June 2023
 Journal of
 ÿÿÿ ÿÿÿy ÿ

 Volume 45 Issue 3
 Latin American Studies
 Vol ÿÿ ÿÿ ÿ

Research Topics on Resources and Development

Why is the growth of Venezuela's energy economy not remarkable? ——Analytical perspective based on economic modernization-industrial alliance-property rights system**

Song Yiming Zou Yiting

Abstract: Venezuela has obtained considerable economic benefits through large-scale oil exports. However, like most energy-rich countries, it has fallen into the predicament of slowing economic growth, stagnation or even recession. In this regard, this article is based on previous research. This paper uses an analytical framework with the starting point of economic modernization as the independent variable and the industrial alliance form and property rights system type as the intermediate variable to explore the reasons for Venezuela's slow economic growth. The research shows that Venezuela is a typical country that started the economic modernization process late, and the government frequently adopts It adopts a direct and proactive "catch-up" model to control the economy, especially large-scale promotion and intervention in the development of the oil industry. This has led to the fact that on the one hand, the strength of its oil industry alliance is much stronger than that of other industry alliances, and on the other hand, it has established a strong foundation in the oil field. The national property rights system. Therefore, the Venezuelan oil industry has the ability and ease to pay excessive taxes and foreign exchange at the request of the government, directly provide excessive subsidies to other industries, influence elections, and engage in interest exchanges with politicians. In these three pathological effects Under the influence of the oil industry, the Venezuelan government and politicians have become highly dependent on the oil industry, which inevitably led to the country's eventual formation of a "super-scale" oil industry structure. Due to this, it is difficult for Venezuela to continue to promote the industrialization process and industry domestically. Upgrading, externally, it continues to bear the negative effects of violent fluctuations in oil prices, and

eventually falls into economic slowdown and stagnation. Keywords: energy economy, Venezuela's economic modernization

industry alliance, property rights system About the author: Song Yiming, Doctor of Laws, School of International Relations, Beijing Foreign Studies University Lecturer ÿ Zou Yiting ÿ 2022 Master Candidate at the School of International Relations, Renmin University of China ÿ CLC Number: F426 Document

Identification Code: A Article Number: 1002 - 6649 (2023) 03 - 0106 - 25

^{**} This article was funded by the Fundamental Research Funds for the Central Universities, "Research on the Political Risks of Energy Infrastructure Interconnection in the 'Belt and Road'" (No.: 2023ZX026), and the Fundamental Research Funds for the Central Universities, "The Political Origin of the 'Energy Curse'" "Economic Modernization, Industrial Alliance and Property Rights System" (No.: 2022QD041).

Li Wei, Michael Ross, Wang Zhengyi, Wang Mingjin, Zheng Yu, Tian Ye, Huang Qixuan, Xia Min, Shi Qipeng and others contributed to this series. The first draft of the study put forward a number of constructive revisions. Ronald Rogowski, Daniel Posner, Ye Chengcheng, Wang Fei, Jin Xiaowen, Martinez - Alvarez (Cesar B Martinez - Alvarez) Accepted the author's academic interview. Han Jingyi assisted in reviewing and sorting out Spanishlanguage literature. The anonymous reviewers of «Latin American Studies» put forward important suggestions for improvement. The author would like to express his gratitude.

Venezuela has obtained considerable economic benefits through large-scale oil exports, but it has not achieved long-term, sustained, and steady economic growth. This phenomenon continues to trouble many energy-rich countries represented by Venezuela. ÿ If we rely on energy development The national economic model of exporting and exporting is called "energy-oriented economy" or "energy economy". So what deserves attention is why the performance of Venezuela's energy economy is not ideal? Why is it difficult to achieve real growth relying on the energy economy? In order to clarify the corresponding Pathological mechanism. On the one hand, existing research provides functional explanations focusing on the direct impact of oil development and export on Venezuela's energy economic efficiency. On the other hand, it provides distributive explanations focusing on the indirect impact of oil development and export on Venezuela's national governance. ÿ These studies provide important insights into understanding Venezuela . The slowdown and stagnation of the energy economy has provided a lot of profound insights, but the main contribution of this article is to place the discussion of this issue in a longer historical period and attempt to explore the logic of the development of the oil industry throughout its economic modernization process. This provides a structural explanation that has not been touched upon by previous studies.

Therefore, this article is based on the analysis framework previously constructed by the author with the starting point of economic modernization as the independent variable and the industrial alliance form and property rights system type as the intermediate variables. ÿAccording to this analysis framework, the sconer or later the country starts the economic modernization process is determined. The land affects its economic development model ÿÿ Economy

 ÿ
 Lu Sixiang: « "Resource Curse" and Institutional Weakness: A Mirror on the "Development Trap" of Latin American Countries» Beijing:

 China Social Sciences Press, 2021 ÿ Lu Sixiang and Gao Qingbo: «Venezuela: The Resource Curse and Institutional Trap» ÿ Published in "Asia-Pacific

 Economy", No. 5, 2016, Pages 75-83, Zhao Lihong: "The "Resource Curse" and the Primary Product Export-Oriented Development Model of Latin

 American Countries", Beijing: Contemporary World Press, 2010, Jonathan Di Johnÿ From Windfall to Curse? Oil and Industri alization in Venezuelaÿ

 1920 to the Presentÿ Pe ÿÿÿÿÿÿÿ y Pressÿ 2009ÿ Thad Dunning s"ŷ in Comparative Political Studies No 3ÿ 2010ÿ pp 379 - 410ÿ Terry Lynn Karl x off

