History of Venezuela

Before the arrival of Columbus, Venezuela was inhabited by a number of indigenous groups, including the Caracas, Arawak, and Cumanagotos. In 1498, Columbus became the first European to explore the area. The Spanish soon began conquering offshore islands and coastal regions. They named the area Venezuela (“little Venice”) because the coastal homes were built on stilts, reminding them of Venice, Italy. Caracas, the capital, was founded in 1527. The Spanish Crown, which claimed the territory, controlled Venezuela through the 18th century. After various failed revolts by American-born Spanish elite, a congress formed and declared independence in 1811. This began a 10-year struggle to create a truly free and united country. Finally, in 1821, the forces of Simón Bolívar were victorious at the Battle of Carabobo, and a republic was established. The republic (Gran Colombia) contained Venezuela, Ecuador, and Colombia. The republic dissolved in 1830 and Venezuela became an independent country.

Venezuela experienced instability and dictatorships for many years. The 20th century began under the dictator Cipriano Castro. He was deposed by Juan Vicente Gómez, his vice-president, who ruled as a brutal dictator until his death in 1935. More political instability and military coups followed.

A freely elected president came to power in 1958, and democratic elections have taken place since. For a time, Venezuela was the most stable South American country and was also one of the wealthiest in the region. It has some of the world’s largest oil reserves outside of the Persian Gulf area, and it benefited from high oil prices in the 1970s and 1980s. Carlos Andrés Pérez, who became president in 1989, introduced a controversial economic austerity plan to address the plummeting price of oil and rising foreign debt. The reforms boosted gross domestic product, but the wealth was concentrated in the hands of a few. Poverty, inflation, and unemployment increased, and violent opposition soon rose to challenge Pérez. He was nearly overthrown by two coups in 1992. Pérez was impeached in 1993 and later imprisoned for misusing government security funds.

December 1993 elections brought a former president, Rafael Caldera, to office. He promised to end corruption, stabilize the economy, and slow privatization begun under Pérez, but austerity measures and high inflation sparked public protests, and the standard of living for most Venezuelans declined dramatically under Caldera’s leadership.
Record-low oil prices in the late 1990s deepened Venezuela’s economic crisis. Claiming to represent the needs of the poor, Hugo Chávez Frias was elected president by a large majority in the December 1998 elections. Chávez, who had led a coup attempt in 1992, began to transform Venezuela’s political system after coming to office, promising complete social reform. Under a new constitution in 1999, Chávez dissolved the bicameral parliament, established a single National Assembly, and gave greater powers to the president. Chávez’s reforms increasingly polarized the country and led to violent antigovernment protests. In April 2002, a military coup temporarily replaced Chávez with businessman Pedro Carmona as president. However, two days later, Chávez was returned to power. Political struggles continued with a nine-week general strike that paralyzed the nation and a referendum on Chávez’s rule. Chávez survived the strike and referendum and was elected to a third term in December 2006. Because the opposition is boycotting parliament, the legislature has been able to give Chávez broad powers to proceed with his agenda, which includes nationalizing sectors of the telecommunications and energy industries.

References: