

Venezuela PR Country Landscape 2006



Global Alliance for Public Relations and Communication Management

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Public Relations Industry

The emergence of public relations in Venezuela can be traced back to transnational oil corporations in the 1940s. The first public relations department was established at Shell of Venezuela, a subsidiary of Royal Dutch Shell. The practice was adopted by government agencies. Today, public relations is used by all types of organizations nationwide and taught in colleges and universities throughout Venezuela. However, the term public relations is rarely used as the name of the unit or department in private organizations. The preferred denominations are corporate communications, institutional relations or public affairs

Timeline of Venezuelan Public Relations

After 1935, public opinion started to come back after the death of the military dictator General Juan-Vicente Gómez.² In 1936, public relations emerged as an administrative function in the transnational oil corporation Royal Dutch Shell, primarily as a government relations practice. In 1940, the first department of public relations was created at "Shell de Venezuela" and is led by Ernesto Branch, assistant to the president. The department at Shell was renamed Public Relations under the direction of José-Antonio Giacopini-Zárraga.

In 1945 the second public relations department in Creole Petroleum Corporation directed by Henry F. Perkin was formed.³ In 1956, the Public Relations Association of Venezuela in Caracas was established. It later became a guild called "Colegio de Relacionistas de Venezuela" (Guild of Public Relations of Venezuela). Its founding document was signed by José-Antonio Giacopini-Zárraga, Everett Bauman, Nelson-Luis Martínez, Robert Ferber, Napoleón Arráiz, Oberlid Carter-Laird ("Contralmirante"), and Manuel Villanueva.⁴

In 1958, the executive branch of government created the "Office of Relations and Service". The first government public relations department was established to create communication channels between the citizenry and government. Its organization and management was led by Horacio Vanegas. The Office of Relations and Service (known today as the Ministry of Communication and Information) organized the First National Assembly of Government Public Relations Offices, a five-day event at the Central University of Venezuela's library.

² Merchán-López, 1993

³ Merchán-López, 1993

⁴ Merchán-López, 1993

⁵ Merchán-López, 1993

⁶ Merchán-López, 1993

¹ Merchán-López, 1993

In 1960, Guido Grooscors, the National Director of Information, presided over the First National Joint Session ("Pleno") of Government Public Relations. Also in 1960, Venezuela joined other Latin American associations in Mexico to create the Inter-American Federation of Public Relations (FIARP). Today this is known as the Inter-American Confederation of Public Relations (CONFIARP).

In 1962, FIARP's first directorate meeting took place in Caracas, later becoming the General Secretariat's headquarters from 1962 to 1984. In 1964, the Superior School of Public Relations in Caracas was founded, known today as "Instituto Universitario de Relaciones Públicas" (IUDERP). The Institute was founded as a university institute approved by the National Council of Universities and the country's President (decree 921, April 4, 1972). 10

Beginning in 1964, advertising and public relations sequences or majors were offered in social communication bachelor's programs at Central University of Venezuela and the University of Zulia, as well as the communication sciences' bachelor degrees at Catholic University Andrés Bello.¹¹

The First Joint Session of Public Relations took place in Maracaibo in 1970, which included private and government organizations. It was hosted by the Public Relations Association of Venezuela. ¹² In 1971, the Ministry of Defense organized the First National Convention of Defense Force Public Relations in Caracas, and also hosted CONFIARP's Tenth Inter-American Conference of Public Relations in Caracas. ¹³

From 1973 to 1974, there were the Second and Third National Joint Sessions of Public Relations in Ciudad Guayana and Valencia respectively. The 1994 Law of the Practice of Journalism included the coordination and management of news or information departments of private enterprises and public-sector organizations as journalistic functions. The law spells out the rights and describes responsibilities of social communicators or journalists working as public relations or corporate communication professionals. 15

In 2000, the Venezuelan Association of Higher Technicians in Public Relations (AVTESURP) was founded in Caracas.¹⁶ The XXV Inter-American Congress of Public Relations, sponsored by the Inter-American

⁷ Merchán-López, 1993

⁸ Molleda, 2001.

⁹ Molleda, 2001.

¹⁰ Merchán-López, 1993

¹¹Merchán-López, 1993, Molleda, 2001.,Ocando-Yamarte & Paz, 1975

¹² Merchán-López, 1993

¹³ Merchán-López, 1993

¹⁴ Merchán-López, 1993

¹⁵ Gazeta Oficial, 1994, No. 4.819.

¹⁶ Asociación Venezolana de Técnicos Superiores Universitarios en Relaciones Públicas, n.d.

Confederation of Public Relations, was held in Caracas in September 2005. The CONFIARP Presidency is held by Venezuelan Dr. Julio Corredor-Ruiz from 2004 to 2006.

Current status

Today, the public relations practice has achieved a greater level of sophistication in large private and public-sector organizations well as government offices locally, statewide and nationally. The influence of transnational oil corporation practices continues today. These remain engaged in proactive public relations activities as an essential part of all economic activity in the country. Similarly, the practice has reached a greater development in the central region, which comprises Caracas, the political and economic capital; Valencia, an industrial zone; and Maracaibo, the second largest city, which is considered a commercial hub and the center of the oil industry.

Top management at organizations view public relations departments as fulfilling a vital function in today's complex environment. The practice of public relations is considered as a component of broader strategic communication efforts and an institutional function (e.g., nonprofit/cultural institutions, transnational corporations, and large government and private corporations). Similarly, public relations is considered a core organizational activity in government agencies, private firms or boutiques and media outlets. Professionals in these sectors (domestic and global agencies) have "public relations" in their titles, offer specialized services, have obtained specialized higher education in this field of study (three-year college or five-year university degrees), or either teach or hold a leadership position in a professional association.

However, the negative connotation or distortion of the term "public relations" still impacts the professional status of the practice. To deal with this problem the function has been labeled differently and has become "corporate communications", "institutional relations," as well as the "office of communication and information" in the government. The change of name is primarily a result of the absence of academic programs when public relations began to be practiced in the country. Public relations was practiced through the good will and friendships or personal connections, and typically with an understanding of the cultural knowledge of the nature of human relations and social networks. When public relations started to be considered a strategic practice in the 1990s, the term used to name it changed to one with a deeper or perhaps broader meaning. Thus, the person in charge of the position not only manages personal relations now but also starts to develop institutional and inter-organizational relations. In the oil industry, engineers were assigned to the public relations function because of their industry knowledge. Today, in the areas of institutional relations and corporate communication, the main responsibilities are given primarily to graduates of social communication programs.

Other factors that may impact the perception, status and evolution of the profession and specific practices in Venezuela are as follows:

 Continued emphasis on the media relations function of the public relations practice at many organizations. This is especially true of government agencies. Professionals lack understanding of organizational elements such as corporate culture, communications, strategic planning, vision and mission.

- Lack of awareness of the importance of public relations by entrepreneurs at small/medium-size businesses and the resulting low levels of resources committed to this function. They perceive public relations as simply as fulfilling an entertainment function such as event planning of social gatherings and cocktail parties, anniversaries, customer service, entertainment of visitors, and serving as the master of ceremonies. Entrepreneurs tend to play a greater role at these organizations and likely take charge of key relationship building tasks. They also tend to seek the assistance of professionals or close allies who are known for having people's skills.
- Lack of understanding of the critical role that alliances play in cooperation building and in identifying common objectives among diverse organizations.
- An absence of clear policies regarding corporate social responsibility activities to be implemented in the host country by transnational oil corporations. This is reinforced by the appointment of professionals from other fields to carry out this function because they know the business better.
- Limited formal research by public relations professionals. The few research firms headquartered in Caracas focus on public opinion, political polls and consumer-behavior studies or market research. High fees make it difficult to incorporate continuous or annual assessments of programs and strategies. The most common research methods used were qualitative interviews, media monitoring and analysis of media coverage, gathering testimonials, environmental monitoring, record keeping, guest book analysis, reporting attendance to events and informal feedback from managers of other units.
- Few specialized publications that are used for education and training. These come primarily from Spain or the United States. U.S. publications include one or two introductory textbooks. The lack of Spanish translations greatly limits access to more advanced or recently published materials. The tendency, though, is to use more inter-disciplinary material for teaching. The domestic production of public relations publications is non-existent.