 Plenty: Oil Booms and Petro - Statesÿ Berkeley: University of California Pressÿ 1997ÿ Fernan do Coronilÿ El Estado Mágico: Naturalezaÿ Diner ÿÿÿÿÿÿÿÿ

 yÿÿÿÿÿÿÿÿÿÿÿÿÿÿÿÿÿÿÿÿÿÿÿÿÿÿ 2016 ez (eds) ÿÿ el ÿÿÿÿ del Petróleoÿ Caracas: Banco Central de Venez uelaÿ Colección Economía y

 Finanzasÿ 2006ÿ ÿÿÿÿÿÿ
 6

ÿ Song Yiming and Zhang Jingwei: «Industrial Alliances and the "Energy Curse": The Modernization "Destiny" of Venezuela and Russia», published in "Diplomatic Review", Issue 2, 2020, pp. 82-120. Song Yiming and Zou Yiting: « "Energy Blessing" "Political diversion from the "energy curse" - an explanation based on the property rights system", published in "World Politics Research", Issue 4, 2020, pp. 93-137.

ÿ "Economic modernity" is mainly reflected in the economic production model based on large-scale industrial production and the social and economic organization model characterized by high integration, hierarchy and order. "Economic modernization" is based on the goal of "economic modernity". In the process of development and change, the starting point when a country enters the economic modernization process can be referred to as the "starting point of economic modernization". Under the requirements of the research objectives of this article, the identification of the starting points of economic modernization in different countries only requires judging that a country belongs to the "first-mover country" or "later-developing countries" and the modernization wave to which they belong. See Ye Chengcheng: «Understanding Early Western European Modernization: Concepts, Dynamics and Mechanisms», published in «Research on Comparative Politics», Issue 1, 2020, No. 56 - 60 pages, Ye Chengcheng, Tang Shiping: «Modernization beyond the "Great Divergence": Comparative study of history, methods and theories from the perspective of time and space», Published in «Academic Monthly», Issue 5, 2021, pp. 77-86.

拉丁美海研究 Issue 3. 2023

Energy exporting countries with a late start to modernization often adopt a "catch-up" development model in which the government directly and strongly intervenes in the economy. This model helps to spawn powerful energy industry alliances and establish a national property rights system in the energy field in the short term. Powerful countries The energy industry alliance and the implementation of a national property rights system in the energy field make the energy industry capable and necessary (inevitable) to contribute excess tax remittances, provide excessive subsidies, and influence election results. This in turn makes the government and politicians highly dependent on the energy industry, which is inevitable. This will lead to the country eventually forming a "super-scale" industrial structure in the energy industry. Such an industrial structure will drag down the subsequent industrialization process at the domestic level and amplify the negative effects of energy price fluctuations at the international level. The economic growth of the

country affected by this will tend to Slow stagnation. Based on the above analytical framework, this article attempts to explore the historical roots and industrial logic of the slowdown and stagnation of Venezuela's energy economy. This article analyzes it from four aspects: The first part traces the conditions and process of Venezuela's economic modernization, and roughly clarifies its economic modernization. The second part explains the energy industry alliance form and property rights system type that accompany the starting point of economic modernization. The third part analyzes the political effects of the energy industry alliance form and property rights system type, and observes whether Venezuela has finally formed a "super energy industry". "Scale" industrial structure. The fourth part explores the impact of this industrial structure on Venezuela's economic growth in recent years. The fifth part is the conclusion.

Towards Modernity: The Conditions and Process of Venezuela's Economic Modernization

After independence, Venezuela has long been subject to the negative influence of the Caudillo-style presidential system at the political level. The state capacity is weak and the national autonomy is low. At the economic level, Venezuela mainly relies on cocoa, coffee and other crop cultivation as its pillar industries, manufacturing Venezuela's industrial development was obviously lagging behind. ÿ This situation changed at the end of the 19th century, when a series of positive factors that were conducive to Venezuela's economic modernization process emerged one after another.

First of all, the country's national capabilities were significantly strengthened during the administration of Juan Vicente Gómez Chacón, which provided the basis for Venezuela's economic modernization. This is specifically reflected in the following three aspects. First, the initial establishment of a centralized system ŷ 1908 Gomez came to power in a military coup

Later, it ended the successive Caudillo wars and territorial divisions, and achieved unprecedented centralization in the country's history. Second, the armed forces were rapidly strengthened. In 1910, Gomez carried out a comprehensive reform of the armed forces, trying to consolidate them. It was built into a force with a clear chain of command. In the same year, Gomez established the General Inspectorate of the Army, which was responsible for the administration of the armed forces, and created the police force and intelligence agencies. Third, the fiscal and taxation system was significantly reformed. Between 1913 and 1922, Finance Minister Román Cárdenas promoted a series of administrative reforms, striving to completely ban private collection of rents and transfer taxation power to the central government. ÿUnder Gomez's rule, Venezuela's domestic political structure and administration There have been significant improvements in the system, and it has basically become a modern country in terms of administrative capabilities and national

governance. Secondly, the growing demand for Venezuelan products from European countries and the United States has led to a rapid increase in Venezuela's foreign trade, and accelerated domestic industrial changes and economic structural transformation. In the 19th century Affected by the Industrial Revolution in the 1970s, demand for Venezuelan products in Europe and the United States increased significantly, which provided favorable external conditions for the emergence of Venezuela's manufacturing industry. In 1890, Venezuela's trade surplus reached 53 million bolivars, and exports of agricultural products and other raw materials The growth rate reached 40% . ÿ Thanks to the prosperous foreign trade, modern manufacturing industry appeared in Venezuela. By 1893, 286 factories had been established. ÿ During the First World War, Venezuela became the product production base of Europe. From 1914 From 1919 to 1919, Venezuela's exports to various belligerent countries increased from 70 million bolivars to 200 million bolivars, and the manufacturing industry was further stimulated. ÿ It can be said that the growth in trade demand provided the basis for the early development of the manufacturing industry . As a driving force, Venezuela's leading industry began to transition from agriculture to manufacturing, and its economic structure transformed accordingly.

Finally, the development of the domestic commodity economy has brought about innovations in production relations and changes in production structures. On the one hand, the development of manufacturing has been accompanied by the popularization of wage labor. Compared with before, labor mobility under wage labor is stronger. The economy is also more dynamic. On the other hand, the long-term accumulation of Venezuela's commodity economy has promoted the flow of rural residents to cities. Some landowners and businessmen who were originally engaged in coffee and cocoa production and export turned to the service industry, import trade and industry. This shift has resulted in a new middle class

ÿ [English] Edited by Leslie Bethel, translated by Hu Yuding and others: "Cambridge History of Latin America" (Volume 5), Beijing: Social Science Literature Press, 1992, pp. 694-695.

ÿ awesomeness 201ÿ 201ÿ 315ÿ 333

拉丁美湖研究 Issue 3, 2023

The emergence and growth of the class. ÿ In addition, the long-term accumulation of the commodity economy has also contributed to Venezuela's capital accumulation. The country's bank's gold reserves increased from 9 million pesos in 1914 to 50 million pesos in 1919. ÿ With the development of the commodity economy , Venezuela's domestic production relations and production structure have changed, and capital accumulation has gradually increased, creating good conditions for starting economic

modernization. The above favorable conditions have made Venezuela's economic and social appearance appear to have changed since the 1920s. Significant changes are mainly reflected in the following three aspects.

First of all, Venezuela's economic structure has undergone a rapid transformation from agriculture to industry. In the 1920s, Venezuela's traditional agriculture, mainly coffee and cocoa, tended to decline and manufacturing began to rise. In 1924, Venezuela's agricultural products and industrial products The export volume was almost the same. ÿ Since then, industrial products have gradually replaced agricultural products such as coffee and cocoa and become Venezuela's main export products. In 1929, the export value of Venezuela's industrial products has greatly exceeded the export value of agricultural products, and its proportion in total exports has increased to 71 64% ÿÿ Obviously, the 1920s was an important node in the transformation of Venezuela's economic structure. Secondly, Venezuela's

economic growth rate accelerated significantly. Venezuela's "overall economic activity index" only reached 1 1 from the end of the 19th century to the beginning of the 20th century, and in the During the period from 1910 to 1920, it only increased by 0.1. By 1930, the index reached 7.41. During the period from 1920 to 1930, it increased by 5.51.ÿ At the beginning of the 20th century, the agricultural economic structure dominated by coffee and cocoa hindered the country's development to a certain extent. Capital accumulation made Venezuela one of the poorest economies in Latin America and the Caribbean ("Latin America") at that time. Its per capita income was only 62% of the regional average and only about 25% of the highest-income countries. But in 1920- During 1965, Venezuela became one of the fastest-growing economies in Latin America. Its per capita GDP rose from only 20% of that of the United States in 1920 to 1958.

ÿ Lu Guojun and Jin Jichu: "Capitalism Development in Latin America", Beijing: People's Publishing House,

ÿ 1997, page 308, Mario Sanoja, Historia Sociocultural de la Economía Venezolanaÿ Cara cas: Banco Central de yyyyyyyyy yyyyy y yyy y

ÿ Zhang Wenfeng: «Venezuela Economy », Beijing: Social Sciences Literature Press, 1987, page 10. The index

ÿ was developed by Asdrúbal Baptista based on Venezuela's gross domestic product and consumption in 1984, which was 100. Calculated, specific calculation method For details, see Asdrúbal Baptistaÿ Bases Cuantitivas de I a Economía Venezolanaÿ 1830 - 1995ÿ Caracas: Funda ción Polar 1997 p 63

v ÿThird , urbanization speed

ŸŸŸ It has become one of the richest countries in Latin America. ÿ Since the 1920s, the Venezuelan economy has

The economic growth rate has increased significantly, which is another important manifestation of its economic modernization.

The mortality rate in Venezuela has accelerated to _____ By 1950 it had dropped to 108%

The ratio rose rapidly from 20% in 1920 to 48% in 1950. The population of the capital Caracas was

The population increased from 982 in 1920 to 13,922 in 1936, ÿ Population growth accelerated, deaths

In the 1970s, Antonio Guzmán Blanco unified the currency and built infrastructure after taking office

Mario Sanoia believes that in 1930. Venezuela had new economic production and

to judge the rough starting point of the economic modernization process.

This study can investigate the changes in industrial structure, changes in economic growth rate and population changes

Existing research has also discussed the starting point of Venezuela's economic modernization process.

Information released by the Democratic Action Party of Nerreira (Acción Democratica) points out that Venezuela in the 19th century

The entire Latin American region, including Latin America, started its economic modernization process around the 1880s. Mali

And started economic modernization. ÿ Zhang Sengen believes that from the perspective of primitive accumulation of capital, including Venezuela

Finally, the total population of Venezuela has increased, the urban population has increased, and the national infrastructure has continued to improve

This is specifically reflected in the following aspects. First, the population growth rate is accelerating. In the 20th century, Venezuela

In the first 10 years, the population growth rate showed a downward trend, but after the 1920s, the population growth rate began to increase. By the end of the 1940s, the growth rate was close to 4% . Second, the population mortality rate gradually decreased. The 1915 Committee

216%. In the first half of the 20th century, Venezuela experienced the fastest urbanization in Latin America. The urban population accounted for

During this period, the number exceeded 1 million. At the same time, other towns were also expanding rapidly, such as the city of Lagunillas

Reducing the economic growth rate and increasing the urbanization rate have become important manifestations of Venezuela's economic modernization

Gen Consulting and the latter's response. Zhang Sengen's response is shown in the text.

