece yüksek imtiyaz ve haklara karşı çıkmaktadır. Petrol sektörü söz konusu olduğunda ise, devletin söz konusu sektör üzerindeki hakimiyetini artırması ve petrolden elde edilecek gelirlerin toplumun refahına harcanması öngörülmüştür.

Yeni anayasanın yüksek bir oy ile kabulu sonrası, Chávez yönetimi ekonomik anlamda hedeflediği radikal politikalara yönelmiştir. 2001 yılında kabul edilen 'Hidrokarbon Yasası' ve 'Toprak ve Tarımsal Kalkınma Yasası', Chávez iktidarı için devrimsel nitelikler taşıyan kanunları temsil etmektedir.

Toprak ve Tarımsal Kalkınma Yasası, isminden de anlaşılacağı üzere, kırsal nüfusun gelişimini hedefleyip, kalkınmaya engel oluşturan eşitsiz dinamiklerin ortadan kaldırılmasını amaçlamıştır. İlk olarak, geçmişten bu yana büyük toprak sahiplerine ait latifundiaların devlet tarafından el konulacağı ve küçük ölçekli çiftçilere toprak dağıtımları uygulanacağı belirtilmiştir. Böylece geçmişte topraklarına el koyulan çiftçilerin, kendi üretimlerini oluşturacak sermaye devlet tarafından sağlanmıştır. Hidrokarbon yasası ise devletin yabancı sermaye grupları karşısında ülkenin doğal kaynaklar üzerindeki hakimiyetini tesis etmek amacıyla yürürlüğe koyulmuştur. En başta PDVSA'nın kontrolünün devlete ait olması hususu belirtilmiş ve Venezuela halkının kendi refah kaynağı üzerinde konrolü sağlaması hedeflenmiştir.

Ancak bütün bu radikal atılımlar, toplumdaki hâkim sınıfların çıkarlarıyla uyuşmazlık göstermiştir. İlk olarak latifundiaların devlet kontrolünde olması, büyük toprak sahiplerinin çıkarlarıyla çatışmıştır. İkincisi PDVSA'nın devlet kontrolüne geçmesi ve birçok üst düzey yetkilinin Chávez yönetimi tarafından görevlerinden alınması, Fedecámaras gibi yerel sermaye sınıflarından yabancı petrol şirketleriyle ilişkili sermaye fraksiyonlarını içinde barındıran gruplar tarafından ciddi tepkiler doğurmuştur.

Bu tepkilerin bir sonucu olarak 2002 yılında Chávez'e karşı bir darbe girişiminde bulunulmuş ancak Chávez destekçilerinin reaksiyonu neticesinde mevcut iktidar

varlığını sürdürmüştür. 2002 sonu ve 2003 başı gerçekleşen petrol grevi de ülkenin bütün petrol üretiminin, sevkiyatlarının durdurulması anlamına gelmekteydi. Aylar boyu süren petrol endüstrisinde üretimin durdurulma süreci, Venezuela ekonomisine zarar vermeye başlamasından ötürü sonlandırılmış ancak Chávez yönetimi iktidarını korumuştur.

Bütün bu gelişmeler teorik düzlemde devlet ve sınıf ilişkilerinin yeniden konfigürasyonuyla açıklanabilir. 1958'den bu yana Fedecámaras, uluslararası sermaye gruplarıyla ilişkisi çerçevesinde iktidar bloğunun hâkim fraksiyonunu temsil ediyordu. Ancak Chávez yönetiminin uygulamış olduğu radikal ekonomik politikalar, bahsi geçen fraksiyonun kapitalist formasyondaki etkisini düşürmüştür. Böylece Chávez yönetimi, iktidar bloğunda bir dönüşüm uygulayarak devlet biçiminde de yeniden bir konfigürasyonu hedeflemiştir. Bu dönüşüm, iktidarın kendi çıkarlarıyla uyumlu yeni bir sınıfsal yapının gelişmesiyle olanaklı olmuştur.

Bob Jessop'ın Stratejik İlişkisellik yaklaşımı temelinde geliştirilen Stratejik Seçicilik kavramı, yeni gelişen sınıfsal ilişkileri açıklamakta önemli bir çerçeve sağlamaktadır. Chávez yönetimi, Bolivarcı devrimi destekleyen yerel ölçekte çeşitli sermaye gruplarıyla yakın temaslar kurarak onların güçlendirilmesini hedeflemiştir. Yapısal dönüşüm içerisinde gerçekleşen bahsi geçen politik tercihler, boliburjuvazi adı verilen yeni bir sermaye fraksiyonun ortaya çıkışına yol açmış ve böylece Fedecámaras 'ın iktidar bloğundaki hâkim pozisyonu yerine boliburjuvazi doğrudan devlet desteğiyle geçmiştir.

Chávez yönetimi tarafından uygulanan bu seçici strateji ise 2003 sonrası petrol fiyatlarının yükselmesiyle oluşan durum tarafından da desteklenmiştir. Chávez, boliburjuvazinin gelişen yeni bir sermaye sınıfı olarak ortaya çıkmasında petrol gelirlerinden yararlanmıştır. Uzun dönemde yatırım adı altında gerçekleşen petrol gelirlerinin dağıtımı, üretici bir ekonomi oluşturma hedeflerinin uzağında kalmıştır. Bu da gelişen sınıfsal dönüşümün petrol bağımlılığının yeniden üretimini hazırlayan bir durum ortaya çıkarmıştır. İkinci olarak Chávez yönetimi her ne kadar düşük gelirli kesimlere uyguladığı planlı sosyal programları toplumun refah seviyesinde ciddi bir artış yaratsa da boliburjuvazinin çıkarlarına uygun bir şekilde birçok sosyal programda

etkin rol oynaması, uzun dönemde bir üretim ekonomisi oluşturmasına engel olmuştur. Ekonomiyi çeşitlendirme yönündeki hedeflerin pratikte uyuşmazlığı, 2014 yılında petrol fiyatlarının düşmesiyle bariz bir biçimde görülmüştür. Maduro başkanlığıyla ekonomik krizin derinleşmesi her ne kadar ABD'nin ekonomik baskılarından bağımsız düşünülemese de Chávez yönetimi süresince uygulanan üretici hedeflerden uzak ekonomik politikalar da petrol bağımlılığını yeniden üretmiştir.

