Conflicting Priorities and Goals within the Movement of Hugo Chávez in Venezuela

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The process of radical change in Venezuela, which began with Hugo Chávez’s advent to power in 1998, has lacked well-defined objectives and a long-term strategy to a degree unmatched by other revolutions over the last century. The Soviet revolution of 1917 and the Chinese one of 1949, for instance, were spearheaded by Communist Parties well grounded in ideology and doctrine that had been worked out over a considerable period of time. The Cuban revolution after 1961 inherited many of these positions, even though its leaders at first put forward a unique revolutionary strategy. In contrast, the Chavista movement emerged in the military with minimum intellectual input and a heavy dosage of nationalism and populism which defined more what it opposed than what it stood for. Furthermore, the international context was radically different. The collapse of the European socialist bloc in 1991 threw leftist movements world wide into disarray and left them with no easy answers to the paramount issues of the role of the state and private property in the economy and society.

Conflicting currents within the political movement headed by Hugo Chávez in Venezuela embody different strategies and policies. The movement’s four major currents consist of: direct democracy in which direct participation in decision making largely displaces representative institutions; orthodox Marxism which advocates state-based socialism and privileges the working class; social prioritization which focuses on socialist values and emphasizes social over economic objectives; and pragmatic decision making which prioritizes efficiency and is concerned mainly with the viability of the economic system. The latter two models have generated the most debate among the movement’s leaders. An examination of President Chávez’s social programs, and particularly the support for worker cooperatives and community councils, helps clarify the different arguments and focuses of the social prioritization and pragmatic decision-making approaches. Venezuela’s “trial and error” approach to change requires greater debate within the movement over the concrete problems that have arisen.

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European Economic Integration after WWII and the Monetary Committee of the Zone Franc: Focusing on “Europeanization of the Zone Franc”

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In the mid-1950s, when 6 West European countries were struggling to establish the European Economic Community (EEC), the zone franc was finally formed as a “zone monétaire”. In order to consolidate the cooperation of the French metropole franc and colonial francs, the Banque de France led the centralization of the monetary policy in the zone franc in which the metropole franc worked as a key currency.

This article deals with “Europeanization of the zone franc” as a part of the systematic monetary policy in the French franc area. After a brief survey on the present condition of the zone franc (I) and an overview of the existing researches on the economic policies in the zone franc in the 1940s and 50s (II), this paper, consulting historical documents in the Archives de la Banque de France, elucidates the special characters of the zone franc through the remarks by P. Moussa, a French delegate in the EEC negotiations (III and IV).

As mentioned above, the zone franc constitutes a part of the euro area covering 16 EU countries, although most of the French colonies became independent in the 1960s. To explore the roots of sustainability of “Europeanization of the zone franc”, it is important to analyze the French proposal in the EEC negotiations. The French delegation was asked by the partners if the zone franc functioned as a monetary area like the sterling area. P. Moussa explained the definition of the zone franc and the concept of “Europeanization of the zone franc”. He demonstrated the sustainability of the immature zone franc, referring to the documents of the Comité monétaire de la zone franc in the Banque de France, as he was on the committee.

In this committee, W. Baumgartner, the governor of the Banque de France, played a leading part in the policy-making process. He tried to integrate the foreign currencies, including dollar, which overseas territories of the zone franc had acquired with the foreign currency reserves of the metropole France and thereby to give the zone franc the function of the “zone monétaire”. The conclusion of the committee guaranteed the unlimited convertibility of the French franc and the two kinds of colonial francs. The transferability in the zone franc, the base of the unlimited convertibility of the currencies in the zone franc, thus contributed the monetary stability of the French franc in the 1950s.

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Reexamination of the Economic Development Policy and the Industrialization Process in Developing Countries: A Case Study of Economic Structure of Algeria

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Starting from a position of extreme vulnerability from the late of 1980s, due to low oil prices, unsustainable foreign debt servicing, Algeria has undergone economic reform process under the IMF inspired structural adjustment program. The effects of reform began to be felt in 1999 while oil prices began to rise. Boosted by record oil price hikes until mid-2008, the regime of President Abdelaziz Bouteflika has outlined a national development agenda, which focused on reforms to sustain growth, to generate employment, and to reduce poverty. In the hydrocarbons sector, policy reform emphasized on rethinking the hydrocarbons law, which was originally conceived in 2005 as a liberalizing measure, but was revised the following year to give a strong central role to Sonatrach. In the development of natural gas sector, Algeria is set to witness a surge in gas export, with the completion of the new gas projects being undertaken that could help Europe to diversify its energy supplies.

Despite the satisfaction felt in Washington and Europe over Algeria’s macroeconomic performance in recent years, it warns of the medium-term dangers resulting from continued low oil prices, which would significantly weaken the external and fiscal positions, reduce public spending and depress growth, and of the weak industrial performance. Algeria’s economy is still highly dependent on hydrocarbons exports and the non-hydrocarbons sector is mainly inward oriented. This paper reexamines the recent economic development policy and the industrialization process in Algeria, and reconsiders the structural problem of the Algerian economy.

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