ÿ

ÿÿÿÿÿÿÿóÿ ÿÿÿÿÿÿ ÿÿÿÿÿ ÿ ÿÿÿ ÿ ÿÿ

ΫΫΫΫΫ ΫΫΫΫΫΫΫ: ΫΫΫΫΫΫΟΫ ϔΫΫΫΫΫ ΫΫΫΫΫ

ÿ

ÿ Luis Ricardo Dávilaÿ Imaginario Político Vene zolanoÿ Caracas: Alfa Edicionesÿ 1992ÿ p 57 Author on February 2, 2022

An interview was conducted with Wang Fei on the 0th. Wang Fei reported this to Zhang Sen, a Latin American economic historian.

超丁美酒研究 Issue 3, 2023

lifestyle, thereby entering the track of economic modernization. In addition, Jonathan John (Jonathan John) and many other scholars believe that Gomez's rule and the discovery of domestic oil resources in the 1920s Promoted the rise of Venezuela's economic modernization. ÿ Other studies have looked at the role of the food industry in a broad sense in the 20th century. became the most important industry in Venezuela in the 1940s, pointing out that this node is the country's economic current situation. The starting point of modernization. ÿ Based on the above analysis and comprehensive consideration of the views of the above-mentioned scholars, it can be concluded that Venezuela The process of economic modernization started around the 1920s, which belongs to the "second wave of semi-modernization" Country ÿ Therefore, within the scope of world history, Venezuela is a country that started the process of economic modernization relatively late. Typical latecomer country

2. Venezuela's petroleum industry alliance form and petroleum property rights system types

Venezuela's oil industry began to sprout at the beginning of the 20th century, and until the 1970s it was basically dominated by Western countries.

Dominated by FOCAC, Venezuela is one of the earliest countries in the world to discover and exploit oil. As early as

Before Spanish colonization, local indigenous tribes used asphalt as glue. 5. During the reign of Gomez, the government

The government leased land to a number of foreign oil companies, including Venezuela Development Company, Petroleos de Venezuela,

Field Exploration Company, General Asphalt Company, Royal Dutch Shell Company and Standard Oil Company. In 1914,

Petrocaribe, a subsidiary of Royal Dutch Shell, discovers huge oil reserves in Venezuela

In 1922, the Rockefeller Group's Indiana Standard Oil Company and the Mellon Group's Marine Corporation

ÿ Ye Chengcheng, Tang Shiping: «Modernization beyond the "Great Divergence": Comparative study of history, methods and theories from the perspective of time and space »ÿ
Published in "Academic Monthly", Issue 5, 2021, Pages 77-86.

 \ddot{y} Heggers years of years of years of , "years of years of ye

ÿ 99999 999999 99999 9 999

Gulf Petroleum Company began to participate in Venezuela's oil exploration and quickly occupied a dominant position in the country's oil industry. In 1932, the three major oil group companies that dominated Venezuela's oil industry were Shell Group, Standard Group and Gulf Group.

Generally speaking, Venezuela has embarked on a path of first attracting investment from Western oil companies and then nationalizing them. Later, the government implemented large-scale intervention in the development of the petroleum industry. The main reasons are as follows.

First of all, due to its late start in the process of economic modernization, the Venezuelan government has a particularly strong incentive to use oil revenues to repay foreign debt. After José Cipriano Castro Ruiz seized power in Venezuela in 1899, ÿ The country has been plunged into years of civil war, and the national economy has Almost paralyzed. In order to balance the country's balance of payments, the Venezuelan government was forced to borrow heavily from Britain, Germany, and Italy. The amount of foreign debt reached 18.9 billion bolivars in 1900. In 1901, the Venezuelan government was trapped by a year-by-year decrease in fiscal resources. income, was forced to suspend the payment of foreign debt interest, and in just a few years, the domestic and foreign debt increased to 22.5 billion bolivars. ÿ From 1902 to 1903, Germany, Britain, and Italy used force to collect debts from Venezuela, which led to an international crisis. In the end, the crisis ended when Germany and the United Kingdom accepted the "Washington Protocol" proposed by the arbitrator, the United States, and Venezuela was forced to agree to repay part of its debt. After Gomez came to power, a large amount of oil was discovered and exploited in Venezuela, and the oil industry The huge profits and rents brought it new development ideas. Constrained by the relatively weak domestic industrial base and lack of technology and equipment required for oil extraction, the Venezuelan government decided to use foreign capital to exploit oil in order to obtain oil rents to repay foreign debts. Based on With this idea, the Venezuelan government finally paid off all foreign debts in 1930. ÿ After that, the government passed legislation to collect a high proportion of oil taxes as an important means to increase fiscal revenue. In 1945, the Venezuelan government issued a decree requiring oil companies to pay The income tax rate was increased from 120% to 285%. In 1958, the tax rate was increased to 475%. In 1967, the tax rate was increased to 520%.

