Executive Summary. This report is part of an Insights subseries which examines the relationship between economic crisis and democratic attitudes within selected countries studied in the 2010 AmericasBarometer surveys. I show, first, that Venezuelans’ support for democracy dropped substantially between 2008 and 2010. In addition, most Venezuelans perceived an economic crisis and many had experienced unemployment. However, individual-level analyses show that it is satisfaction with the president’s performance rather than perceptions of personal and national economic conditions and evaluations of government performance that predicts Venezuelans’ democratic attitudes in 2010. This result is discussed from the perspective of President Hugo Chávez’s dominant role in politics and, consequently, in shaping public opinion in the country. The report also shows that Venezuelans place most blame for the economic crisis on the President and that citizens’ satisfaction with the Chávez administration dropped significantly between 2008 and 2010. Implications for the future of Venezuelan politics and, in particular, Venezuelans’ democratic attitudes are discussed.
Venezuela was one of the Latin American countries that experienced acute economic hardships during the global financial crisis of the late 2000s. Moreover, the country’s economic crisis not only had obvious financial impacts on the country’s economy, but it also seems to have taken a toll on citizens’ political attitudes. Venezuela’s recent economic crisis was accompanied by a significant decrease in support for democracy. As Figure 1 shows,1 Venezuelans’ average support for a democratic regime dropped by over 10 points (on a 100-point scale) from 83.8 to 74.0 between 2008 and 2010. This decrease in support for democracy was the largest in South America over that same time period. This Insights report3 makes use of the 2010 AmericasBarometer survey4 in Venezuela to examine individuals’ economic perceptions and experiences so as to probe the extent to which there is a direct connection between hard economic times and lower support for democracy in 2010.5

Analyses indicate that rather than perceptions of hard economic times, what influences Venezuelans’ feelings toward democracy in 2010 are their views about President Hugo Chávez. Since many Venezuelans were dissatisfied with President Chávez, it is not surprising to find that dissatisfaction with the performance of the President had a statistically significant, negative impact on support for democracy. Citizen economic evaluations of the economy have no direct relationship to support for democracy, which dismisses the possibility that satisfaction with the performance of the President mediates a relationship between economic perceptions and support for democracy. Support for Chávez plays a strong and positive role in determining support for democracy in Venezuela. Not only is this likely due to his super-dominant and visible position as the highest leader of his nation, but it also suggests that many individuals perceive his administration as representing the democratic status quo: those with lower support for Chávez also report lower support for “democracy” as a form of government.

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1 The question wording for the survey item used to create Figure 1 is based on a statement attributed to Churchill: ING4. “Democracy may have problems, but it is better than any other form of government. To what extent do you agree or disagree with this statement?” Response categories are on a 1 to 7 scale ranging from Strongly Disagree to Strongly Agree, but are converted to a 0 to 100 scale in Figure 1.

2 This decline is statistically significant (p<0.05).

3 Prior issues in the Insights series can be found at: http://www.vanderbilt.edu/lapop/insights.php. The data on which they are based can be found at http://www.vanderbilt.edu/lapop/survey-data.php.

4 Funding for the 2010 round mainly came from the United States Agency for International Development (USAID). Important sources of support were also the Inter-American Development Bank (IADB), the United Nations Development Program (UNDP), and Vanderbilt University.

5 In 2010, a national sample of 1,500 Venezuelans was interviewed regarding a number of political, social, and economic attitudes.
What Might Account for the Drop in Support for Democracy?

In this section, I discuss reasons both for and against expecting that Venezuela’s recent economic crisis would play a role in the drop in support for democracy among Venezuelans between 2008 and 2010. I then propose an alternative perspective, which posits that the combination of the emergence of Hugo Chávez as a focal point for all things political in Venezuela and increased dissatisfaction with the performance of the President might better account for the loss of faith in democracy among Venezuelans between 2008 and 2010.

Venezuela’s status as one of the world’s largest oil producing countries sets its economy apart from that of other Latin American countries. However, despite the availability of such a rich natural resource and record-breaking oil prices within the last decade, Venezuela is experiencing one of the worst economic downturns in its recent history. The country’s economy has contracted in significant ways over the last five years. GDP growth shrank from 9.9% in 2006 to 8.2% in 2007 and 4.8% in 2008. The largest drop came between 2008 and 2009 when GDP growth dropped from 4.8% to -3.3%, marking the first instance of negative economic growth since 2003.\(^6\) By 2010 GDP growth was still negative at -1.6%. Venezuela and Haiti were the only two countries in Latin America that experienced a decline in GDP growth in 2010 (ECLAC 2010).

Such troublesome economic conditions could be expected to take a toll on Venezuelans’ levels of support for democracy. Research on developing democracies has indicated that government economic performance can have an important impact on citizens’ views about democracy (Bratton and Mattes 2001; Sarsfield 2002; Mattes and Bratton 2007; Guldbrandsten and Skaanning 2010; Seligson and Smith 2010). Therefore, it is reasonable to expect that negative economic perceptions and experiences (such as job loss) would have a negative effect on the level of support for democracy among Venezuelans.

However, given that Venezuelans’ support for democracy has been relatively high throughout most of its democratic history (Baloyra and Martz 1979; Baloyra 1986; Myers and O’Connor 1998; Welsch and Carraquero 1998; Canache 2002; Molina 2004), the recent drop in support for democracy might be better explained by some factor other than the state of the economy. One possible explanation could be related to the importance of Hugo Chávez to the dynamics of Venezuelan political public opinion. As many scholars have shown, Chávez has become a pivotal figure in Venezuelan politics due to his charismatic and populist approach (Zúquete 2008; Hawkins 2010; Merolla and Zechmeister 2011).

Chávez has been seen as largely responsible for the rise and persistence of class politics in recent times (Roberts 2003; Handlin 2008; Heath 2008; Zúquete 2008; Lagorio 2009) as well as growing social and political polarization (Sylvia and Donopolous 2003; Ellner and Hellinger 2003; Cyr 2005; Venanzi 2010 Spanakos 2011). The Chávez era in Venezuelan politics has witnessed a major split between Chavistas and anti-Chavistas, not only in terms of attitudes, such as opinions about social welfare policies, the role of government in the economy, and party identification, but also in terms of voting and protest participation. Therefore, it could be that views about Chávez have grown to affect not only policy attitudes and political behavior, but also how Venezuelans think about democracy.

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\(^6\) http://www.worldbank.org. In 2003, GDP growth was -7.8%. However, GDP growth rocketed to 18.3% in 2004 and then dipped but stayed high at 10.3% in 2005.
Indeed, authors such as Canache (2007) have argued that Chávez’s approach to governance has changed the framework in which Venezuelans understand democracy, particularly regarding concepts of participatory versus representative democracy. Similarly, De Venanzi (2010) argues that Chávez’s Bolivarian Revolution has significantly impacted views of democracy.7 Furthermore, scholars have found that levels of satisfaction with democracy can be accurate indicators of how much survey respondents support the incumbent administration (Canache, Mondak, and Seligson 2001).

Thus, it is conceivable that Chávez’s lengthy tenure in office and his impact on the political environment have led many Venezuelans to associate “democracy” with the status quo, or the Chávez presidency. Therefore, if Chávez has indeed transformed Venezuelan politics such that citizens link not only their political attitudes but also their attitudes about democracy to their feelings towards Chávez’s performance, the recent drop in support for democracy among Venezuelans may be at least partially explained by growing negative feelings toward the President. Indeed, the drop in support for democracy among Venezuelans between 2008 and 2010 was accompanied by growing dissatisfaction with Chávez. According to the AmericasBarometer survey data, satisfaction with Chávez’s performance as president dropped from 53.1 in 2008 to 48.4 in 2010, a statistically significant decrease ($p<0.05$) on a 0-100 scale. Thus, I expect to find a connection at the individual level between satisfaction with the performance of Hugo Chávez and Venezuelans’ support for democracy.