Some positive aspects that appear to be contributing to the advancement of public relations in Venezuela are:

- The government has become the largest employer of public relations and communications
 professionals. Every local, state and national government agency and corporation has a public
 relations, information or communication unit.
- Journalism education has become more advanced in the country. Most social communications
 programs offer a concentration in "advertising and public relations," with an emphasis on advertising.
 However, there is hope for higher education advancements in public relations and related disciplines,
 with the approval of the first bachelor's degree in public relations ("licenciatura"), as well as an
 already existing undergraduate program and a couple of graduate programs in corporate
 communications.

- The majority of public relations professionals are obtaining graduate degrees in a variety of fields.
- Advertising agencies have begun to offer public relations services, which increases competition and represents additional employment opportunities.

It is common to find joint marketing and public relations units in large private domestic organizations and branches of transnational corporations operating in the country, such as Microsoft. Domestic public relations agencies are pursuing strategic alliances with firms based in the United States. For instance, JGL Public Relations established a strategic alliance with E-Medio Intelligent PR Solutions, a communication firm located in the State of Florida. The alliance aims to provide specialized services to telecommunication and information technology clients.¹⁷

Community relations programs with an emphasis on education are customary of private and public-sector organizations, such as the "Economy at School" (Economía en la Escuela). This contest formulates projects that generate income and well-being for the education community. It is sponsored by the Central Bank of Venezuela. Various academic and professional conferences and workshops on public relations or related topics (e.g., corporate image or identity, corporate communication management) are sponsored by a variety of institutions in the main state capitals of the country, such as the Venezuelan Association of Executives (Asociación Venezolana de Ejecutivos), private consultants, IUDERP, etc.

In the 1980s, advertising agencies dominated the marketing promotions in various business sectors. At the end of the decade, integrated communication agencies, such as "Proa Comunicaciones Integradas, introduced a significant public relations component to promotional campaigns.¹⁸

At the end of the 1990s, the strategic corporate communication industry experienced a significant increase in contracts and number of clients. The business section of the newspaper *El Universal* acknowledged the following agencies as leaders of the industry: Proa, Pizzolante Comunicación Estratégica, Estima, Comstant Rowland, Burson-Marsteller, Cosar Group Comunicacional, ECL Proyectos de Comunicación, Feedback, Laurens & Rivera, Asesorac and Cieca. The same firms experienced a dramatic decline after the 2002 oil strike and successive political tensions present in the country. The financial health of the public relations sectors has improved substantially as the economy of the country improves thanks to high oil prices—the main source of revenue in the nation.

Founded in 2000, the Instituto Universitario de Relaciones Públicas is located in Caracas and for further information the institute can be found at:

Avenida Sur 3, Miseria a Pinto, Edif. IUDERP, Parroquia Santa Rosalía, Caracas

Phone:: (0212) 542. 3128

Fax: (0212) 542.3828

¹⁷JGL Public Relations. (2004). CANTV Net "Telecom at Día Retrieved May 1, 2006 from http://www.cantv.net/ciencia/telecomunicaciones/¹⁷

¹⁸ NoticiasFinancieras, 2005b Retrieved from http://www.grupoproa.net/

E-mail: <u>iuderp@telcel.net.ve</u>

Government public relations is well developed in Venezuela. Local, state, regional and national government agencies and organizations rely on social communication and public relations professionals as public information/public affairs/community relations officers. The national government's communication efforts go beyond the country's borders, actively seeking lobbying and public relations counsel in the United States. The Washington based lobbying agency Patton Boggs LLC has been representing Venezuelan interests and positions on behalf of the Chavez's administration since 2003¹⁹

In 2005, the agency "Sinergia Comunicación de Venezuela" became a member of the International Public Relations Network (IPRN) constituted by AutoCom (NoticiasFinancieras, 2005a). The network includes 40 agencies in the Americas, Europe, Middle East and the Asian Pacific region.

Professional associations

Two professional associations have their headquarters in Caracas: The Guild of Public Relations Professionals of Venezuela (Colegio de Relacionistas de Venezuela), founded in 1956, and the Venezuelan Association of University Technical Professionals of Public Relations (Asociación Venezulana de Técnicos Superiores Universitarios de Relaciones Públicas—AVTESURP), which was created in 2000. Carmen Luisa de Ocanto serves as the 2006 president of the Guild of Public Relations Professionals of Venezuela (Colegio de Relacionistas de Venezuela). She also acts as the 2004 to 2006 Vice President of CONFIARP – Central Zone.

AVTESURP changed its name in order to incorporate future graduates of a recently approved bachelor's degree in public relations in 2004. The members of AVTESURP are graduates of the University Institute of Public Relations in Caracas, which has offered a three-year degree in public relations since 1964. The Institute began to offer a five-year degree, the only of its kind in the country, in 2004. IUDERP will graduate the first promotion of "licenciados" in 2006. The bachelors' program in public relations was approved by the National Council of Universities on April 28, 2004. ²⁰ In 2006, these are the higher education institutions offering three-year and five-year degrees with an emphasis on public relations (* denotes advertising and public relations focus):²¹

Creating and maintaining a professional association in Venezuela is a challenge due to the short tradition among Venezuelans with professional groups. Practitioners seem to prefer independence or limited association with their organizations or employers. The only active professional associations are the guilds that unite professionals of journalism, accounting, law, engineering and medicine, which are guilds

²¹ National Council of University 2006

¹⁹ (El Nacional, 2004; El Universal, 2003; Miami Herald, 2004; The Wall Street Journal, 2004).

²⁰ (Gazeta Oficial No. 37.926).1998

created by law, legislative act or decree. This is why public relations professionals associated with AVTESURP in Caracas are lobbying for legislation to regulate and license professionals, something the proponents believe would improve the reputation and prestige of the profession.

Legal and regulatory system with direct and indirect impacts on public relations practices

In 2006, a group of public relations professionals and educators associated with the Institute of Public Relations of Caracas and AVTESURP are lobbying the National Assembly of Venezuela to consider legislation to the public relations profession. They already submitted to the National Assembly an economic study of the public relations profession, including an argument to request a license to offer a legal status to the practice. Nonetheless, many public relations professionals are registered members of the National Guild of Journalists. The CNP (Spanish acronym) is regulated by the Law of the practice of journalism of 1995, which includes protections and responsibilities for social communicators working for private, public and nonprofits organizations.

In addition, there are laws and regulations that impact the various internal and external practices of public relations directly and indirectly, including laws regulating the release of financial information and promotions (available at www.sudeban.gob.ve), addressing consumer protections, and establishing the proper use of national symbols such as the flag, shield of arms, the name and image of Simon Bolivar and the country's anthem. The following table shows a set of laws that impacts the practice of public relations in Venezuela in various degrees.

	Gazeta Oficial	
Title	(number)	Date
Law of official (government) publications	20546	22/07/1941
Law about commercial propaganda	21503	06/09/1944
Law of the flag, shield of arms and national anthem	24371	17/02/1954
Law of Mat 12 th , 1965, protection to the name and emblem of the Red Cross	27759	10/06/1965
Law about the use of the name, effigy and titles of Simón Bolívar	28658	20/06/1968
Law of partial reform of national holidays	29541	22/06/1971
Organic law of prevention, conditions and workplace environment	3850 EXT.	18/07/1986
Law about protecting the privacy of communications	34863	16/12/1991

Law of partial reform of the law about authorship rights (09/14/1993)	4638 EXT.	01/10/1993
Law of the practice of journalism	4883 EXT.	31/03/1995
Law about donations and other related matters	5391	22/10/1999
Constitution of the Bolivarian Republic of Venezuela	5453	24/03/2000
Law of the practice of industrial relations and human resources professionals	37593	17/12/2002
Law of protection to the consumer and user	37930	04/05/2004
Law of social responsibility in radio and television	38081	07/12/2004

<u>Source</u>: Indice de Leyes Vigentes. (2006). Asamblea Nacional Servicio Autonomo de Informacion Legislativa. Retrieved May 31, 2006 from http://www.sail.gov.ve/ILV_interface/Table/editor/list.asp

