

COMMUNAL COUNCILS IN VENEZUELA: CAN 200 FAMILIES REVOLUTIONIZE DEMOCRACY?

Josh Lerner - *Z Magazine*, March 2007

Rarely has a basketball game competed so directly with a revolution. On this Sunday afternoon in Las Delicias, however, a communal council has taken over the sloping asphalt lot that doubles as basketball court and town square. Next to a pickup basketball game, the residents of this small Caracas shantytown are electing spokespeople for their council. Their aim is to gain control over government funds. Bursting with pride, one of the many voters explains, "We had to wait seven years for this, but finally they're transferring power to the people."



Communal council assembly: "Consolidating popular power"

Since the start of 2006, thousands of tiny Venezuelan neighborhoods, with an average of 200 families each, have been organizing communal councils. The councils are part of a broad effort to build a new political system of participatory democracy, in which citizens have control over the decisions that affect their lives. After seven years in power, Hugo Chávez's government launched the councils as "the great motors of the new era of the Revolution," "a basic cell of the future society," and "fundamental... for revolutionary democracy." More broadly, the councils are also serving as a giant laboratory for experiments in political participation.

Participatory democracy is difficult to achieve anywhere, but especially at the national scale. Perhaps never, however, has as much political support or as many resources been dedicated to participatory democracy as in Venezuela under Chávez. So far, the experience has been mixed. The councils are helping communities address common interests, funneling more money to basic community needs, and bringing people together in thousands of neighborhoods. Critics claim, though, that the government is exploiting volunteer labor, ignoring political disagreements, promoting local democracy at the expense of broader interests, and consolidating central control. In the turbulent political climate of Venezuela, will the communal councils survive?

COMMUNAL COUNCILS: FROM LAW TO PRACTICE

The Communal Councils Law was passed in April 2006, but the story begins much earlier. In the 1980s, Venezuela began an extensive decentralization process, launching mayoral elections

and handing over new responsibilities to local governments. After Chávez was elected president in 1998, he continued the decentralization but changed its emphasis. He called for transferring power not to local government, but instead directly to popular movements.

This "popular decentralization" has led to a series of experiments in grassroots democracy. First came the Bolivarian Circles, neighborhood councils that were officially autonomous, but often linked to and supportive of the government. At Chávez's urging, the Bolivarian Circles were mostly succeeded by Electoral Battle Units (UBEs), which mobilized the pro-Chávez vote for elections. Next, the government launched Local Public Planning Councils, in which citizens, politicians, and bureaucrats were to collaborate at the city level to address local problems.

By 2005, most of the Local Public Planning Councils had become mired in bureaucracy and dominated by politicians, paving the way for communal councils. These new councils are organized at a much more local level, usually a few blocks. They are responsible for bringing together grassroots groups, creating community development plans, implementing projects to address local needs, and monitoring government and community activities. Or, in Bolivarian legalese, they are "manifestations of participation, expression and integration between diverse community organizations, social groups, and citizens, which allows organized society to directly manage public policy and projects that respond to the needs and aspirations of communities, and the construction of an equal and just society."

The Communal Councils Law calls for the councils to decide their own geographic limits, but also follow a detailed set of guidelines. The law recommends that each urban council contain 200-400 families, each rural council at least 20 families, and each indigenous council at least 10 families. All decisions are to be made in citizen assemblies with a minimum of 10% of residents over age 15. These assemblies are to elect executive, financial management, and monitoring committees, as well as thematic committees based on local priorities (health, education, recreation, land, safety, etc.).

Perhaps most importantly, money can flow into and out of the councils. By law, they can receive funds directly from the national, state, or city governments, from their own fundraising, or from donations. In turn, the councils can award grants for community projects. If they set up a communal bank with neighboring councils, they can also make loans for cooperatives or other entrepreneurial activities.

