

THE INSTITUTIONS OF INTELLIGENCE IN VENEZUELA: LESSONS FROM 45 YEARS OF DEMOCRACY

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I. INTRODUCTION

The story of modern intelligence institutions in Venezuela begins with the military regime that came to power in November 1948 and crumbled in the face of a popular uprising on January 23, 1958. The armed forces initially seized power to prevent a mass-based democratic regime from implementing leftist reforms. Once in power the general and admirals began to organize an office inside of the military to identify and keep track of their opponents. In December of 1952 the armed forces blatantly perpetrated fraud in order to win the presidential elections, and subsequently opposition to military rule intensified. General Marcos Pérez Jiménez, the newly-installed president/dictator, expanded and centralized the intelligence apparatus. He concentrated the collection, processing and implementation of intelligence policy in the hands of a new institution, the National Security Service (*Seguridad Nacional*-SN). Pérez Jiménez lavished resources on the SN and gave command to Pedro Estrada, one of his most trusted lieutenants. Estrada acted as the Pérez Jiménez's director of central intelligence. He used the SN to hunt down, imprison, torture and liquidate enemies of the regime. So great was the hatred of the populace for the SN that when Pérez Jiménez and his inner circle fled abroad the first place that jubilant Venezuelans raided was the headquarters of the SN. In Caracas, Maracaibo and other important centers angry mobs killed the remaining SN agents and released the prisoners.

Dictatorship gave way to democracy after a transition that lasted ten months. Many of the political party leaders who came to power following the elections of December 1959 had suffered at the hands of the SN. They recognized the need for good intelligence, especially given that the new democratic regime was under attack from authoritarians on the left and

right. This challenge convinced them that the primary focus of their restructured intelligence institution, like its predecessor, would have to be on identifying and neutralizing enemies of the political regime. The new democratic political elite, as well as the economic elite, however, had lived in fear of Pedro Estrada and the SN. They did not again want to deal with an individual or institution that possessed that kind of power. Thus, those who designed the institutions of post-1958 democracy, known as the Punto Fijo regime, created a decentralized intelligence community with institutions that would communicate horizontally, up a chain of command that stopped with the president and the high command of the dominant political parties. Horizontal linkages between the leaders of each of the new intelligence institutions was discouraged.

This work examines the institutions and operational characteristics of the Venezuelan intelligence community. It is divided into three parts. The first focuses on the period between the two failed coups of 1992 and the inauguration of Hugo Chávez Frías as president, on February 2, 1999. These were the final years of the decentralized intelligence system put in place by those who established and normalized Punto Fijo democracy. After the coups of 1992 Venezuela's intelligence agencies labored on behalf of a dying democratic regime whose leaders had come to doubt their own legitimacy. The second part examines developments following the interment of that regime by Hugo Chávez's Bolivarian Revolution. During his four and a half years in office President of Venezuela Chávez has reshaped the decentralized intelligence nodules that he inherited from Punto Fijo democracy. As of mid-2003 this reshaped intelligence community is becoming a unified force, one capable of playing a major role in consolidating the new democracy that its supporters label the Fifth Republic.

The final focus of this essay draws conclusions from the earlier sections about the role of intelligence institutions under new democratic regimes in general, and Venezuela in particular. These conclusions have important implications for the consequences of the intelligence community's institutional design in other countries, especially in third wave democracies where political elites are seeking to establish more responsive and open political systems. The Venezuelan example profiles the experiences of an intelligence community that has evolved over almost half a century of democratic governance: first under party leaders that sought to channel policy making through their hierarchical political organizations, and then under a charismatic leader who achieved power by promising to attend to the demands of the majority that representative democracy had excluded.

II. VENEZUELAN INTELLIGENCE AFTER FOUR DECADES OF PARTY-DOMINATED DEMOCRACY

Institutions

Most institutions that collected, managed and implemented intelligence policy in Venezuela during the representative democratic regime known as Punto Fijo took shape during the first decade of that regime (1959-69). It was a time when democracy was fighting for its political life against authoritarians (from the left and from the right) who sought to destroy the two dominant political parties, Democratic Action (*Acción Democrática* – AD) and the Christian Democrats (*Partido Socialcristiano* – COPEI). AD and COPEI adhered to the ideologies of social democracy and Christian Democracy. Their leaders were cooperating to modernize Venezuela's economic and political structures so that they would be more democratic and responsive. The intelligence institutions that AD and COPEI created at that time were essentially those that President Hugo Chávez Frías found on February 2, 1999, when he assumed the presidency.

DISIP (*Dirección de Inteligencia y Prevención*) – This institution collected and analyzed intelligence that concerned threats to the democratic regime from its political enemies. DISIP was also in charge of implementing intelligence policy directed at those enemies, and this force was empowered to detain and interrogate those deemed as constituting a threat. DISIP also possessed a financial directorate tasked with uncovering illegal movements of capital in and out of the country. The head of DISIP was named by the president and reported directly to Minister of the Interior. Beginning with the first government of Carlos Andrés Pérez (1974-79) a number of intelligence operatives who fled from the Castro regime in Cuba played an important role in organizing DISIP. Their influence peaked during Pérez's second government (1989-93).

DIM (*Dirección de Inteligencia Militar*) – The Directorate of Military Intelligence was charged with collecting information about military threats to the country and its borders. In practice, during the Punto Fijo era DIM focused on two issues: the capabilities and intentions of the Colombian military and clandestine intrusions by Brazilian gold miners (*Garimpeiros*) into the Amazon and Guayana.

SECONSADE – the permanent secretariat of the National Security Council (*Consejo Nacional de Seguridad y Defensa* – CONSADE), was created in 1976. SECONSADE was located physically in the presidential palace (Miraflores) and was part of the "Presidential Secretariat." Congress

established CONSEDE to insure that national development plans included a national security component, and during the second administration of President Carlos Andrés Pérez (1989-93) there were efforts to develop a capacity within SECONSEDE to produce intelligence estimates that integrated foreign and domestic threats. These efforts fell by the wayside in the wake of Pérez's impeachment (May 1993).

Police Intelligence Center – This organization brought together the intelligence capabilities of the Judicial Technical Police (*Policia Técnica Judicial* – PTJ), the National Guard, the Caracas Metropolitan Police Force and assorted regional and local police forces. The Center was under the command of a general officer of the National Guard. Each force present at the Police Intelligence Center gathered a distinct kind of information, although there was some overlap. The PTJ focused on criminal activity conducted on a national scale, including drugs and racketeering. The director of the PTJ reported directly to the Minister of Justice. The National Guard, the effective police force in rural areas, collected intelligence on rural crime including smuggling. The Metropolitan Police Force of Caracas collected intelligence on criminal activity in the municipalities that comprised the “Capital Region” and each of the state police forces did the same for their respective regions. As a general rule, the National Guard pursued and apprehended important criminals in the rural areas and the PTJ performed this function in the large cities.

III. CONTROL AND COORDINATION OF THE INTELLIGENCE COMMUNITY

The Punto Fijo regime's intelligence community, as noted above, was fragmented by design. It lacked horizontal linkages among its most important institutions. SECONSEDE, the only institution with the potential to coordinate Punto Fijo national intelligence, remained on the sidelines because each of the semi-autonomous institutions of the intelligence node hoped to maximize its influence with the president and the top leadership of the AD and COPEI. The heads of DISIP, DIM, SECONSADE and the Police Intelligence center met periodically with the president, each presenting their own view of the most important intelligence challenges facing the nation and attempting to secure the largest amount of resources possible for their respective agencies. The president normally tasked the head of each intelligence agency directly in matters that he considered to be of high priority. In addition, it was not uncommon for top party leaders to made requests for intelligence directly to the head of an intelligence agency. On more routine matters the tasking of intelligence agencies went through the Ministries of the Interior, Defense or Justice. No independent

oversight mechanism to provide guidance to the intelligence agencies, either in congress or elsewhere.

Access to intelligence, as a matter of course, was limited to the national executive; but only the Executive Secretariat of the President had access to intelligence from all four intelligence nodes: DISIP, DIM, SECONDADE, and the Police Intelligence Center. The sharing of intelligence between each of the above institutions was on a case by case basis, and required approval from the president or the head of the Office of the Secretariat of the Presidency. Intelligence was shared with party leaders only in regard to matters concerning which they had made specific requests.