University programs of public relations in Venezuela

Institution	Location(S)	Degree offered
Instituto Universitario Carlos Soublette	Cagua, Maracay, Valencia	Three-year degree "Técnico Superior"
Instituto Universitario de Relaciones Públicas	Caracas,	Thre-year "Técnico Superior" and five-year "Licenciado"
Instituto Universitario de Tecnología READIC	Maracaibo	Three-year degree (*)
Universidad Arturo Michelena	San Diego, Carabobo	Five-year "Licenciado"(*)
Universidad Bicentenaria de Aragua	PuertoOrdaz, San Fernando de Apure, Turmero	Five-year degree "Licenciado" social communication(*)
Universidad Católica Andrés Bello	Caracas, Ciudad Guayana	Five-year degree "Licenciado" social communication(*) and master's degree in organizational communication
Universidad Católica Santa	Caracas	Five-year degree "Licenciado" social communication,

Rosa		emphasis: organizational communication
Universidad del Zulia	Maracaibo	Five-year "Licenciado"(*)
Universidad Fermín Toro	Cabudare	Five-year "Licenciado"(*)
Universidad Rafael Belloso Chacín	Maracaibo	Five-year degree "Licenciado" social communication (*)
Universidad Santa María	Caracas, Puerto La Cruz	Five-year degree "Licenciado" social communication, emphasis on corporate communication

Branches and Affiliates of Global Public Relations Agencies

Burson-Marsteller

Avenida La Estancia, Centro Banaven

Torre B, Piso 1, Oficina B-15-1

Chuao, Caracas 1064-Venezuela

Phone: (+58212) 902-9300

Fax: (+58212) 902-9301

PROA Comunicaciones Integradas C.A. – Ketchum Affiliate

Final Avenida Principal de Los Ruices

Edificio Oficentro, Planta Baja – A

Los Ruices, Caracas, Venezuela

Phone Number: 582-12-9181

Fax Number: 582-12-6859

Comstat Rowland

Calle Veracruz, Edif. Torreón, Piso 2, Oficina 2B

Caracas, Venezuela

Phones: (+58212) 991-8724 - 992-8377 - 992-8977 - 992-8511

Fax: (+58212) 991-5013

Chuky Reyna & Asociados – Affiliate of Manning, Selvage & Lee

Av. Francisco de Miranda, Torre KYRA, Pisco 9, Oficina 24

Chacao, Caracas, Venezuela

Phone: 58212-2633892

Fax: 58212-2645843

Asesorac, C.A. – Affiliate of Fleishman-Hillard

Torre La Primera. Ofc. 14-E.

Av. Francisco de Miranda, Chacao, Caracas

Tel: 582-12-953-2907

E-Mail: asesor@asesorac.com

Factum Comunicaciones - Affiliate of Edelman

Phone: (58212) 992-4309 / 991-7687

E-mail: graciela.caldevilla@factum.com.ve

Country Profile

Country name conventional long form: Bolivarian Republic of Venezuela

conventional short form: Venezuela

local long form: República Bolivariana de Venezuela

local short form: Venezuela²²

Area: total: 912,050 sq km

land: 882,050 sq km water: 30,000 sq km²³

Location: Venezuela is located in Northern South America, bordering the Caribbean Sea and the North Atlantic Ocean. It is bordered by Colombia to the west, Brazil to the south, Atlantic Ocean to the north and Guyana to the east.²⁴

Capital city: Caracas

Population: 26.6 million (UN 2004)²⁵ Close to 90 percent of the population lives in the northern part of Venezuela.²⁶

http://www.think-venezuela.net/english/sub/generalinfo/i_geography.htm

http://news.bbc.co.uk/1/hi/world/americas/country_profiles/1229348.stm

²⁶ Embassy of the Bolivarian Republic of Venezuela (2006)

Retrieved February 10, 2006 from

http://www.embavenez-us.org/?pagina=pag_government.php&titulo=Government

²² Government. (2005) CIA-The World Factbook. Retrieved January 25, 2006 from http://www.cia.gov/cia/publications/factbook/geos/ve.html

²³ Geography. (2005) CIA-The World Factbook. Retrieved January 25, 2006 from http://www.cia.gov/cia/publications/factbook/geos/ve.html

²⁴ Geography. Think Venezuela. (2002). Retrieved January 24, 2006 from

²⁵ Country Profile: Venezuela. BBC News Web site. (2005) Retrieved January 24, 2006 from

Religious Affiliation: The majority of Venezuelans are Roman Catholic (96 %) while only two percent are Protestant and the last two percent being of other religious affiliation.²⁷

Official Language: While Spanish is the official language there are also numerous indigenous dialects.²⁸

Literacy:

definition: age 15 and over can read and write

total population: 93.4%

male: 93.8%

female: 93.1% (2003)²⁹

Currency: Bolivar (VEB)30

Administrative regions: Venezuela is divided into 23 states as well as two sections, the Capital District and the Federal Dependencies.³¹ There are ten administrative regions that were established by presidential decree:

Capital Miranda, Vargas, Capital District (Caracas)

Central Aragua, Carabobo, Cojedes

http://www.state.gov/r/pa/ei/bgn/35766.htm

²⁸ People. (2006) U.S. Department of State-Background Note: Venezuela. Retrieved March 9, 2006 from

http://www.state.gov/r/pa/ei/bgn/35766.htm

 29 People. (2005) CIA-The World Factbook . Retrieved January 25, 2006 from http://www.cia.gov/cia/publications/factbook/geos/ve.html

³⁰ Economy. (2005)CIA-The World Factbook . Retrieved January 25, 2006 from http://www.cia.gov/cia/publications/factbook/geos/ve.html

²⁷ People. (2006) U.S. Department of State-Background Note: Venezuela .Retrieved March 9, 2006 from

³¹ Government. (2005) CIA-The World Factbook. Retrieved January 25, 2006 from http://www.cia.gov/cia/publications/factbook/geos/ve.html

Insular Nueva Esparta, Federal Dependencies

Nor-Oriental Anzoategui, Monagas, Sucre

North-Occidental Zulia

Guayana <u>Bolívar</u>, Amazones, Delta Amacuro

Andean Barinas, Merida, Trujillo

South-Occidental Tachira, Paez Municipality of Apure

Llanos Apure (Excluding Paez Municipality), Guárico

Central-Occidental Falcón, Lara, Portuguesa, Yaracuy

Unemployment rate: Unemployment rates remained high at 13.9 percent in 2004. The highest unemployment rate is in the construction industry were at 23.6 and the lowest rate was in the agriculture, hunting, forestry and fishing industry at 7.1 percent.³² In 2005, though the unemployment rate seemed to be decreasing from 13.9 percent to 12.3 percent.³³

Geography: Major sea and air routes link to North and South America. Venezuela is home to diverse geographic regions consisting of mountains, beaches, plains and deserts. One of the most interesting of these regions is Gran Sabana which is home to the flat top mountains of Tepuy. The world's highest waterfall at 3000 ft is Angel Falls in the Guayana Highlands.³⁴

Climate: Venezuela is situated at the tropics there the climate primarily tends to be tropical, hot and humid. It is more moderate in the highlands with cold weather, sometimes snow, in the mountainous regions. Rainfall tends to be high in the northern mountain regions as well as the Venezuelan Amazon.³⁵

http://www.bcv.org.ve/EnglishVersion/c2/index.asp?secc=statistinf

Retrieved February 10, 2006 from

http://www.embavenez-us.org/?pagina=pag_government.php&titulo=Government

³² Unemployment Rate. Banco Central de Venezuela. (2004) Retrieved March 4, 2006 from

³³ Rank Order-Unemployment Rate. (2005) CIA-The World Factbook. Retrieved March 24, 2006 from http://www.cia.gov/cia/publications/factbook/rankorder/2129rank.html

³⁴ Tourism in Venezula. Embassy of the Bolivarian Republic of Venezuela (2006)

³⁵ Geography. (2005) CIA-The World Factbook. Retrieved January 25, 2006 from http://www.cia.gov/cia/publications/factbook/geos/ve.html

Natural Resources: natural gas, iron ore, gold, bauxite, other minerals, hydropower, diamonds. 36 Venezuela has one of the world's largest known oil deposits. 37

Gross Domestic Product: Venezuela's GDP is \$161.7 billion (2005).38

Ethnic groups: Spanish, Italian, Portuguese, Arab, German, African and 31 indigenous Indian groups.³⁹ The population is split by the different ethnic groups with 67 percent of the population being of Mulatto-Mestizo descent. The rest of the population is composed of whites (21 %) and Africans (10 %). Even with 31 Indian groups it only totals to two percent of the population.⁴⁰

History

The history of how Venezuela became a nation is divided into three categories: discovery, conquest, and settlement.