In practice, funding has depended more on the discretion of government leaders than the law. Councils can apply for up to \$14000 per project (enough for a modest street-paving), although this limit is not specified in the law. The councils are encouraged to submit larger proposals to their city's participatory budgeting process or district councils, but these secondary institutions have not yet been established in most cities. No matter, as the funding limit was later increased to \$28000 for second-time applicants, and some councils have reportedly received even more.

Officially, communal councils are to send project proposals directly to the Presidential Commission of Popular Power, which gives the go-ahead as long as they are legally valid. The law does not explain who sits on this commission or what its funding criteria are. It was eventually filled by a motley crew of government leaders, but many projects were funded before the commission ever met. Councils often send projects to their municipality for review first, but somehow, the projects are approved in Caracas. The money is then delivered in high-profile spectacles called *Gabinetes Móviles*.

Despite this confusion, the communal councils have been wildly popular. Eight months after the law was passed, over 16,000 councils had already formed throughout the country. 12,000 of them had received funding for community projects – \$1 billion total, out of a national budget of \$53 billion. The councils had established nearly 300 communal banks, which have received \$70 million for micro-loans. The government plans to transfer another \$4 billion in 2007. Thanks to these funds, the councils have implemented thousands of community projects, such as street pavings, sports fields, medical centers, and sewage and water systems.

Government officials agree that the communal councils are the foundation for a new system of participatory democracy, but they disagree on what this means. The former Vice-Minister of Popular Participation, José Antonio Mota, suggests that the councils form the base of a political pyramid, like earlier visions of council communism. "Proposals should filter up from the communal council to the district council to the municipality to the state to the nation." Other leaders, such as Carlos Escarrá, have proposed that the councils replace city and state governments entirely, or work parallel to them. This debate is only one of many controversies.

POPULAR PARTICIPATION IN WHAT?

In the small farming community of El Pajonal, the locals are working hard to make the most of their communal council, perhaps too hard. Perched alongside a tourist valley in the Andes, El Pajonal started a council before the national law was passed. Many of the village's 60 homes had no water connection, there was no bus stop on the only nearby road, and the only trash dumpster was regularly overflowing. Not surprisingly, the council decided that water, transportation, and trash were its top priorities.



Council activities in El Pajonal

The council soon applied for, and received, government funds to install a new water system. The funds were only enough to pay for the construction materials and an architect, however. Over several weeks, the council members carried the concrete blocks for the new water tank up

the valley, and began to build the system. In the meantime, they cleared space for a new bus stop, and raised enough extra funds to buy a new dumpster.

This hard work has led to real community improvements, but is it popular participation or "labor flexibilization"? Are the councils serving as a source of cheap and flexible labor, allowing the government to cut costs on public employees? Should the government be responsible for installing the water system, bus stop, and dumpster itself, rather than relying on free labor? Or should communal councils address basic needs anyway, however they can? When, if ever, should communal council members be paid for their work?

A national system of participatory democracy requires a huge amount and variety of participation. As a result, the councils are facing a challenge of *compensation*: how to decide what kind of participation should be voluntary popular participation and what should be paid labor. For Miguel González Marregot, a public critic of the communal councils, popular participation should mean involvement in developing broad government plans: "The communal councils should say we need stairs, not develop a project to build stairs."

Classic theories of participatory democracy suggest that participation should focus on *making political decisions*, be they small or large. When people *implement government decisions*, for example by building public works, this work is typically paid. For complex issues, the line between decision and implementation may be fuzzy. For basic infrastructure projects, on the other hand, manual labor is clearly implementation.

Hands-on volunteer work may be a valuable part of popular participation, if it motivates people to participate, generates a sense of pride and autonomy, and results in concrete improvements. In Venezuela, however, the government is rolling in money and most of the communal council volunteers are living in poverty. If the state would ordinarily pay contractors to build public works, should communal councils not be compensated equally for the same labor?

HOW DO YOU DEAL WITH DISAGREEMENTS?