IV. FOCI OF CONCERN DURING THE 1990'S

Developing a More Comprehensive Foreign Intelligence Capability

From the consolidation of the Punto Fijo democratic system (1973) through the fall of the Berlin Wall (1989) the most important foreign priority of Venezuelan intelligence was to prevent communist infiltration. This led to close collaboration between DIM, DISIP and the intelligence services of the United States, Germany, France and Spain. The focus of preventing communist infiltration also mandated close collaboration between all four nodes of the intelligence community and the two dominant political parties (AD and COPEI). Both parties possessed national infrastructures that could pinpoint any successes that the communists might be achieving in securing a foothold among the population.

After 1989 the threat of communist infiltration ceased to be a concern. Contacts with foreign intelligence agencies, especially their military institutions, decreased. Nevertheless, interaction increased between DISIP, the National Guard and the Drug Enforcement Agency (DEA) of the United States. The most important foreign concern of the military was the Colombian Army's order of Battle, and no one at DIM regarded an invasion from Colombia as a serious threat.

Keeping Track of Terrorists

The first attack on the World Trade Center (1993) led the United States to strengthen its relations with DISIP, especially the counterintelligence directorate. In 1999, with the help of the CIA, DISIP organized a special unit inside of the counterintelligence directorate, Area 5. This new unit's purpose was to keep an eye on militant Islamic terrorists. Area 5 agents trained with United States and Israeli intelligence services. In 1997, in an operation personally authorized by President Caldera, Area 5

uncovered a terrorist cell of Hezbollah based on the island of Margarita and appeared to be funneling funds from that island to Syria. The search for other such terrorist cells was the major concern of Area 5 throughout the Caldera government.

Convincing Policy Makers to Pay Attention to Intelligence as a Matter of Course

Each of the individuals who occupied Venezuela's presidency between 1959 and 1999 gained their initial political experience inside of AD or COPEI. They had assembled and used the intelligence networks of their respective political parties in the decade-long struggle to oust the Pérez Jiménez dictatorship. It was understandable that they looked to the intelligence networks of their political parties in times of danger, especially since the greatest dangers to post-1958 democracy in Venezuela had come from inside the country.

Carlos Andrés Pérez was the Minister of the Interior who broke the back of the Castroite insurgency in the 1960's. He regarded himself as a master of the intelligence game. Following the urban rioting of February 1989 he relied on his own intuition and contacts in assessing the threat to his government from inside the country. On more than one occasion during President Pérez's second government (1989-93) DIM and DISIP informed him of contacts between radical civilian political leaders based in the Caracas slums and alienated junior army officers. The intelligence chiefs believed that a coup attempt was in the works. The President rejected their warnings as alarmist, as did the Army high command. Both were surprised by the February 4, 1992 coup in which Lt. Col. Chávez came within a whisker of overthrowing the regime.

President Rafael Caldera was even more dismissive of the intelligence agencies than his predecessor. Caldera viewed the military as closely tied to AD, and at the beginning of his second government (1994-99) Caldera was convinced that he could marginalize the once-dominant party and forge a dominant Christian Democratic alternative. Caldera did not even consult DIM or DISIP when he released Lt. Col. Chávez from prison and restored his political rights. Indeed, throughout his administration President Caldera communicated with the intelligence services through his son-in-law, General Rojas Pérez, a cavalry officer who was better known for his skills on the polo field than for his military prowess.

Dealing With the Corruption Implicit in Narcotics Trafficking

Beginning in the early 1990's the flow of drugs into the United States through Venezuela became an increasing concern in Washington.

Large areas of the Venezuela Amazon were uninhabited and narco-traffickers were flying shipments of cocaine in small airplanes to islands in the Caribbean for shipment into the Gulf and East Coasts. Therefore, at almost the same time that the CIA was working with DISIP to develop an anti-terrorist capability, the Drug Enforcement Agency and the Southern Command of the United States military stepped up its collaborative efforts with all four nodules of the Venezuelan intelligence community. These efforts led to unprecedented cooperation between the intelligence communities of the two countries. However, as in the earlier efforts to defeat communist subversion Venezuelan agencies developed capabilities to deal with internal threats and depended on its foreign partner for the collection and processing of external intelligence.