The country's nickname, Tierra de Gracia (Land of Grace) comes from the legend that Christopher Columbus was so fascinated by Venezuela's landscape that he bestowed this nickname upon his arrival in 1498. It was, however, the Italian geographer and navigator Americo Vespucci that gave the nation its name. He named it "Little Venice" or Venezuela because at the time the local stilt houses on the shores of Lake Maracaibo resembled the Venetian dwellings in Italy.

In 1567, Diego de Losada founded Caracas. It was not until 1777 that Venezuela started to transform itself into the nation it is today by creating provinces. Venezuela is a federal republic and once was a Spanish colony.⁴¹

http://news.bbc.co.uk/1/hi/world/americas/country_profiles/1229348.stm

http://www.think-venezuela.net/english/venezuela_general_information.htm

³⁶ Geography. (2005) CIA-The World Factbook. Retrieved January 25, 2006 from http://www.cia.gov/cia/publications/factbook/geos/ve.html

³⁷ Timeline: Venezuela. BBC News Web site. (2005) Retrieved January 24, 2006 from

³⁸ Economy. (2005)CIA-The World Factbook . Retrieved January 25, 2006 from http://www.cia.gov/cia/publications/factbook/geos/ve.html

 $^{^{\}rm 39}$ People. (2005) CIAThe World Factbook. Retrieved January 25, 2006 from http://www.cia.gov/cia/publications/factbook/geos/ve.html

⁴⁰ The People. (2002) Think Venezuela. Retrieved January 24, 2006 from

⁴¹ Origin and History of Name.(2006). Wikipedia. Retrieved on February 18, 2006 from http://en.wikipedia.org/wiki/Venezuela

Venezuela declared its independence from Spain on July 5, 1811. In the years and wars that followed the fight for independence, approximately half of Venezuela's white population was killed. The new country achieved its independence in 1821 under Simon Bolivar. Bolivar is regarded as one of Latin America's most influential and respected leaders, and is recognized through festivals, museums, street names and monuments in his honor throughout Latin America.⁴²

Venezuela was one of only three countries to emerge from the collapse of Gran Colombia in 1830. The other two countries were (present day) Colombia and Ecuador.⁴³

The 19th century saw Venezuela through various periods of political instability, dictatorial rule of caudillos (political-military leaders) and revolutionary turbulence. After World War I, the Venezuelan economy only shifted from an agricultural area to a petroleum production and export centralized economy.

In 1958, General Marcos Perez Jimenez was overthrown and the military withdrew from direct involvement in national politics. This led to a tradition of civilian democratic rule, which started with Rómulo Betancourt, president from 1958–1964 and remained unbroken. The Social Democratic Acción Democrática (AD) and the Christian Democratic Comité de Organización Política Electoral Independiente (COPEI) parties. Since being overthrown, Venezuela has had five presidents in the past 25 years that were all constitutionally elected to office. 44

It was not until recent decades that after Venezuela's independence that the country's history was filled with dictatorship, political issues and powerful regimes.

In 1998, Hugo Chavez won the presidency and is still the current president of Venezuela. Chavez's presidency has been one of controversy throughout the region and in the United States.

Culture

The culture of Venezuela is defined in every aspect of the country. It shows in the red, blue, and yellow of their flag colors, and unique traditions and festivals such as Carnival. Many cultural aspects can not be put into words or categorized; rather, it is the feeling one gets while walking the streets of <u>Maracaibo</u>, biting into a hot <u>arepa</u>, or standing on the edge of the world's largest waterfall, <u>Angel Falls</u>.

http://en.wikipedia.org/wiki/Venezuela

⁴³Introduction.(2006).CIA World Factbook. Retrieved on February 16, 2006 from http://www.cia.gov/cia/publications/factbook/geos/ve.html#Intro

http://www.think-venezuela.net/english/sub/generalinfo/i_history.htm

 $^{^{\}rm 42}$ History.(2006). Wikipedia. Retrieved on February 18, 2006 from

⁴⁴ History-Think Venezeula (2002) from

General Facts

There are a lot of traditions and cultural idiosyncrasies that differ from country to country around the world. In many parts of the world, there are stereotypes. There are also some things about some countries, such as Venezuela, that one might not expect to find.

Consider these various facts about Venezuela:

- Venezuela is the largest Latin American supplier of petroleum to the United States.
- Venezuela was a founding member of the Organization of Petroleum Exporting Countries (OPEC).
- Venezuela achieved the highest per capita income in South America, largely because of its revenues from petroleum exports; however, many Venezuelans currently live below the poverty level and approximately 12.3 percent suffer from unemployment and underemployment.⁴⁵
- Venezuela's most revered national figure is Simón Bolivar.

It is estimated that 65 to 90 percent of all Venezuelans are *pardo*. This is a term used by Venezuelans to refer to the various combination types of Indian, black, and European descents.⁴⁶

Literature and Education

Literature and education are very important aspects of Venezuelan society. Venezuela is home to many famous literary geniuses who have composed many great works over the years.

Below is a list of the most prominent:

- Andrés Eloy Blanco
- Hanni Ossott
- Enrique Hernández D'Jesus
- Rafael Arraiz Lucca
- Rómulo Gallegos
- Teresa de la Parra
- Antonia Palacios
- Guillermo Meneses
- Oswaldo Trejo
- Salvador Garmendia
- Adriano González León
- José Balza
- Arturo Uslar Pietri
- Vicente Gerbasi
- Ana Enriqueta Terán
- Juan Liscano

⁴⁵ Government. CIA-The World Factbook. (2005). Retrieved January 25, 2006 from http://www.cia.gov/cia/publications/factbook/geos/ve.html

⁴⁶ Understanding Spanish-Speaking

- Jose Ramón Medina
- Iuan Sánchez Pelaez
- Rafael Cadenas
- Francisco Pérez Perdomo
- Ramón Palomares
- Eugenio Montejo
- Luis Alberto Crespo⁴⁷

The National Library of Venezuela was founded in July 1833 by a presidential decree. Its mission is to be the primary organizer and collector library for all of Venezuela. The library hosts cultural events that include conferences, theatre performances, movie selections and expositions.⁴⁸

Education in Venezuela is free. Approximately 20 percent of the national budget is assigned to education. The literacy rate is 93.4 percent.⁴⁹ Education is available at all levels by the Venezuelan government's Ministry of Higher Education and the Ministry of Education and Sports. There are nine years of elementary school, two to three years of secondary school, and three to five years of university or technological studies.

In 2005, there were 49 universities (22 public and 27 private), both national and private. There are approximately 120 college institutions, resulting in a total of roughly 169 institutions established to provide access to a higher education.

Please visit the Economy section of the Venezuela Landscape as well as the link below for a comprehensive list of higher education institutions in Venezuela.

Consejo Nacional de Universidades http://www.cnu.gov.ve/

Sports and Activities

Baseball

Venezuela can not be discussed without talking about baseball. Baseball is Venezuelans past time and is played year-round. There are eight national baseball leagues in Venezuela. It is the only South American country where baseball is widely played almost in every city and region of the country. ⁵⁰ Alejandro

http://www.embavenez-us.org/pag_culture_famous.php

http://www.bnv.bib.ve/main.htm

⁴⁷ Embassy of Venezuela (2006) Retrieved March 16, 2006 from

⁴⁸ Biblioteca Nacional. (2006). Retrieved March 24, 2006 from

⁴⁹ People. CIA-The World Factbook (2005). Retrieved January 25, 2006 from http://www.cia.gov/cia/publications/factbook/geos/ve.html

⁵⁰ Other Activities-Baseball. Think Venezuela. (2002). Retrieved January 24, 2006 from

Carrasquel became the first Venezuelan big league player in the United States in 1939 by getting signed to pitch with the Washington Senators.⁵¹ Venezuela was one of the founding countries to establish the Caribbean World Series in 1949. Venezuela has won the series in 1979, 1984, and 1989, and played host to the series in 2002.⁵²

The Leones de Caracas (Lions of Caracas) was founded as one of the eight Venezuelan baseball leagues in 1952. Since its inception it has won 15 titles and has maintained the record as the league of the Professional Venezuelan Baseball Leagues that has won the most national titles.⁵³

Other sports

Boxing, baseball and football are the most popular spectator sports in Venezuela and can be seen all year round. The indigenous Venezuelan wresting, *lucha libre*, is a weekly event.