Perceptions and Experiences in Hard Times

A key objective of this Insights subseries is to examine the extent to which the recent global economic crisis affected public opinion, in this case in Venezuela. Thus, before examining the predictors of support for democracy, I turn to a brief analysis of the economic crisis in Venezuela.

Using a survey item from the 2010 AmericasBarometer, Figure 2 illustrates how respondents perceived the economic crisis in Venezuela in 2010.8 It shows that slightly over 48% of respondents perceived a very serious crisis, while nearly 45% of respondents thought there was an economic crisis, but did not think it was very serious. Only 7.2% said that there was not an economic crisis.9

It should be noted that although the status of the economy was a major concern for Venezuelans in 2010, the country was also facing an acute public security crisis that was of extremely high

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8 CRISIS. Some say that our country is suffering a very serious economic crisis, others say that we are suffering a crisis but it is not very serious, while others say that there isn’t any economic crisis. What do you think? (1) We are suffering a very serious economic crisis, (2) We are suffering a crisis but it is not very serious, or, (3) No economic crisis

9 The rate of non-response to this particular question was 2.6%.
importance to Venezuelans. In fact, data from the 2010 AmericasBarometer indicate that many respondents thought that insecurity, rather than the economy, was the country’s most important problem.¹⁰

Even though Figure 2 shows that Venezuelan respondents were almost evenly split between those who thought the economic crisis was a very serious one or not a very serious one, about 93% of respondents perceived some kind of economic crisis. Whom did Venezuelans blame for these economic conditions? Figure 3 presents the responses of Venezuelans who said that they perceived a crisis.¹¹

According to Figure 3, over 1 out of 3 Venezuelans who perceived a crisis blamed the current administration, while 11.3% and 10.6%, respectively, blamed the citizens of the country or the current Venezuelan economic system. Less than 7% of respondents blamed the previous administration. Given President Hugo Chávez’s long tenure in office (over 11 years), it makes sense that Venezuelans tend to attribute the country’s economic struggles to Chávez’s administration rather than previous ones. However, a good number of Venezuelans also blame themselves and the country’s current economic system for Venezuela’s economic conditions. Surprisingly, in light of the drum beat of criticism by Chávez of imperialism, only 4.1% of Venezuelans blame the rich countries for the crisis.

Beyond perceptions of economic crisis, we can also examine Venezuelans’ economic experiences during the country’s current economic crisis. One way of measuring such economic experiences is by using questions related to job loss included in the 2010 AmericasBarometer. Figure 4 shows the percentage of respondents reporting unemployment at the time of the survey.¹²

Figure 4 shows that 15% of those interviewed reported losing their job between 2008 and the beginning of 2010 (this includes 6.1% who indicated having found a new job in the same time period). In addition, 16% said that someone else in their household had lost a job. As of 2010, Venezuela’s estimated unemployment rate was 12.1%, one of the five highest rates of

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¹⁰ 42.3% of respondents said an issue related to security was the most serious problem facing their country, while only 23.2% said an issue related to the economy was the most serious problem.

¹¹ CRISIS2. Who is the most to blame for the current economic crisis in our country from among the following: (01) The previous administration, (02) The current administration, (03) Ourselves, the Venezuelans, (04) The rich people of our country, (05) The problems of democracy, (06) The rich countries, (07) The economic system of the country, or, (08) Never have thought about it, (77) Other

¹² OCUP1B1. Have you lost your job in the past two years? (1) Yes, you lost your job but found a new one, (2) Yes, you lost your job and have not found a new one, (3) No, did not lose your job, (4) Did not work because you decided not to work or because of disabilities. OCUP1B2. Besides you, has anyone in your household lost his or her job in the past two years?
Economic Crisis, Presidential Approval, and Support for Democracy in Venezuela

Do evaluations related to the economic crisis predict Venezuelans’ attitudes toward democracy in 2010? Or, instead, do attitudes toward President Hugo Chávez prove more consequential?