In the western city of Mérida, a government official introduces the Communal Councils Law at a public assembly, with all the enthusiasm of a game show host: "Let's hear applause for our supreme leader Hugo Chávez, who's really fabulous! Onwards to socialism of the 21st century!" The audience, a sea of pro-Chávez red, erupts in cheers. A few very non-red onlookers slouch silently on the side.



Council assembly in Mérida

Back in Caracas, in the poor pro-Chávez neighborhood 23 de Enero, a new communal council is holding its inaugural elections. The giant concrete edifice that houses the council's population is plastered with signs urging people to vote: "Change = 3 Elevators. Vote! Vote!" Before the elections, a candidate admits that the council's priority is already set: to fix the building's broken elevators. Soon afterwards, the council indeed applies for funds for the elevators.

In both of these cases, there is little room for disagreement. In Mérida the communal councils are assumed to be pro-Chávez. In 23 de Enero the council decision is pre-determined, prior to public assemblies. Not surprisingly, critics complain that the councils impose a pro-Chávez vision and suppress dissent. This is not always the case, of course. Some councils have formed in anti-Chávez neighborhoods, and decisions are often altered in public assemblies. Nevertheless, the councils face a serious challenge of *disagreement*: how to deal with genuinely different interests and opinions.

The government has already presented one partial solution to this challenge: form participatory bodies so small and exclusive that they experience few major disagreements. Since the councils usually contain only a couple hundred families within a few blocks, their members tend to have relatively similar political beliefs and socio-economic backgrounds, compared with society as a whole. Since residents decide the boundaries of their own councils, they can self-select like-minded groups.

The councils thus create what political scientists have called "unitary democracies": relatively homogenous groups that make decisions based on common interests. Disagreements are not necessarily resolved better in unitary democracies, they are just less likely to occur. If the members of the 23 de Enero council obviously need a new elevator, because of their common situation and interests, it may be in their best interest to pursue the elevator without spending much time and energy debating it.

When councils agree internally, however, they largely avoid Venezuela's heated political and class conflicts. The councils are beginning to deal with these disagreements by negotiating in small groupings, district councils, and municipal participatory budgeting processes. In practice, however, most cities do not yet have district councils or participatory budgets, and it remains unclear how this cross-council cooperation is to work. Ultimately, these forums will need to deal with antagonistic disagreements more directly, to acknowledge, diffuse, and transform them into respectful discussions.

HOW DO YOU BALANCE LOCAL CONTROL WITH THE COMMON GOOD?

Only a few minutes into their meeting, the three well-heeled women from Santa Rosa de Lima are pounding their fists and on the verge of screaming. The lucky recipient of their attention is a city councilor in their suburban Caracas municipality. They want him to block the construction of a proposed 25-story apartment tower in their low-key residential neighborhood, arguing that it would corrupt the community's character. The councilor explains that the city needs the new

building to meet its growing housing demand, but the women remain adamantly opposed. When the councilor refuses to budge, one of the women charges that, "This is what people in the neighborhood want, and as the law says, you have to respect that!"

Thanks to the Communal Councils Law, these women have a more legitimate argument. They represent the communal council in Santa Rosa de Lima, which decided to oppose the new apartment building. As a result, they can claim to speak for the democratic will of the community, by law.

If a city has a housing shortage and a communal council decides to oppose new housing plans, how democratic is the council's decision? Is NIMBYism (Not In My BackYard) compatible with democracy? What happens when neighborhood decisions are not in the best interest of the city, and the larger society? What happens when they conflict with previous decisions of higher levels of government?

The quarrel in Santa Rosa de Lima illustrates the challenge of *federalism*: how to integrate and balance local, city, state, and national interests. As is, the communal councils are linked mostly with the nation. They apply for funding directly from Caracas, and national agencies determine funding guidelines. Critics have warned that, by bypassing states and municipalities, this system leads to an all-powerful central state. As the mayor of Chacao, a wealthy Caracas municipality, sees it, "What's happening is all the power is concentrating in the President, not in the communal councils."

Communal councils cannot avoid middle levels of government, however. If a council builds a road or water pipes, they need to connect to the city-wide system. City and state governments provide publicity and technical assistance for the councils, and council projects often influence city issues. One council, for example, proposed a municipal referendum to impeach the mayor. Meanwhile, funding for communal councils comes at the direct expense of funding for cities.

A research group at Monteávila University has proposed integrating different levels of government through "popular federalism". Their plan calls for "a state where regional autonomy is strong and the central state weak, but coordinating," with a focus on strengthening grassroots community groups. This approach would redefine participatory democracy as a multi-level system of participation, rather than just communal councils.

HOW MANY RULES SHOULD THERE BE?

Back in the Andes, the communal council Los Camellones has been developing quite the reputation, for better or worse. Located in the tourist valley near El Pajonal, it formed before the Communal Councils Law and soon developed an active membership. The council decided to create an information and cultural center as its first project, and it promptly applied for funding and started securing materials.

The problem, however, is that most residents had other priorities, such as the sewage system, water system, and public lighting. As Teddy Marcano, from El Pajonal, tells it, Los Camellones is mostly poor farmers, but a smaller group of tourism professionals came to dominate the council. Maria Gabriela, a spokeswoman for Los Camellones, laments, "Sure, the community had other priorities than the info center, but with 30 million bolivares we couldn't address many of their needs and we could do the info center. When conflicts like this emerge," she casually adds, "we just listen, debate, then vote."

Los Camellones and other councils have been shaped largely by rules imposed from above. Whether there are too many or too few rules is a subject of debate. For some, the intricate election procedures, committee structures, and financial instruments required by law are too constraining. As Miguel Gonzales Marregot argues, "The laws are too rigid - to form a communal council you have to break them. The designers didn't know the reality of how things work on the ground." The 30 million bolivares (\$14,000) funding limit, for example, is too small to address most needs in Los Camellones and elsewhere.

Others say that the rules are insufficient and unclear, leading to confusion and inequalities. For example, if there are two neighborhoods of the same size, one can subdivide into four councils to receive four times as much funding as the other. There are no official criteria for project funding and few guidelines for how councils are to make decisions. In Los Camellones, the lack of decision-making rules may have helped the tourism professions dominate debates and force through their own priorities, under the guise of democracy.

These problems reveal a challenge of *rules*: how to strike a balance between too few and too many universal rules. The more complex the system, the more necessary rules are. In a national political system, rules are essential for maintaining a fair balance between different interests. But how detailed should the rules be? Who writes them? How can they be changed? How often and by whom? How much flexibility should councils have in applying the rules?

There may be no set answers to these questions. The councils are an ongoing experiment amidst broader political changes, so their reality is regularly changing faster than the laws. This does not mean that the laws or the councils are fundamentally flawed, but perhaps just that large systems of participatory democracy by nature require frequent adjustment.

That said, the clearer and more refined the rules, the fairer and more stable the councils. A few steps are being taken in this direction. The government is debating ways to make the



Venezuelan laws, in pamphlet form, for sale

existing rules clearer and formalize informal rules. If the rules are to keep pace with the changing reality, however, there will need to be a more regular way to revise them. Critics have suggested that the councils themselves play a greater role in writing and changing the rules, since they know the problems on the ground better than anyone.

HOW DO YOU GET ENOUGH PEOPLE TO PARTICIPATE?

The communal councils have created quite a following in Venezuela, but not everywhere. One evening, as most people are heading home, a handful of people gather instead in a community center in the Catia district of Caracas. Outside, a flyer announces the first planning meeting for a new communal council. People slowly trickle in, but the crowd only grows to 11 people.

Eventually, one of the organizers starts her introduction, but confusion suddenly breaks out. "Communal council? What's that?!? I thought this was the dance therapy class!" As it turns out, most of the people have mistakenly shown up for a dance therapy class scheduled for the same time. They show little interest in the communal council, despite the prodding of the organizers. As one woman explains, the problem is simple - the council would require too much work.

A national system of participatory democracy requires more participation from more people than any social movement or other form of civic engagement. Venezuelans are indeed participating in massive numbers. Thousands of communities, however, have yet to show much interest in organizing a communal council. As the dance therapy enthusiasts of Catia suggest, Chávez's "Socialism of the 21st Century" still faces one of the main problems of socialism of previous centuries. In the words of Oscar Wilde, it takes up "too many evenings".

The low rate of participation in many neighborhoods poses a challenge of *turnout*: how to get enough people to participate. What kinds of people are not participating? Why are they not participating? What motivated participants to get involved? When is popular participation not 'too many evenings'?

These questions raise a deeper question: how much participation is enough? The answer depends on the situation, but at the least turnout should be high enough that participants represent the diverse characteristics and interests of the population. If certain types of people are not equally or adequately represented, turnout is insufficient.

The Venezuelan government and communal councils have demonstrated several ways to encourage (and in some cases discourage) participation. First, Caracas has delegated significant power directly to the communal councils. The allure of self-government attracts many people.

The government has also provided direct positive incentives for participation. The most obvious is money. Many people get involved because they can get funds for neighborhood improvements, but only if they form a council. Since the councils are so small, any one person can have a substantial effect on which projects are developed. Obviously the government can only give out money if it has it, and in this respect Venezuela is more privileged than other countries.

Another incentive is what one anti-Chávez bureaucrat mockingly calls "piñata parties" - spectacular public events in which the government hands out money. In Venezuela, these are the *Gabinetes Móviles*, where Chávez and other officials award funds for council projects. These high profile events attract media attention and generate public interest. They also fuel some disillusionment, since skeptics associate them with clientelism and narrow self-interest.

Often, the councils attract people simply by making their events fun. Some of the more prolific councils mix music, food, and entertainment into their assemblies. These virtual block parties lure many who would typically stay away, by transforming one of the costs of participation (tedious meetings) into a benefit (a good time). Other councils, however, have more formal events dominated by long speeches, and often blank stares and empty seats.



Finally, the government is trying to reduce the obstacles to participation. Because the councils are so local, the transportation and time costs of participation are less. Another approach is even more ambitious – freeing up people's time by making participation part of their jobs. As Vice Minister Mota explained, "We need to arrange that employers will let employees off from work for a couple hours a week if they participate in a communal council. This could be coordinated by the state, like a form of community service." Such a program could especially boost the participation of working professionals such as Mota himself, who admits that he has not even had time to get involved in his own communal council.

WHAT NEXT?

Venezuela's communal councils are still a work in progress, but so far, the results are promising. Thousands of communities are mobilizing as never before, taking advantage of their new power to decide government spending and policies. In the process, the communal councils have raised major challenges for democratic participation: how to decide what people should participate in, how to deal with serious disagreements, how to integrate different levels of government, how many rules to have, and how to get enough people to participate.

What will become of the communal councils? As some critics warn, perhaps they will mainly become a tool for consolidating Chavez's control. Or they might take on power of their own, but without transforming the rest of the Venezuelan government. Or maybe they will indeed create a national political system of participatory democracy.

The fate of the communal councils is highly contested. If Chávez's old guard holds onto power, the councils may remain highly participatory appendages of the central state. Some of the

newer government ministers, however, are eager to expand the communal councils' power at the expense of old political structures, such as city and state governments. Although Chávez was recently re-elected by a strong majority, the opposition won over a third of the vote and is becoming increasingly involved in the communal councils. If opposition groups continue their resurgence, they might use the councils as a wedge into the government's political power.

As a sign of success, the communal councils are also taking on a life of their own. Council activists and grassroots movements are demanding more say in the councils' funding, rules, and powers. If they can transform these demands into new political structures and processes, the communal councils may indeed reinvent government *by* the people. This would be an ironic success for Chávez's government - if the communal councils revolutionize democracy, the government may lose control over the revolution.

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