Secondly, in order to break the monopoly of the oil companies of the first-mover countries on the domestic oil industry, Venezuela

Douglas C Ramírez Veraÿ "Mene en Venezuela: El S Urgimiento del Conflicto port la Renta del Pet Róleoÿ Preámbulo Histórico a la Coyuntura Actua I (1917 a 1936)" 7ÿ pp 24 - 45 Shell Group has Petrocaribe , Venezuelan Petroleum Concession Co., Ltd., Cologne Development Co., Ltd., British Holdings Oilfield Co., Ltd. and North Venezuela Petroleum Company. Standard Group's subsidiaries include Largo Petroleum Company and Indiana Standard Oil Company. Gulf Group's subsidiaries include Venezuela Gulf Petroleum Company. Need to explain Yes, the Standard Oil Company of the United States was dismantled in 1911. Many of the oil companies that were dismantled still continued to be named Standard Oil Company, but the latter were not the same company as the former.

拉丁美酒研究 Issue 3, 2023

The government adopted a series of state intervention measures. In 1927, Venezuela's oil export revenue exceeded the export revenue of traditional agricultural products such as coffee and cocoa, and the following year it became the world's second largest oil producer and largest oil exporter.ÿ Since then, the Venezuelan government has continued the rapid development of the oil industry by reducing the power of rural landowners, encouraging business and industrial elites, and promoting migration to cities. In the process, the agricultural sector has experienced a severe decline, and the oil industry has taken a dominant position. In addition, The development of non-oil industries is limited by the size of the domestic market, coupled with backward technology and the inability to compete in the world market, which further intensifies Venezuela's dependence on the oil industry, However, most of Venezuela's oil industry is owned by foreign oil companies, Control, Taking 1957 as an example. the top 8 companies in oil production were all foreign oil companies. These 8 companies accounted for 96.3% of the country's total oil production. ÿ In order to reverse this situation, as early as 20 In the 1950s, the political elite represented by Juan Pablo Perez Alfonzo, the then Minister of Development, began to plan how to nationalize the assets of foreign oil companies in their country. ÿ From 195 Since 2008, Venezuela has neither It extended the concession rights of foreign companies and stopped granting them new concessions, and restricted their business activities throughout the 1960s until nationalization was achieved. ÿ Since the 1970s, the Venezuelan government has gradually adopted a variety of methods, including increasing oil taxes. Strengthen control over the oil industry. In 1971, the Venezuelan government promulgated a law on the recovery of oil assets, which marked the official start of the oil nationalization process. In 1974, the Venezuelan government established the Presidential Council, which was committed to promoting representatives of the Petroleum Industry Alliance. Discussed the oil nationalization plan with state agency officials. The "Petroleum Nationalization Law" promulgated in December 1975 stipulated that the hydrocarbon industry and trade belong to the state, and created the Venezuelan State Petroleum Company (PDVSA), which is completely controlled by the state. Since then , ÿ The Venezuelan government has taken a series of measures to support the development of the oil industry, including providing priority development and increasing government investment.

Thirdly, due to the late start of the economic modernization process, Venezuela has shown a David-like political situation.

ÿ Lu Siheng, Gao Qingbo: "Venezuela: Resource Curse and Institutional Trap", published in "Asia-Pacific Economy", Issue 5, 2016, No. Page 76

ÿÿ Zhang Jianxin's book: "Energy and Contemporary International Relations" (Second Edition), Shanghai: Shanghai People's Publishing House, 2014, pp. 148 - 151, Mar Rubio - Va rasÿ "Oil Illusion and Delusion: Mexico and Vene zuela over the Twentieth Century"ÿ in Marc Badia - Miróÿ Vicente Pinilla ÿ and Henry Willebald (eds)ÿ Natural Resources and Economic Growth: Learning from History History L ondon: Routledgeÿ 2015ÿ p 170ÿ

ÿ Emotional emotions ÿ "Emotional oil s emotional: s Ambitious s s s s " s s s s s s s 23ÿ 1ÿ 2014ÿ 107 124ÿ 104
 ÿ "Feel is: five fingers five fingers 2. What is it?" ÿ 1000 sq. ÿ 4 ÿ N 1 ÿ 2007 G 55 G

The main characteristics of the "mobilization system" described by Apter are: 1. From independence in the 19th century to the present, Venezuela has experienced three political system changes, namely the Caudillo presidential system, the Punto Fijo regime, and the electoral authoritarian system. Political system. ÿ These three political systems all have the characteristics of focusing on the acquisition and maintenance of authority and the concentration of social resources to achieve economic growth. Caudillo created his own political hegemony through control of the military and public finances, and used top-down control methods to shape the political system. A stronger, more modern economy. ÿ A major pillar of Punto Fijo's regime was the government's pursuit of catch-up economic growth through subsidies and protectionist import-substituting industrialization. ÿ As the industrial economy grew, the government adopted complex parastatal enterprises. The power of planning agencies and networks to guide economic and social life is also growing. 5 Under electoral authoritarian regimes, the essence of "21st century socialism" proposed by Hugo Chavez is to develop the economy with the support of the state and carry out socialist reforms for the poor. Economic redistribution and political integration. In addition, governments under the above three political systems are accustomed to using their control of social resources to consolidate their own power. The "mobilization system" is constantly being consolidated in Venezuela. Under the "mobilization system", governments often It will take charge of everything and concentrate all human, material and financial resources to promote industrial development and economic growth.