As noted earlier, and as shown in Figure 1, support for democracy in Venezuela fell between 2008 and 2010. Nevertheless, Venezuelans’ support for democracy remained higher than in the rest of Latin America and the Caribbean, where in 2008 the average support for democracy was 70.5 on the 100-point scale and in 2010 it was 70.6, a difference that is both small and statistically insignificant.

To examine whether the changes in Venezuela’s average levels of support for democracy are associated with perceptions of economic crisis, I conduct a regression analysis using the 2010 AmericasBarometer data at the individual level. Given that Seligson and Smith (2010) show that in the Americas as a whole perceptions of the economy are related to support for democracy at the individual level, one could expect this relationship to hold among Venezuelans.

However, Venezuelans’ strong support for democracy, even in hard economic times throughout the country’s democratic history, calls into question this expectation. Another possible reason for the recent drop in Venezuelans’ support for democracy could be increasing negative feelings toward Chávez, who has become a pivotal figure for all things political among Venezuelans.

The key explanatory variables are indicators for perceptions of severe and moderate economic crisis; in addition, I include variables reflecting job loss and personal and national economic evaluations. A factor analysis indicated the presence of a single factor (assessed by an eigenvalue over 1.0) among economic measures of negative current and retrospective perceptions of the national and personal economic situations. These variables are based on the following questions: SOTC1. How would you describe the country’s economic situation? Would you say that it is very good, good, neither good nor bad, bad or very bad? SOTC2. Do you think that the country’s current economic situation is better than, the

13 Jamaica (12.9%), Belize (13.1%), Dominican Republic (14.2%), and Haiti are also among the countries with the highest unemployment rates. 75% of the Haitian population is formally unemployed (CIA World Factbook 2010).
follow, the factor is labeled “Negative General Economic Evaluations.”

I also include measures of satisfaction with the President and with the economic performance of the government. Furthermore, given the importance Venezuelans give to the problem of insecurity (as shown above), I include measures of feelings of insecurity, crime victimization, and satisfaction with the government’s handling of crime. Finally, the regression analysis controls for standard socioeconomic and demographic variables: wealth quintiles, education, place of residence (urban vs. rural area), age, and sex (labeled female in the model).

Figure 5 shows the relationship between these variables and support for democracy in Venezuela. Independent variables are displayed on the vertical (y) axis. The estimated effect of each variable is illustrated by a dot. Dots to the right of the vertical “0” line indicate a positive effect, while those to the left indicate a negative effect. The effect is statistically significant (at p<.05 or better) if the confidence interval lines stretching to the left and right of each dot do not overlap the vertical “0” line. Since coefficients are standardized, the magnitude of each effect indicates its relative strength.

The findings in Figure 5 reveal that more negative evaluations of the economy, perceptions of governmental economic performance, and unemployment experiences have no significant effect on support for democracy in Venezuela. These results hold even when including each economic variable individually in the model. These findings indicate that the drop in support for democracy among Venezuelans between 2008 and 2010 cannot be explained by their perceptions and experiences with the country’s economic crisis or by evaluations of their government’s performance in handling the economy. At the individual level, Venezuelans’ support for democracy seems to be resilient in the face of perceived hard economic times. What, then, explains the decline in support for democracy in the country seen in Figure 1?