Uluslararası düzlemde ise neoliberal dönemin karakteristiği olan devletin uluslararasılaşması olgusu farklı bir bağlamda Chávez döneminde yeniden üretilmiştir. Her ne kadar ABD sermayesiyle ilişkili Fedecámaras 'ın iktidar bloğundaki konumu azalsa da Chávez petrol sektöründe, dönemin konjonktürüyle bağlantılı olarak yeni büyüyen ekonomileri temsil eden sermaye gruplarıyla güçlü ilişkiler kurmayı hedeflemiştir. 2000'lerde uluslararası ekonomide petrole artan talep ve Çin, Hindistan gibi büyüyen ekonomik güçlerin Venezuela'daki petrole yönelmesi söz konusu uluslararasılaşma sürecini yeniden üretmiştir. Chávez'in gerek PDVSA içinde gerekse iktidar bloğunda ABD sermaye sınfının etkisini azaltma çabasına karşın, Çin gibi kapitalist güçlerle petrol sektöründe yeni bağımlılık ilişkileri oluşturmayı hedeflemiştir. Böylece uluslararası kapitalist sistemde Venezuela, petrol üreticisi olma konumunu yeniden üretmiş ve petrol bağımlılığı devam etmiştir. Bu durum özellikle Maduro başkanlığında, Çin'in ülke içerisinde artan ekstraktivist faaliyetlerinde görülmektedir.

Özetle, bu çalışma Venezuela'nın petrol bağımlılığının nasıl yeniden üretildiği sorusunu cevaplamayı amaçlamaktadır. Bunu yaparken Venezuela'nın devlet-toplum ilişkileri, sınıfsal yapıdaki değişimler ve uluslararası konjonktürler bağlamında bütüncül bir analiz oluşturulmaya çalışılmıştır. Diğer bir deyişle çalışma, Venezuela'nın devlet ve toplum ilişkilerinin ulusal ve uluslararası düzlemlerde nasıl bütüncül bir biçimde analizinin mümkün olduğuna dair kavramsal ve olgusal bir temel sunmayı amaçlamıştır. Bu hususta çalışma, Chávez'in ölümünden sonra Maduro başkanlığında Venezuela'nın derinleşen ekonomik sorunları ve küresel ekonomi içerisindeki konumuyla ilgili farklı araştırma sorularının oluşturulmasına olanak tanımayı amaçlamaktadır.

Benzer şekilde Latin Amerika içerisinde doğal kaynak zengini Bolivya ve Ekvador gibi ülkelerin de küresel ekonomi içerisindeki konumu ve devlet-toplum ilişkilerinin analizi için de karşılaştırmalı çalışma imkanları çalışmada gösterilmiştir. Böylece birçok az gelişmiş ülkede görülen doğal kaynağa dayanan ekonomik sistemlerin hem ulusal hem de küresel düzlemde nasıl yeniden üretildiklerinin anlaşılması için söz konusu çalışma, bir temel sağlamayı amaçlamaktadır.

B. THESIS PERMISSION FORM / TEZ İZİN FORMU

(Please fill out this form on computer. Double click on the boxes to fill them)

ENSTİTÜ / INSTITUTE

Fen Bilimleri Enstitüsü / Graduate School of Natural and Applied Sciences ☐

Sosyal Bilimler Enstitüsü / Graduate School of Social Sciences ☒

Uygulamalı Matematik Enstitüsü / Graduate School of Applied Mathematics ☐

Enformatik Enstitüsü / Graduate School of Informatics ☐

Deniz Bilimleri Enstitüsü / Graduate School of Marine Sciences ☐

YAZARIN / AUTHOR

Soyadı / Surname : Cennetkuşu
Adı / Name : Alperen
Bölümü / Department : Latin ve Kuzey Amerika Çalışmaları / Latin and North American Studies

TEZİN ADI / TITLE OF THE THESIS (**İngilizce** / English): STATE-SOCIETY RELATIONS IN THE CONTEXT OF OIL-LED ECONOMY: THE CASE OF VENEZUELA IN THE 2000S

TEZİN TÜRÜ / DEGREE: **Yüksek Lisans** / Master ☒ **Doktora** / PhD ☐

1. **Tezin tamamı dünya çapında erişime açılacaktır. /** Release the entire work immediately for access worldwide. ☒
2. **Tez iki yıl süreyle erişime kapalı olacaktır.** / Secure the entire work for patent and/or proprietary purposes for a period of **two years. *** ☐
3. **Tez altı ay süreyle erişime kapalı olacaktır.** / Secure the entire work for period of **six months**. ***** ☐

***** *Enstitü Yönetim Kurulu kararının basılı kopyası tezle birlikte kütüphaneye teslim edilecektir. / A copy of the decision of the Institute Administrative Committee will be delivered to the library together with the printed thesis.*

Yazarın imzası / Signature ..... **Tarih** / Date .....
(Kütüphaneye teslim ettiğiniz tarih. Elle doldurulacaktır.)
(Library submission date. Please fill out by hand.)

Tezin son sayfasıdır. / This is the last page of the thesis/dissertation.