Finally, the late start of economic modernization in Venezuela means that private commercial capital in Venezuela is relatively

ÿ Countries with a late start to economic modernization urgently need to integrate social forces to achieve economic growth, so they pay more attention to the issue of gaining authority, and then choose to establish a mobilization system that is easier to suppress society. For details, see David Apter [US] ÿ Chen Yao Translation: "Modern Politics", Shanghai: Shanghai People's Publishing House,

ÿ 2016, pp. 15-29. Although Venezuela's nominal government system is always a presidential republic, this general division method does not help
 describe the country. The changes and the most important characteristics of the country's political system. To this end, this study divided the Venezuelan
 political system as above based on the existing research. For the study of the Caudillo political system, see [Germany] Wolf Greberdoll Hu's book, translated
 by Qi Chu: "Where is Latin America Going?", Beijing: Current Affairs Press, 1985, pp. 96-97. For research on the Punto Fijo regime, see Xu Feng: "The Punto
 Fijo System in Venezuela" Creation, Institutionalization and Its Defects», Published in "Latin American Studies", Issue 4, 2018, Pages 100-104, Gao Bo:
 «Development Trap from the Perspective of Power Structure—Based on the analysis of Venezuela's "Punto Fijo System" "Analysis", published in
 "International Political Research", Issue 1, 2020, pp. 26-35. For research on electoral authoritarian regimes, see Wang Xiaoyue and Tian Tian: «The expansion of international oil trade and the consolidation of electoral authoritarian regimes———Based on a comparative study of Venezuela and Kazakhstan»,
 Published in "Foreign Affairs Review", Issue 4, 2016, Pages 78-82, Yonatan L Morseý "The Era of Electoral Author Authoritarianismi'ği in World Pol titoşý Vol 64ý No 1ý 2012ý pp 164 -165ý

ÿ slim sligÿ sluslim slim: yes a Yes awesome awesome: awesome a 1997Gz G 77G [ÿ] ÿÿÿ ÿÿÿÿ ÿÿÿÿ y ÿ»ÿ ÿÿ: ÿÿÿÿÿÿÿÿ 215 ÿÿ ÿ16 ÿÿ 4 slim slimÿ slim slim slim N: Yes I love the snow: Awesome: No 1000 1000 1007 1000 1004

Thanksgiving slim slimÿ "It slim scientific scientific"ÿ s scientific science Yes snake ÿ s 6 ÿ 1ÿ 216 ÿ 45 G 97 PHYG GN LIGHTSÿ "Christianity Awesomeness and awesome awesomeness: Awesome awesomeness 190 "ÿ ÿ ÿ ÿÿ ÿ 23ÿ N 1ÿ 1990 114 138ÿ 2000 1000 snowflake no snow: Yes

ÿ scientific s The aesthetic sentimentality of the aesthetics "ÿ s sz szb szb 4 g n 1 g 183 g 727

超丁美油研究 Issue 3, 2023

In response to scarcity, government-led capital raising and investment is imperative. Paul Bayrock's per capita industrialization index shows that Venezuela has been in a state of capital scarcity for a long time in the 20th century. ÿ This is also reflected in the number of commercial banks in the country and the scale of deposits. In 1913, Venezuela had only three commercial banks and per capita deposits were only US\$12, ranking third from the bottom among Latin American countries during the same period. ÿ In view of the difficulties encountered in mobilizing domestic resources for capital accumulation, the Venezuelan government began to Use regular issuance of foreign bonds as a financing method to promote domestic economic growth. ÿIn order to compensate for the private capital

Serious shortages, insufficient credit facilities and other problems, the Venezuelan government promoted the development of the energy industry by increasing public expenditures. The proportion of the country's public sector participation in capital formation increased from 32% in 1973 to 122% in 1983. In short, the extreme level of private funds Lack of resources has become a serious obstacle to the development of Venezuela's capital-intensive oil industry. Therefore, it is imperative for the government to lead capital raising to develop the oil industry.

From the above four aspects, it can be found that due to the late start of the economic modernization process, Venezuela has gradually moved towards the path of large-scale government intervention in the development of the oil industry. And the large-scale government intervention has further led to Venezuela has formed a powerful oil industry alliance and established a national property rights system in the oil field.

In terms of the form of the industrial alliance, Venezuela's Petroleum Industry Alliance is a political and economic entity with huge influence. Judging from the scale of the industrial alliance, the Petroleum Industry Alliance has obvious advantages in terms of salary income, output value creation, social status, etc. Venezuela's Petroleum Industry Alliance The Petroleum Industry Alliance is mainly composed of employees and workers of PDVSA and other small oil companies. Its size shrank from 450,000 in the 1960s to 20,000 in the 1970s, and then rebounded, reaching 360,000 in the 1980s. People account for about 15% of the country's total population (see Figure 1). Although the data shows that the scale of industrial alliances fluctuates and they account for a small proportion of the total population, they earn more than 50% of the country's wages and create It accounted for more than 25% of GDP in the 10 years from 1976 to 1985. The labor movement related to the oil industry became the most influential part of the Venezuelan labor movement, which gave employees in the oil industry a "worker aristocracy"

ÿ [US] Ronald Rogowski, translated by Yang Yi: "Business and Alliances: How Trade Affects Domestic Political Alliances", Shanghai: Shanghai People's Publishing House, 2012, page 103, Paul Bairoch, "Intern" ational Industrial Levels from 1750 to 1980" in Journal of European Econom ic History

Why is Venezuela's energy economy failing to grow?