Activities

With Venezuela's rich climate and composition, there are various locations and widespread availability of outdoor activities. Locals and tourists alike enjoy paragliding and swimming throughout the year. Other activities include hiking and trekking, surfing, snorkeling, diving, fishing, canoeing, rock climbing, and horseback riding.⁵⁴

In the Merida region of Venezuela, mountain biking and paragliding are practiced frequently. *Cueva del Guácharo* is the most spectacular of Venezuela's various cave systems. It is a three hour bus ride from Cumaná. Caracas is home to South America's largest and most modern horse racing track, *La Rinconada*. It is open on Saturday and Sunday.

Venezuela is home to over 20 natural reserves and 43 national parks.⁵⁵ Isla Margarita is the largest and most populated of the 72 islands that are off the Venezuelan coast. ⁵⁶ Archipelago Los Roques was

http://www.think-venezuela.net/english/venezuela_activities_going%20out.htm

⁵¹ Venezuela-Latino Baseball (2003).Retrieved April 5, 2006 from

http://latinobaseball.com/mlb-hcountry-ven.html

 52 Caribbean World Series History-Latino Baseball (2003). Retrieved April 5, 2006 from http://latinobaseball.com/cws-history.html

⁵³ Informacion General-Leones de Caracas BBC Retrieved April 5, 2006 from http://www.leones.com/index.aspx?id=3_corporativa/cont_311.htm&ref=3,31,1

⁵⁴ Other Activities. Think Venezuela. (2002). Retrieved January 24, 2006 from

http://www.think-venezuela.net/english/venezuela_activities_going%20out.htm

⁵⁵ National Parks. Think Venezuela. (2002). Retrieved January 24, 2006 from

http://www.think-venezuela.net/english/venezuela_national_parks.htm

established as a national park in 1972. Before it was a national park, the small town the Gran Roque Island produces 90% of the lobster that is for consumption in Venezuela. The National Park protects one of highest quality coral reefs in the Caribbean.⁵⁷

The Arts and Museums

- National Gallery of Art
- Caracas Museum of Fine Arts
- Museum of Modern Art Sofia Imber
- The Alejandro Otero Museum of Visual Arts⁵⁸

Public Holidays

New Year's Day January 1 Declaration of Independence April 19

Labor Day May 1

Battle of Carabobo June 24

Independence Day July 5 (1811)

Bolivar's Birthday July 25

Discovery of America October 12

Christmas Day December 25

(The following dates vary each year as they are centralized around Easter.)

Carnival Monday and Tuesday before Ash Wednesday

Easter

http://www.think-venezuela.net/english/venezuela_regions.htm

http://www.embavenez-us.org/pag_culture_museums.php

 $^{^{56}}$ The Caribbean Islands of Venezuela. Think Venezuela. (2002). Retrieved January 24, 2006 from

 $^{^{\}it 57}$ Los Roques, Venezuela: National Park Archipelago in the Caribbean.(2005) Retrieved April 5 2006 from http://www.los-roques-posadas.com/

⁵⁸ Museums and Galleries – Embassy of Venezuela (2006). Retrieved April 5, 2006

Traditions and Festivals

There are various traditions throughout the country depending on the beliefs of each particular region. There are also specific fairs within the major cities of the various states that are inspired by religious holidays or figures. For Catholic tradition, various saints are the main center of these fairs or festivals.

La Paradura del Niño

Every 6th of January in the Andean states of Tachira, Merida and Trujillo there is the La Paradura del Niño festival that focuses Jesus as a child. The baby in a large handkerchief is taken from his manger by several people. Each person holds a candle and onto a corner of the handkerchief. The Baby Jesus is then shown around the town by going to each house. A drink is offered at each house by the people who carry him. They also pray for Baby Jesus as well as themselves.

Los Tambores de Barlovento

The Drums of Barlovento is celebrated at the beginning of March's rainy season. It is near Corpus Christi in Barlovento which is in the Miranda state and is comprised of Curiepe, Higuerote, Caucagua, Tacarigua and others. There is a large black population in this area because of the coffee and banana plantations when slavery existed during the colonial period. This event exists from the Afro-Caribbean tradition where the drums are the main theme of the party as well as various wooden instruments that are of African origin.

Easter (Semana Santa/Holy Week)

Holy Week is a Catholic tradition that is celebrated much throughout Venezuela and Latin America. Since Easter is a revolving holiday each year, the dates vary. Typically, however, Easter falls in either March or April. During Palm Sunday people go to church to receive a holy palm piece, with which they make cruses. This is heavily celebrated in Venezuela since the official national religion is Catholicism.

Carnival

This festival takes place approximately 40 days before Good Friday. Carnival is one of the most celebrated festivals and events that take place in Venezuela and has existed since the colonial period. It was originally celebrated heavily in Caracas, the capital. Nowadays, it is somewhat the opposite as Carnival has lost some of its importance in the major cites and celebrated more in the coastal towns. It is particularly celebrated in El Callao which was founded as Caratal in 1853. Originally Europeans came here to try their luck during the gold rush. There was a big mix of different cultures so Carnival was a way for people to set aside their racial and cultural differences to celebrate. By 1925, Carnival in El Callao was treated as an important event. The masks that are worn throughout Carnival are a trademark of the event and known to represent evil in the form of the devil.

La Cruz de Mayo

Every 3rd of May there is a religious celebration held in the name of the Holy Cross. On this day, every cross (no matter how small) in each town or province can be found decorated with flowers. The people of these towns and provinces decorate the crosses and light candles as they take the crosses with them. They also make a wish and an offering in the name of the cross. Each town has different celebrations that follow the walking of the crosses around town.⁵⁹

Government

Amazonas

Lara

Venezuela's government is a federal republic, meaning a state in which the powers of the central government are restricted and in which the component parts (states, regencies or dependencies) retain a degree of self-government; ultimate sovereign power rests with the voters who chose their governmental representatives.

The country is made up of 23 states, one capital district and one federal dependency:

Anzoategui
Apure
Aragua
Barinas
Bolivar
Carabobo
Cojedes
Delta Amacuro
Dependencias Federales
Distrito Federal
Falcon
Guarico

http://www.think-venezuela.net/english/venezuela_general_information.htm

⁵⁹ Holidays. Think Venezuela. (2002). Retrieved January 24, 2006 from

Miranda
Monagas
Nueva Esparta
Portuguesa
Sucre
Tachira
Trujillo
Vargas
Yaracuy

Zulia.

Merida

Venezuela celebrates its independence from Spain on July 5 (1811), and rewrote its constitution effective December 30, 1999.

The government is comprised of three branches: Executive, Legislative and Judicial.

The Executive Branch consists of a Chief of State and Head of Government, President Hugo Chavez Frias (Since February 3, 1999: the next elections are scheduled for December 2006). The cabinet consists of a Council of Ministers appointed by the president. The president is elected by popular vote for a six-year term (as was decided in the 1999 constitution).

The Legislative branch consists of a unicameral National Assembly (167 seats; members elected by popular vote to serve five-year terms; three seats are reserved for the indigenous people of Venezuela). The last elections for the National Assembly's representatives took place in December 2005.

The Judicial branch is made up of the Supreme Tribunal of Justice (the magistrates are elected by the National Assembly for a single 12-year term).

Major political parties are the Christian Democrats or COPEI (led by Eduardo Fernandez), Democratic Action or AD (led by Jesus Mendez Quijada), Fifth Republic Movement or MVR (led by Hugo Chavez), Homeland for All or PPT (led by Jose Albornoz), Justice First (led by Julio Borges), Movement Toward Socialism or MAS (led by Hector Mujica), Venezuela Project or PV (led by Henrique Salas Romer), and We Can or PODEMOS (led by Ismael Garcia).