V. VENEZUELAN INTELLIGENCE AFTER FIVE YEARS OF BOLIVARIAN DEMOCRACY

Institutions

The institutions that currently collect, manage and implement Venezuelan intelligence policy are the direct descendents of those that performed these functions prior to the inauguration of President Hugo Chávez. Most bear the same name and occupy the same facilities that they did at the end of the Punto Fijo era. However, the new president has gone to greater length than any of his predecessors since Rómulo Betancourt (1959-64) in removing personnel throughout the intelligence community that he believes do not share his values and goals for the country. To a degree not seen since that time the Venezuelan intelligence agencies are being used to assist the government in imposing and consolidating a new political order.

DISIP – This institution, the core of Chavez's intelligence structure, remains attached to the Ministry of the Interior. Its agents collect and analyze intelligence on groups and individuals viewed as threatening to the Bolivarian political regime. DISIP, as it existed in the 1990's, has been dismantled. Since February 2, 1999, five different individuals have served as director of DISIP, suggesting an ongoing search for leadership that will follow unequivocally the dictates of the president.

DIM – Until the counter-coup of April 13-14, 2002, in which President Chávez was returned to power, the Directorate of Military Intelligence maintained its focus on assessing the strengths and intentions of the Colombian military and the Garimpeiros. DIM's attitude toward the Bolivarian revolution ranged from skeptical to hostile. Since April 14,

President Chávez has purged DIM of officers that he considered insufficiently loyal to him. The new task of DIM, the only activity in which it is engaged at present, is to search out opposition to the regime in the officer corps of the four military services (Army, Navy, Air Force and National Guard).

SECONSADE – this institution continues to occupy space in the presidential palace, Miraflores. President Chávez uses CONSADE and SECONSEDE for special tasks, usually ones intended to influence public opinion concerning national security issues. Most recently the head of SECONSEDE, Gen. Melvin López Hidalgo, presided over a special presidential commission that investigated the role of foreigners in the events surrounding the coup and counter-coup of April 11-14, 2002. López Hidalgo's findings echoed previous charges by President Chávez that the United States government was involved in those coups (4/23/03 ATU). New head of SECODENA is Gral. Div. Ej. Melvin López Hidalgo. Claims that he will integrate all the activities of intelligence and counterintelligence of the state. Again repeats that USA involved in the 11/4 impact on Rodríguez Chacín unclear (ATU).

Police Intelligence Center – This organization has been eliminated. The PTJ has been renamed the Center for Police Investigation and Criminal Containment (*Centro de Investigación Policial y Contención Criminal - CPCC*) and now belongs to the Ministry of the Interior (The Ministry of Justice has been folded into the Ministry of Interior). CIPCC has assumed the intelligence functions of the National Guard, the Caracas Metropolitan Police Force and the regional police forces of the 21 states. In addition, because the line between political and other crime has been blurred the intelligence division of CIPCC often ends up acting as a directorate of DISIP.

Bolivarian Circles – Institutions with this designation range from neighborhood self-help organizations to groups that monitor opinion at the local level toward the Chávez government. The Bolivarian Circles in the Caracas region receive assets from Freddy Bernal, the mayor of the Libertador Municipality (the capital region's most populous local government). In the interior of Venezuela President Chávez's government channels funding for the Bolivarian Circles through DISIP. The Circles are intended to link DISIP with developments in neighborhoods populated by the urban poor.

VI. CONTROL AND COORDINATION OF INTELLIGENCE

The Bolivarian regime government has moved slowly but relentlessly to create a centrally controlled intelligence community. President Chávez personally has sought out technical assistance from the intelligence services of Cuba, Lebanon and Libya. Advisors from the intelligence services of these three countries have offices at the DISIP headquarters in Caracas, located at El Heliocoide. The president meets with these advisors periodically and personally discusses their recommendations for changes in the intelligence services. For all practical purposes, as suggested earlier, the Minister of the Interior coordinates all non-military intelligence activities. DIM, while formally reporting to the Ministry of Defense, is tasked directly by the president. President Chávez's background as a military officer leads him to act as if he views no one else in his government to be as qualified as himself to insure the loyalty of the armed forces.