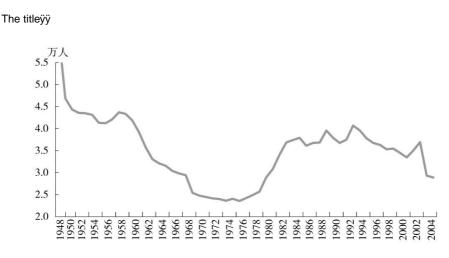


Figure 1 Number of people in the Venezuelan Petroleum Industry Alliance (1948-2005)

It is worth mentioning that since the 1940s, the Venezuelan government has pursued a strategy called "Venezuelization" for foreign oil companies, that is, hiring Venezuelans in all positions except senior executives. The purpose of this strategy is to The goal is for Venezuelans to have clear personal interests in the oil companies, after which they will flow between the oil companies and the government in a "revolving door" manner to ensure that the long-term interests of the oil companies are maintained. ÿ Under this strategy ÿ The oil industry alliance has become an important force in Venezuela's political, business and social fields. After nationalization, the above-mentioned forces were further strengthened. The Venezuelan government began to openly get involved in oil companies, especially the management appointment of PDVSA. There was a high-level relationship between oil companies and the government. The flow of personnel has become more frequent. As a result, the Venezuelan oil industry alliance has become significantly stronger, and its influence on the country's economy, society and politics is unmatched by other industrial alliances.

In terms of the type of property rights system, the Venezuelan government has promulgated a series of laws and regulations and established a national property rights system in the oil field. In terms of ownership, Venezuelan oil assets have been owned by the state for most of the period after nationalization. The 1975 Regulations The "Petroleum Nationalization Law" stipulates that PDVSA, Venezuela's largest oil company, is a state-owned enterprise fully controlled by the government. In January 2002, the new "Hydrocarbons Law" (LOH, Decree No. 1510) came into effect, which revised country to

ÿ the impact of national property rights on resource-based countries, see Lu Sisheng: « "Resource Curse" and Institutions Weakening:

"Development Trap" in Latin American Countries Mirror»ÿ Beijing: China Social Sciences Publishing House Society, 2021, pp. 64-76.

拉丁美海研究 Issue 3, 2023

The right to participate in the so-called primary activities (exploration, mining, collection, transportation and initial storage). Previously, the government's participation rate in the primary activities of a joint venture could only reach a maximum of 35%. After the "Hydrocarbons Law" came into effect, the government retained More than 50% of the participation rights. This means that all private investment projects in Venezuela must cooperate with the government and carry out primary activities such as

exploration and mining on the basis of the latter's holdings. In terms of use rights, the Venezuelan government always has the right to oil. Industry and its production means of use privileges. Article 6 of the "Petroleum Nationalization Law" stipulates that the government has the right to modify the business objectives of PDVSA and can decide on major matters such as the merger and split of the company. ÿ The law further states that , PDVSA is ultimately responsible for the President of the country, and the Minister of Energy and Mines provides policy guidance to him as the presidential representative. This provides convenience for the government to use PDVSA to achieve non-operational goals that have nothing to do with the latter. In addition, the Venezuelan government's budget for PDVSA It has great discretion, and most of the extra-budgetary tax rates do not have clear provisions. ÿ The government can even require PDVSA to provide resources for other industries based on different needs. For other small oil companies, although their Production and operation activities are not entirely determined by the government, but all their oil-related activities require government participation, so their autonomy in decision-making is not high.

In terms of income rights, the Venezuelan government has always been the largest beneficiary of the oil industry. The government has issued decrees many times to increase oil royalties. Article 44 of the 2002 Hydrocarbons Law increased oil royalties from 16 to 67 % increased to 30%, and a tax of 30% to 50% per liter was levied on hydrocarbon derivatives sold in the domestic market. In 2006, the government carried out a new round of revisions to the "Hydrocarbons Law", which stipulated The government is entitled to a 30% share of the oil and gas extracted from any oil field to subsidize traditional industries. In addition, for Venezuela's maior oil companies

ÿÿÿÿÿ ÿÿ ÿÿ

ÿÿ ÿÿÿÿÿ: ÿÿÿÿÿÿ ÿÿÿÿÿÿ ÿ ÿÿ

Editor-in-Chief Wang Jiming: "Handbook of World Famous Petroleum and Petrochemical Companies" (Part 1), Beijing: Sinopec Press, 2005,

PDVSA's "Petroleum Nationalization Law" stipulates that the government has the right to transfer its capital to other enterprises. This usufruct system allows the country's government to obtain large amounts of oil revenue at a lower cost.

In terms of transfer rights, the Venezuelan government has always prohibited the privatization and transfer of the oil industry and its assets. According to the "Petroleum Nationalization Law", PDVSA's only shareholder is the Republic of Venezuela, and any form of privatization is not allowed. ÿ Article 2 of the Venezuelan Constitution Article 303 clearly stipulates that the state should retain all shares of PDVSA. ÿ In real life, almost all politicians believe that transferring the rights and interests of PDVSA to private capitalists is equivalent to an act of "political suicide". The "Petroleum Nationalization Law" is completely It blocks the possibility of privatization of PDVSA, and at the same time ensures that the government has long-term management power over domestic oil production, and strengthens the government's control over the oil industry. Therefore, the Venezuelan government can easily break through its relationship with the oil industry at a lower cost. The boundaries of power and responsibility between alliances make the latter largely an extension of their will.