Major political pressure groups are FEDECAMARAS, a conservative businesses group; VECINOS groups, and Venezuelan Confederation of Workers or CTV.⁶⁰

The President of the Republic

Address: Palacio de Miraflores, Avenida Urdaneta, Caracas 1010

Vice-President

Address: Esquina de Carmelitas, Avenida Urdaneta, Caracas 1010

Foreign Affairs / Relaciones Exteriores

Address: Casa Amarilla, Plaza Bolívar, Caracas 1010

Ph: (58212) 860.02.09/861.03.18

Fax: (58212) 861.08.09 E-mail: ministro@mre.gov.ve E-mail: asistente@mre.gov.ve

Interior and Justice / Interior y Justicia

Address: Edificio MIJ, Avenida Urdaneta, Esquina de Platanal, Caracas 1010

Ph: (58212) 860.88.51 Fax: (58212) 861.19.67

Communication and Information/Comunicación e Información

Address: Av. Universidad, Esq. El chorro, Torre MCT, Piso 9, Distrito Capital, Caracas 1010

Ph: (58212) 5053207 - (58212)5053216

Fax: (58212) 505 3394

Defense / Defensa

Address: Base Aérea Generalísimo Francisco de Miranda Edificio "Diez de diciembre"

Ministerio de la Defensa-La Carlota, Caracas

Ph: (58212)234.10.50 - (58212)239.74.57 - (58212)908.10.60

Finance / Finanzas

Address: Avenida Urdaneta, esquina Carmelitas, Ministerio de Finanzas, Caracas 1010

Ph: (58212) 802.10.00/802.20.00

Fax:(58212) 481.59.53

Planning and Development / Planificación y Desarrollo

Address: Torre Oeste, Piso 26, Avenida Lecuna, Parque Central, Caracas 1010

Ph:(58212) 507.79.35/507.79.36/507.79.37

Fax: (58212) 507.78.89/573.60.98

^{60 &}quot;Government", (2006). CIA Factbook. Retrieved Feb. 19, 2006, from http://www.cia.gov/cia/publications/factbook/geos/ve.html#Econ

Energy and Oil / Energía y Petróleo

President of PDVSA

Address: Avenida Libertador, Edif. PDV Marina, Caracas

Ph: (58212) 507.87.01/705.87.03 Fax: (58212) 507.86.01/705.86.02

Basics Industries and Mining/Industrias Básicas y Minería

Address: Intercomunal Baruta el Hatillo, Calle Angel de la Tahona, Edif.Cied, Baruta, Miranda

Ph (58-212) 906.43.10 / (58-212) 906.46.81 / (58-212) 906.46.84

Fax: (58-212) 906.45.76 / (58-212) 906.46.97

Tourism/Turismo

Address: Av. Francisco de Miranda con Av. Ppal. de La Floresta, Edif. Mintur

(Frente al Colegio Universitario de Caracas) Chacao

Ph: (58-212) 208.4511

e-mail: webmaster@mintur.gob.ve

Fax: (58212) 285.21.60

Vice Ministry (58212) 285.81.93

Industry and Trade / Industria Ligera y Comercio

Address: Torre Oeste de Parque Central, pisos del 6 al 14, Caracas, Distrito Capital

Ph: (58212) 509.06.90 / 58-212-509.07.11 / 58-212-509.09.74

e-mail: ministro@milco.gob.ve

Integration and International Trade/ Integración y Comercio Exterior

Address: Calle Los Chaguaramos, Centro Gerencial Mohedano, Piso 1. Urb. La Castellana, Caracas

Ph: (58212) 277.46.11 / (58212) 277.46.12

Fax: (58212) 265.68.44

Popular Economy/ Economía Popular

Address: Av. Nueva Granada, Edif. Sede del INCE, Caracas Ph: (58212) 6031941 / (58212) 6031927 / (58212)6031928

Labour / Trabajo

Address: Torre Sur, Piso 5, Centro Simón Bolívar, Caracas 1010

Ph: (58212) 481.13.68/483.42.11

Fax: (58212) 483.89.14

Agriculture and Lands / Agricultura y Tierras

Address: Av. Lecuna. Torre Este. Piso 7. Parque Central. San Agustín, Caracas 1010

Ph: (58212) 509.0405 / 509.0406 / 509.0407

Food / Alimentación

Address: Av Fuerzas Armadas. Esquina Socarras Antiguo Edificio Seguros Orinoco. Piso 11 Caracas

1010

Ph: (58212)564.8303

Health and Social Development / Salud y Desarrollo Social

Address: Parque Central, Torre Oeste Piso 39-41 Caracas 1010

Ph: (58212) 4819101- / (58212) 4080000

Fax:(58212) 574-04-98

Higher Education/ Educación Superior

Address: Torre Capriles, Piso 6, Plaza Venezuela. Caracas 1010

Ph: (58212) 506.84.50 Fax: (58212) 794.00.65

Education and Sport / Educación y Deporte

Address: Esquina de Salas, Edificio Ministerio de Educación Nivel mezzanina, Caracas 1010

Ph: (58212) 564.00.25/562.54.44

Fax: (58212) 562.01.75

Culture/ Cultura

Address: Centro Simón Bolívar Torre Norte, Piso 16. El Silencio, Caracas Ph. (58212) 481 39 80 /(58212)4814961 / (58212)4829879

Fax: (58212) 4829879 / (58212)4820685

Science and Technology / Ciencia y Tecnología

Address: Av. Universidad, Esquina el Chorro, Torre MCT, Caracas, Venezuela

Ph: 58-212-2103401 / 58-212-2103402 / 58-212-2103403

Fax: 58-212-2103536 e-mail: mct@mct.gov.ve

Environment and Natural Resources / Ambiente y Recursos Naturales

Address: Torre Sur, Piso 18 Centro Simón Bolívar Caracas 1010

Ph: (58212) 481.70.08/408.10.71/408.10.76

Fax: (58212) 408.14.64

Infrastructure / Infraestructura

Address: Torre Este, Piso 50 Parque Central Caracas 1010

Ph: (58212)509.10.76/509.10.71/509.10.60

Fax: (58212) 509.10.04

Housing and Habitat/Vivienda y Hábitat

Address: Av. Principal de las Mercedes. antiguo edif. CONAVI, diagonal al Centro Comercial Paseo las

Mercedes

Ph: (58212) 9912733 /(58212) 9912012 / (58212) 9939284

Social Development and Social Participation/ Desarrollo Social y Participación Popular

Address: Av. Abraham Lincoln, Edif. Fundacomún, Chacaíto, Caracas

Comisión de Administración de Divisas

Address: Paseo Los Ilustres, c/c Av. Lazo Martí, Santa Mónica Caracas, Venezuela

Ph: (58212) 693.09.11 / 662.32.86 / 693.38.13

Fax: (58212) 693.46.57

e-mail: procuraduria@platino.gov.ve

Economy

Between 2005 and 2006, Venezuela increased its gross domestic product after a two-year economic recession in 2002 and 2003.⁶¹ Venezuela is largely known for its petroleum sector, which is the reason the country went into an economic recession when they suffered from a two-month national oil strike in 2002-2003. Since 2004, record high oil prices in the world market have kept the Venezuelan economy in constant growth.

The country's oil supply makes up a third of its gross domestic product (over \$34 billion annually), 80 percent of its export earnings, and more than half of government operating revenues.⁶²

Venezuela remains the fourth-leading supplier of imported crude and refined petroleum products to the United States. Even as oil prices increased, averaging \$6.50 (25 %) more per barrel in 2004 than in 2003, the Venezuelan government seeks more income from the oil industry. For example, in 2004 the government increased the royalty rate on the production from the Orinoco heavy crude associations with international oil companies from one percent to 16.67 percent.⁶³ The increase in royalties and taxes continues for other projects and operations involving multinational oil corporations.