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**Figure 5. Predicting Support for Democracy in Venezuela, 2010**

**Dependent Variable: Support for Democracy**

- Negative General Economic Evaluations
- Perception of Gov. Econ. Performance
- No Economic Crisis
- Very Serious Economic Crisis
- Satisfaction with Perf. Current President
- Feelings of Insecurity
- Crime Victimization
- Quintiles of Wealth
- Education
- Urban
- Age
- Female

**Source:** AmericasBarometer by LAPOP
Beyond the standard control variables of age and education,
the only two variables in the model that have a statistically significant relationship with support for democracy are satisfaction with the performance of the current president and perceptions of how well the government is handling security issues. Interestingly, the more respondents feel that the government is improving citizen security, the less support for democracy they exhibit. But, most importantly from the theoretical perspective presented here, the results show that the less satisfied Venezuelans are with the performance of President Chávez, the lower their support for democracy. This is in line with Canache, Mondak, and Seligson’s (2001) work on how satisfaction with democracy is affected by support for the incumbent president.

The nature and strength of the effect of satisfaction with Chávez in the analysis indicates that what is driving the decline in support for democracy among Venezuelans between 2008 and 2010 is, at least to some substantial degree, how they feel about Chávez’s general performance as president. In short, the results in Figure 5 support the argument that Venezuelans associate their current views of democracy with how they feel about the political status quo of the country; thus, to the extent that they dislike the status quo (Chávez), they dislike democracy. That is, they dislike the democracy that they are getting from Chávez, not democracy in the abstract.

Beyond political perceptions, the 2010 Venezuela AmericasBarometer survey also shows how Chávez has become a focal point in terms of economic matters. First, as shown in Figure 2, citizens attribute most of the blame for Venezuela’s current economic crisis to the Chávez administration. Second, when asked to rate how responsible the president is for the country’s economy on a 0-100 scale (100 being the most responsible), Venezuelans indicated an average 84.5 units of responsibility to the President.

The impact of Chávez on how Venezuelans think about democracy speaks to the findings of a previous Insights report that showed how national economic perceptions are the key determinants of levels of satisfaction with Chávez’s performance as president (Rodríguez 2010). Given this connection, it would be reasonable to suspect that performance evaluations for President Chávez mediate the effects that economic evaluations have on democratic attitudes. That is, perhaps perceptions and experiences related to economic crisis affect support for democracy indirectly, by affecting presidential approval, which in turn affects democratic support. While

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18 Figure 5 confirms findings of previous LAPOP studies regarding democratic political culture in that education has a positive effect on support for democracy. Additionally, older citizens display a higher degree of support for democracy.

19 In a bivariate analysis, the effect of citizens’ perceptions of the government’s security performance on support for democracy is not statistically significant. Explaining this unexpected finding is beyond the scope of this brief report. However, one possibility is that citizens who believe the government is performing well on public security strongly support “law and order,” which at the extreme may lead to lower support for democracy.

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20 For congressmen this score was 69.2, for governors 60.8, for private industries 65.8, for the international economy 73, and for citizens 56.5. The wording for the series of survey items used here is: RESP0. To what extent is the president responsible for the country’s economy? RESP1. To what extent are the legislators of the National Assembly responsible for the country’s economy? RESP2. To what extent is the governor responsible for the country’s economy? RESP3. To what extent are private industries responsible for the country’s economy? RESP4. To what extent do the changes in the international economy influence the country’s economy? RESP5. To what extent are citizens responsible for the country’s economy?
theoretically plausible, it is interesting to note, however, that there is little to no empirical evidence of such a mediating relationship. While negative economic evaluations do reduce satisfaction with the President and negative views of Chávez’s performance affect support for democracy, there is no independent and statistically significant association between economic perceptions and support for democracy when presidential approval is excluded from the model, a result which is needed to substantiate a mediating relationship. Therefore, we can conclude that the decline in satisfaction with Chávez between 2008 and 2010 is likely responsible for the drop in levels of support for democracy among Venezuelans between these years. Furthermore, it is likely that factors beyond economic evaluations drive the relationship between support for Chávez and support for democracy.

Conclusions

This Insights report assesses Venezuelans’ perceptions and experiences with the country’s acute economic crisis and examines whether these factors affect their views about democracy. Indeed, the findings in this report indicate that the economic crisis experienced in Venezuela in recent years has taken a significant political toll.

Although they disagreed on whether the crisis was very serious, the vast majority of Venezuelans perceived some degree of economic crisis and 15% of them had experienced unemployment. Additionally, many attributed the blame for the crisis to the Chávez administration.

A notable drop in support for democracy was observed among Venezuelans between 2008 and 2010. However, in contrast with what has been observed in the Americas as a whole (Seligson and Smith 2010), Venezuelans’ perceptions of economic crisis, experience with unemployment, and general economic evaluations do not significantly predict their support for democracy. Instead, the largest determinant of support for democracy is satisfaction with the current president.

These findings have important implications for the future of Venezuelan democracy. As Booth and Seligson (2009) demonstrate, political legitimacy is a fundamental component of democratic stability. Given Chávez’s important role in how Venezuelans view and support democracy, increased dissatisfaction with the President could introduce an element of instability in the political environment. If discontent with Chávez’s performance is attributed to the failures of democracy, then support for such a regime, even among a population that has displayed large reservoirs of democratic political culture, may continue to dwindle. However, such a conclusion should be interpreted with caution, as it is up to future research to focus on disentangling how, and, among what types of people, feelings toward Chávez affect feelings toward democracy.

The results in this report suggest a complex relationship between Venezuelans’ view of democracy and their political allegiances. In order to understand the nature of Venezuelans’ democratic attitudes and their relationship with Chávez’s regime, further research is needed to understand how Venezuelans comprehend the term “democracy” and how polarization in public opinion related to Chávez has affected these perceptions as well as Venezuelans’ democratic attitudes more broadly.

21 See Appendix 2 for a figure examining whether economic evaluations have an independent effect on support for democracy.
References


Appendix 1: The Impact of Perceptions and Experiences with the Economic Crisis on Support for Democracy in Venezuela, 2010

<table>
<thead>
<tr>
<th></th>
<th>Coefficient</th>
<th>Standard Error</th>
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<tr>
<td>Female</td>
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<td>0.027</td>
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<tr>
<td>Age</td>
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<td>0.028</td>
</tr>
<tr>
<td>Urban</td>
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<td>0.022</td>
</tr>
<tr>
<td>Years of Education</td>
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<td>0.034</td>
</tr>
<tr>
<td>Quintiles of Wealth</td>
<td>0.041</td>
<td>0.039</td>
</tr>
<tr>
<td>Crime Victimization</td>
<td>-0.013</td>
<td>0.031</td>
</tr>
<tr>
<td>Improves Security</td>
<td>-0.118*</td>
<td>0.050</td>
</tr>
<tr>
<td>Feelings of Insecurity</td>
<td>-0.047</td>
<td>0.038</td>
</tr>
<tr>
<td>Satisfaction with Perf. Current President</td>
<td>0.130*</td>
<td>0.046</td>
</tr>
<tr>
<td>Very Serious Economic Crisis</td>
<td>0.007</td>
<td>0.042</td>
</tr>
<tr>
<td>No Economic Crisis</td>
<td>-0.022</td>
<td>0.028</td>
</tr>
<tr>
<td>Perception of Gov. Econ. Performance</td>
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<tr>
<td>Lost Job</td>
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<td>Observations</td>
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<td></td>
</tr>
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</table>

Note: Coefficients are statistically significant at * p<0.05, two-tailed.
Appendix 2: Analysis of Independent Effects of Economic Evaluations on Support for Democracy in Venezuela, 2010

Dependent Variable: Support for Democracy

- Negative General Economic Evaluations
- Unemp.
- Perception of Gov. Econ. Performance
- No Crisis
- Very Crisis
- Feelings of Insecurity
- Improves Security
- Crime Victimization
- Quintiles of wealth
- Education
- Urban
- Age
- Female

R-Squared = 0.027
F = 3.789
N = 1336

95% Confidence Interval (Design-Effect Based)

Source: AmericasBarometer by LAPOP