Recent evidence suggests that an extra-official centralization of the intelligence community is taking place. At the center of this informal network stands Ramón Rodríguez Chacín, a former military officer who during the first two years of the Bolivarian Revolution was rumored to be President Chávez's liaison with the Colombian FARC. In the aftermath of the failed coup of April 11/14 Rodríguez Chacín has played a key role in removing suspected opponents of the Bolivarian Revolution from key positions in government and other public agencies ranging the Central Bank to the state petroleum company (Petróleos de Venezuela –PSVSA). In addition, opponents of the Bolivarian Revolution charge that Rodríguez Chacín has assembled a “dirty tricks” directorate for the purpose of discrediting and weakening the democratic opposition.

VII. BOLIVARIAN REVOLUTION'S FOCI OF CONCERNS

Strengthening Regime Control Over Once Autonomous Nodes of Civil Society

The highest priority of Venezuela's intelligence agencies since President Chávez began to exercise effective power has been to consolidate the new political regime. Intelligence operatives gathered information on the national strikes by opposition forces during the marches of December 2002 – February 2003. In March and April (2003), after the protest had lost momentum, DISIP detained some of the most important leaders of the opposition. DISIP also created a new data base indicating which workers in the petroleum industry and other institutions of the public sector should be

discharged and which retained. In addition, the directorate of DISIP tasked with monitoring financial flows has developed the capacity to monitor the foreign and domestic bank accounts of opposition figures, and many businesses headed by critics of the regime find it increasingly difficult to import goods and contract for the services of foreign advisors. DIM, as indicated earlier, is evolving into a mechanism for assessing the loyalty of military personnel and punishing those who engage in unauthorized behavior.

Purging United States influence in the Public Sector and Elsewhere

Intelligence agents and other government executives who historically acted as liaisons with their counterparts in the United States (and many West European countries) have been dismissed from their posts. The data base of more than three decades that they assembled - for the purpose of tracking individuals supportive of communist infiltration, narco-trafficking and terrorism - has been destroyed.

Opening Channels to the Colombian Guerrillas and Other Andean Insurgents

Venezuelan intelligence operatives admit to contacts with the FARC. Opponents of the regime claim that the Bolivarians are supporting the Colombian guerrilla movements, both out of sympathy for many of their goals and as potential allies should President Chávez be ousted from power. Others claim that it is natural for the Venezuelan government, regardless of what kind of a regime is in power, to cultivate a “backchannel” to the insurgents operating on their border. No definitive information is available as to the true nature of contacts between Venezuelan intelligence agencies the FARC, the ELN, or remnants of Peru’s Shining Path.

VIII. CONCLUSIONS

1. For reasons of tradition and geopolitics, intelligence services in Latin American states (regardless of whether the political regime is democratic, dictatorial, or something between) will be crafted to focus primarily on threats posed by internal groups viewed by ruling elites as capable of threatening political stability.
2. Latin American governments may develop domestic capabilities to gather external intelligence to assess military threats from a few neighboring states. However, in most instances the intelligence services of Latin American states, when attempting to assess potential threats from abroad, will depend on information provided

by the intelligence services of other states (usually great or medium powers) deemed friendly. This is especially true when a potential external threat is linked to hostile exile movements supported by foreign states or to world-wide movements such as terrorism.

3. Foreign advisors have some impact in determining which groups become the focus of attention of local intelligence agencies, but they exert little influence in determining how the information collected about “targets” will be used. Each regime’s political leaders favor collaboration with foreign intelligence agencies that they view as functioning in ways that are compatible with their domestic goals and styles of operation; nevertheless, even when processing advice from allied intelligence institutions local intelligence analysts will filter that advice using their own judgments as to what is feasible and desirable. Foreign intelligence advisers exercise the greatest influence on crafting techniques of intelligence processing, especially when it comes to integrating technological advances that increase the local agency’s capability to collect, store and retrieve germane intelligence.
4. Democratic political elites are no less hesitant than dictators in allowing for the independent oversight of their intelligence agencies. Therefore, it is unlikely that legislators in Latin American countries will ever gain the kind of access to intelligence that is viewed as standard operating procedure in the democracies of Western Europe and the United States.
5. The personalist nature of Latin American politics suggests that it will be difficult to create and institutionalize channels to which the executive will turn on a systematic basis when making policy. Presidents will always be suspicious that the established intelligence agencies do not have their best interests at heart. Thus, they will tend to create and rely on informal systems of gathering information provided by individuals with whom they have worked prior to reaching the pinnacle of executive power.