The Venezuelan government encourages foreign investment in the petroleum sector, promoting multi-billion dollar investments in heavy oil production, reactivation of old fields, and investment in several petrochemical joint ventures. There are approximately 14 different countries participating in one or more aspects of Venezuela's oil sector.⁶⁴

Aside from the petroleum sector, tax revenue is the next primary source of revenue, making up 53 percent of the 2006 budget. Agriculture accounts for approximately four percent of GDP, 10 percent of the labor force and one-fourth of Venezuela's land area. Exported products include corn, sorghum, sugarcane, rice, bananas, vegetables, coffee, cocoa, beef, pork, milk, eggs, and fish. The country is not self-sufficient in most areas of agriculture, importing about two-thirds of its food needs, and the United States supplies more than one-third of Venezuela's food imports.⁶⁵

Manufacturing contributes 16 percent the of GDP. The main industries include petroleum, iron ore mining, construction materials, food processing, textiles, steel, aluminum, and motor vehicle assembly.⁶⁶ Cement, tires, paper, fertilizer, and production of vehicles both for domestic and export markets are

65 Economy (2006). CIA Factbook. Retrieved Feb. 19, 2006, from http://www.cia.gov/cia/publications/factbook/geos/ve.html#Econ

⁶¹ Background Note: Venezuela. Retrieved Mar. 05, 2006, from U.S. Department of State Web site: http://www.state.gov/r/pa/ei/bgn/35766.htm#econ

⁶² Economic Overview. Retrieved Mar. 05, 2006, from U.S. Department of State Web site: http://www.state.gov/r/pa/ei/bgn/35766.htm#econ

^{63 &}quot;Background Note: Venezuela"

^{64 &}quot;Idem"

^{66 &}quot;Economy"

produced. Major export trading partners include the United States (52.7 %), Colombia (3.2 %), Brazil (3.1 %), and Germany (2.5%). 67

Venezuela is ranked 152 out of 157 countries in the 2006 Index of Economic Freedom, similar rankings include Cuba, Zimbabwe, and Libya. This report is a measure of trade policy, fiscal burden, government intervention, monetary policy, foreign investment, banking and regulation. The high score represents a high level of government interference in the economy and the less economic freedom for Venezuela.⁶⁸ For instance, currency exchange controls have been in place since 2003.

Venezuela is also the second-least global economy in Latin America, according to the 2005 Globalization Index from A.T. Kearney and *Foreign Policy* magazine. Venezuela ranked 55 of 62 countries worldwide.⁶⁹ In addition, the Heritage Foundation classifies Venezuela as "Mostly Unfree" on its 2004 index of economic freedom worldwide and gave it the worst score in Latin America in 2005.⁷⁰

In 2005, Venezuela continued to suffer from high inflation rates (15.7%) and high unemployment rates (12.3%). According to the U.S. Department of State, the percentages of poor and extremely poor among the Venezuelan population were 75 percent and 39 percent, respectively, in 2003.

Venezuela is one of five founding members of OPEC, and as of December 2005, Venezuela is a member of Mercosur joining with Brazil, Argentina, Paraguay, and Uruguay. They have yet to finalize policy changes in order to gain voting rights. Other important economic companies include Petroleos de Venezuela S.A, FONDESPA (The Fund for Social and Economical Development), and the state corporation LOREICH (the Organic Law that Reserves the Industry and Commerce in Hydrocarbons to the State).

Financial Institutions

Since the financial crisis ended in the mid-1990s, banking has undergone substantial change, including foreign participation and consolidation. Venezuela has 50 commercial banks, with foreign banks controlling about half of the banking sector's assets. This is mainly because the government permits 100 percent foreign ownership in all banking and financial services.⁷²

⁶⁷ Venezuela, (2006). Index of Economic Freedom. Retrieved Feb. 19, 2006 from http://www.heritage.org/research/features/index/country.cfm?id=Venezuela

^{68 &}quot;Idem"

⁶⁹ Venezuela country brief. Retrieved Apr. 10, 2006, from Latin Business Chronicle Web site: http://www.latinbusinesschronicle.com/countries/venezuela/index.htm.

⁷⁰ "Idem"

^{71 &}quot;Economy"

^{72 &}quot;Venezuela"

Venezuela is diverting almost \$20 billion from its oil profits into a fund over which President Hugo Chavez has discretionary powers to spend as he sees fit on development and political causes at home and abroad. The fund is called "Fonden" and was created last year under a law that obliges the central bank to divert "excess" reserves into the fund, with an initial deposit of \$6 billion made on July 2005. Since then, approximately \$100 million per week has been transferred to Fonden from Petroleos de Venezuela, the state-owned oil company.⁷³

Fonden is managed by the Banco del Tesoro, a state-owned bank created in 2005 and run by Rodolfo Marco Torres. According to Domingo Maza Zavala, a central bank director, Fonden funds are supposed to be used to pay off foreign debt. Economists, however, warn that Fonden expenditure will lead to an increase in monetary liquidity, feeding into higher inflation.⁷⁴

Banks ABN-AMRO Ba Norte Ban Pro Ban Valor Banco Comercial Banco Canarias De Venezuela Banco Caroni Banco Central De Venezuela Banco de Venezuela

⁷³ Financial Times, (2006). "Chavez diverts \$20bn to fund favorite causes". Retrieved Apr. 09, 2006, from News Web site: http://us.ft.com/ftsuperpage.php?news

^{74 &}quot;Idem"

Banco Del Caribe
Banco Exteriro
Banco Federal
Banco Guayana
Banco Nacional de Credito
Banco Plaza
Banco Provincial
Banco Sofitasa
Bancoro
Banesco
Banfoandes
Bod
Bolivar
Central

Citibank	
Confederado	
Corp Banca	
Delsur	
Fondo Comun	
Helm Bank de Venezuela	
Inver Union Banco	
Mercantil	
Stanford Bank	
Total Bank	
Venezolano De Credito	
Think Tanks	
Analitica.com Venezuela	

Asociacion Civil Consorcio Desarrollo y Justicia

"Asociacion Civil Consorcio Desarrollo y Justicia is a Venezuelan non-governmental, non-profit organization that helps to strengthen democracy through socially sustainable development programs and judicial reform. The vision of the institute is to help Venezuela to achieve an independent and efficient judicial and social system, which allows for access and participation by citizens. It works for human rights and strives to incorporate alternative dispute resolution methods into their Venezuela's judicial system, communities, schools and institutions."⁷⁵

Centro de Divulgacion del Conocimiento Economico (CEDICE)

"El Centro de Divulgacion del Conocimiento Economico "CEDICE" is a notfor-profit organization whose main objective is 1)to promote free market economic theory and the individual freedoms that encourage individual iniative and, 2)to analyze the organizations, institutions, and conditions that ensure the existence and development of free societies."⁷⁶

Fundacion Siglo y Compromiso

The mission of Fundacion Siglo y Compromiso is:

- To generate a humanitarian school of thought, capable of producing public policies based on the pursuit of freedom, dignity and high moral values.
- To develop research programmes useful to nurture public policies; and programmes of academic development capable of expanding the values and principles that sustain a free, capitalist and democratic society.
- Promote and support the practical application of the referred public policies at a local, regional, national and international level."⁷⁷

Instituto de Estudios Superiores de Administracion

Instituto de Investigaciones Economica y Sociales de la UCAB Instituto de Investigaciones Economicas y Sociales de la ULA

Queremos Elegir (We Want to Choose)

⁷⁵ Atlas Economic Research Foundation, (n.d.). Latin America Institutes. Retrieved Feb. 19, 2006 from http://www.atlasusa.org/directory/search institutes.php?refer=directory

⁷⁶ "Idem"

^{77 &}quot;Idem"

"We Want to Choose" is a constituted Civil Association in 1991, with the mission to promote the freedom of election of the citizen. From its birth it has centered its efforts in the scope electoral, developing and presenting/displaying propose that aim to guarantee the transparency of the electoral processes, the trustworthiness of its results, to fortify the legitimacy of the elect ones and to narrow its entailment with the voters. The main objectives of We want To choose are the freedom of election in all the scopes of the social life, the citizen participation and, in special, the reform of the electoral system to implant the uninominal election. She is an organization of strictly civil character, differentiated from the parties and groups of voters, since the property to the same one prevents to its members to postulate itself for elective positions.⁷⁸

Venezuelan American Chamber of Commerce and Industry

Universities

Note: These are some major universities in Venezuela, for a complete list of higher education schools visit www.cnu.gov.ve

Instituto Universitario de Tecnología

Instituto Universitario de Relaciones Públicas

Instituto Universitario Carlos Soublette

Universidad Simon Bolivar

Universidad del Zulia

Universidad de Los Andes

Universidad Metropolitana

Universidad lose Antonio Paez

Universidad Tecnologica del Centro

Universidad Bicentenaria de Aragua

Universidad Católica Andrés Bello

Universidad Central de Venezuela

Universidad de Carabobo

_

⁷⁸ "Idem"

Universidad Nacional Experimental Politecnia "Antonio Jose de Sucre"

Universidad Nacional Experimental Simon Rodriguez

Universidad Nueva Esparta

Universidad Rafael Belloso Chachin

Universidad Santa Maria

Universidad Valle del Momboy

Universidad Nacional Experimental de Guayana

Universidad Nacional Ezequiel Zamora

Universidad Nacional Experimental Francisco de Miranda

Universidad Jose Maria Vargas

Media

Venezuela experienced a large growth of urbanization and mitigation to large cities during the 1960s to the 1980s due to the oil and industrial boom. As more people moved to the cities to find jobs, the population grew larger in one centralized area. This has improved the ability of print and broadcast media providers to reach a large percentage of the population with their messages.

Since urban expansion is centered in and around Caracas, media outlets have naturally been based in the capital and focus programming mainly on the city and less on other large metropolitan areas, especially Maracaibo.⁷⁹ This is largely due to the high poverty rate in the rest of the nation.

The literacy rate in 2005 was 94 percent, ⁸⁰ a 24 percent increase since 1970, ⁸¹ indicating that the Venezuelan education is creating a more literate population with greater access to print media.

History

Press freedom slowly emerged during the 1960s as Venezuela suffered from political instability caused by the conflicting pulls of open society versus communist influence. Into the 1970s, the Venezuelan government attacked threatening parties to silence the communist influence on mainstream media. By the

⁷⁹ Venezuela. (2003). World Press Encyclopedia. Gale Publishing.

⁸⁰ Venezuela. (2005). Retrieved Apr. 19, 2006, from Microsoft Encarta Online Encyclopedia Web site: http://encarta.msn.com/encyclopedia_761560608_10/Venezuela.html

⁸¹ Venezuela

late 1970s, political extremist press had been suppressed leaving few opposing views expressed in media to provide contrast to government positions.⁸²

The 1961 Constitution provided press freedom through Article 66, which states that all citizens have the right to express their thoughts through the spoken word and the written word, using all available methods of distribution to spread these thoughts without being subject to prior censorship. It also allowed punishment for "statements that constitute criminal offenses" and outlawed any materials deemed propaganda which serves to incite the public to disobey the law.⁸³ These exceptions allowed the government to control unwelcome reporting.

The current Constitution, revised in 1999, guarantees in Article 57 that Venezuelans have the "right to free expression of thoughts." Article 59 states that all Venezuelans possess the "right to timely, truthful, impartial, and uncensored information." This broad regulation may be a way to suppress opinion columns deemed to be based more on speculation than on verifiable fact

In 1980, the government banned the advertisement of tobacco and alcohol products on television in an effort to improve social standards. A later continuation of this policy created a set of standards for regulating the level of violence and sex in television programs. Even today, programming that does not coincide with widely accepted national values does not clear the ratings office and is not allowed on the air.⁸⁴

Due to the regulations and underlying government control, news programming has been typically neutral. Few news analysis programs air on broadcast media, and even the major daily newspapers have restrained editorial columns compared to newspapers in other countries. A trend in Venezuelan editorial pages is encouraging politicians, academic figures, business leaders, activists and other guest columnists write the editorials rather than actual journalistic reports. Editors can still oversee the general outcome and content of their editorials through their selection of writers.

Censorship by the government has been exceptionally rare throughout Venezuelan history. The government has tended to take other approaches to media control rather than directly censor its work. Examples include running extreme political journalists out of their professions, closing down newspapers, sending editors to prison, confiscating entire circulation of a particular unfavorable issue to threatening the press to stop the run of a particular edition.⁸⁶

In October 2000, the International Press Institute included Venezuela on their "Watch List" of nations in which the freedom of the press stood at risk due to the repressive actions of the government. The publication *Press Freedom Survey 2000*, created by Freedom House, concluded that the press in Venezuela was only partially free. It also gave Venezuela a score of 34 out of a possible 100 (nations

83 Idem

⁸² Idem

⁸⁴ Venezuela

⁸⁵ Idem

⁸⁶ Idem

scoring below 30 are considered to have a free press). However, in 2002 it gave a revised score of 44 reflecting a downward trend.⁸⁷

Newspapers

The two most influential newspapers in the nation are *El Universal* and *El Nacional*, both Caracas daily newspapers, with Maracaibo's primary dailies *Panorama* and *La Verdad* placing a close third and fourth.

El Universal is considered a more conservative business-oriented newspaper and the most important daily in Venezuela, first appearing in April 1909. Published in Caracas and distributed nationally, it offers editorials and covers national and international news, arts, business, politics, sports and entertainment in its daily editions. El Universal maintains a circulation of approximately 150,000. In 1995, it started an Internet-based edition in addition to the print newspaper.

Panorama, established in 1914, features national and regional news, including politics, economic coverage, and a regular section on the petroleum industry. It has long been considered one of the most prestigious news sources in the nation and serves an elite readership throughout the nation.⁸⁸

One of the more recent Venezuelan newspapers is *Tal Cual*, a daily tabloid, founded in April 2000. *Tal Cual* adds a colorful and informal layout creating a newspaper that is considered one of the most visually intriguing in Caracas. Venezuelan dailies have begun to move away from a strictly text-based format to one in which visual communication is more important.⁸⁹

Major Magazines[∞]

- ComputerWorld Venezuela
- Dinero
- Internet para Mortales
- La Razon
- PC News
- Producto
- Revista Escape
- Venezuela Analitica

Major Newspapers in Venezuela⁹¹

88 Venezuela

⁸⁷ Idem

⁸⁹ Idem

⁹⁰ Media In Venezuela. (2006). Retrieved on 4/28/06 at the EscapeArtist.com Web site: http://www.escapeartist.com/venezuela8/media.htm

- Abril
- Conapri Netnews
- Diario El Sol de Margarita
- Diario Panorama de Maracaibo
- Diario 2001
- El Nacional
- El Periodiquito
- El Siglo
- El Ucabista
- El Universal
- El Mundo
- El Carabobeno
- La Hora
- La Red
- Panorama
- Ultimas Noticias

Managed News

In 1999, President Chavez created a daily newspaper, *El Correo del Presidente* (The President's Mail). Chavez also launched an English-language version of his newspaper for sale abroad to ensure domestic and international coverage.

A year later, President Chavez initiated a television program, *De Frente con el Presidente*, that airs on the state television channel, *Venezolana de Television*. This is used by the government for the promotion of various positions and policies that might not be covered favorably in the private press.⁹²

In addition to the newspaper and television program, Chavez created and hosts a radio program called *Alo Presidente*, which is transmitted every Sunday on the *Radio Nacional* network.

In 2001, President Chavez ordered that any foreigners, journalists or others, who made remarks critical of the country, the President, or the armed forces, would be expelled from the country for interfering in domestic politics. ⁹³As of 2003, there were no reports of this order being enforced.

Broadcast Media

Television and radio services are divided among both government and privately operated systems. The most important broadcasting outlet in Venezuela is Venevision, with RCTV (Radio Caracas Television). 94

⁹¹ Idem

⁹² Venezuela

⁹³ Idem

⁹⁴ Venezuela

Broadcast began in 1953 and today provides daily news and news analysis programming. Venevision is also the Venezuelan outlet for BBC World Service programming as well as Univision's news service.

RCTV, a private channel based in Caracas, uses 13 stations to provide television service to the majority of the nation. Its news department provides coverage of national and international news as well as financial markets, art and entertainment, fashion, and sports.⁹⁵

Major Radio Stations

- Radio Nacional de Venezuela (RNV)
- Union Radio Noticias

Major Television Broadcasters

- Venezolana de Television
- Radio Caracas Television (RCTV)
- Televen
- Venevision
- Globovision
- Vale TV
- Meridiano
- ANTV
- VIVE
- Telesur

⁹⁵ Idem

Contact information

The Global Alliance is always interested in cooperating with local institutions and associations to provide profiles of the social, economic and media context of member countries, along with details on the local public relations industry, its main activities and tips on successful local practice.

For suggestions and discussion, please contact:

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