The political effects of three industry alliance forms and property rights system types

The powerful oil industry alliance and the national property rights system in the oil field work together to make the Venezuelan government. The government and politicians have become overly dependent on the oil industry in terms of tax revenue, industrial subsidies, and political competition. First of all, the Venezuelan government relies heavily on the oil industry for tax revenue and foreign exchange revenue. As far as taxation is concerned, in order to absorb as much oil revenue as possible, the government frequently uses legal means to increase the tax rate of oil companies. From 1980 to 1985, oil tax revenue was basically Accounting for more than 40% of Venezuela's fiscal revenue, it even reached 59% in 1981. Although this number declined in the following years, it still remained above 20% (see Figure 2). Whenever there is a fiscal crisis, It is not uncommon for the government to require national oil companies to pay taxes in advance and even confiscate their properties. In 1982, the Venezuelan government, facing huge foreign debt, ordered the central bank to confiscate PDVSA's revenue of approximately US\$6 billion to repay the government's foreign debt. ÿ Compared with the same period at the same time , Compared with other developing countries in the period, the Venezuelan government raised less than half of the tax revenue from personal income tax. It can be seen that oil revenue is very important to the Venezuelan government.

- ÿ Berkeley: Univ ersity of
- <u>ÿÿÿÿÿÿÿÿÿÿ ÿÿÿÿÿÿ ÿÿÿÿÿ</u> ÿÿ

ÿ Editor-in-Chief Wang Jiming: «Handbook of World Famous Petroleum and Petrochemical

ÿ Companies» (Part 1), Beijing: Sinopec Press, 2005, page 306, Stacy Rentnerÿ "Venezuel a: How a Hydrocarbons Law Crippled an Oil Giant " Law ÿÿÿÿÿVol 27ÿ ÿÿ 2ÿ 2004

ÿ E ÿÿÿÿÿ ÿ ÿÿÿÿÿÿÿÿÿÿÿÿÿÿ (ed)ÿ ÿÿÿÿÿÿÿÿÿ Try Studyÿ Washington D C : Library of Congress 1993ÿ p
 99 Terry Lynn Karl ty: Oil Booms and Petro - Statesÿ



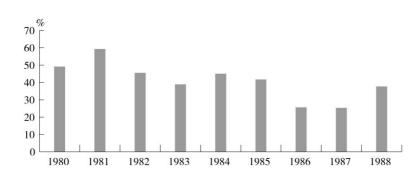


Figure 2 Venezuela's petroleum tax revenue as a share of fiscal revenue (1980-1988)

ÿÿÿÿ: sÿya 2 ásÿbÿÿÿ a sÿÿÿ ÿÿÿÿ 10000 10000 1000 1000 10000 Rate 10: 1991 15. 1911

In terms of foreign exchange, the huge foreign debt faced by Venezuela in the 1980s intensified its dependence on oil foreign exchange earnings, and the foreign exchange earnings provided by oil exports were also increasing. In 1980, oil exports contributed 32% to the Venezuelan government. % of foreign exchange earnings, and even contributed in 1985. Although oil foreign exchange $\ddot{y}\ddot{y}\ddot{y}$ earnings fluctuated greatly during the period, from 1970 to 2000, the average foreign exchange contribution of the Petroleum Industry Alliance reached 41% (see Figure 3). It is precisely because The Venezuelan government is deeply dependent on tax revenue and foreign exchange from the oil industry. The government's willingness to collect taxes from other domestic industrial alliances and obtain foreign exchange has been significantly reduced. Naturally, it has relatively neglected its support for the development of other industries. It can be seen from this that the Venezuelan government Already over-reliant on taxes and foreign exchange generated by the oil industry.

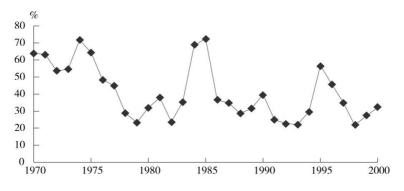


Figure 3 Proportion of foreign exchange contributed by Venezuela's oil industry to total foreign exchange

Secondly, the Venezuelan government not only regards the oil industry alliance as its main source of tax revenue, but also

The responsibility for redistribution has also been assigned to the latter. Since the 1970s, the Petroleum Industry Alliance

Subsidies have been provided to people's livelihood areas such as medical care, social security, and housing, and the amount of subsidies has generally increased.

situation (see Table 1). ÿ Taking advantage of the huge oil revenue, the Venezuelan government formulated a plan including steel,

Huge basic industry and infrastructure development investment plans including aluminum, electricity and other non-oil industries. Statistics

It shows that the Venezuelan government's investment in non-oil industries increased in the 1970s compared with the 1960s.

10% ÿÿ However, after the nationalization of the oil industry in 1975, the responsibility for providing subsidies to non-oil industries fell to

Since 2000, the non-oil industries subsidized by PDVSA have expanded to

It has expanded to more fields such as agriculture, infrastructure, electricity, etc. Only in 2016, PDVSA expanded its coverage to other industries.

The subsidy amounted to 10.9 billion bolivars. Between 2001 and 2016, it provided a total of 2,500

The subsidy amount of more than 100 million bolivars. 4 From the 1980s to the present, the impact of "seeding oil"

Next, the Petroleum Industry Alliance provided a large amount of subsidies to other industry alliances and undertook part of the government's

Assign functionsÿÿ

ÿ

Table 1 Amount of assistance to medical and social security provided by the Venezuelan Petroleum Industry Federation (1974-1990)

(Unit: 10,000 bolivars)

years	hospital and clinic subsidy	social Security support	hospital construction	Clinic construction	Housing investment	Canteen investment	Assure housing investment	total
ӰӰӰӰ	ӰӰӰӰ	ўўўў — —			ÿÿ	-	ÿÿ	ўўўў
ӰӰӰӰ	ӰӰӰӰ	ўўўў	ÿÿ	ÿÿ	ўўў —		ÿ	ўўўў
ўўўў	ӰӰӰӰ	ўўўў	ӰӰ	ÿ	ÿÿ	ÿ	ÿÿ	ўўўў
ўўўў	ўўўў	ўўўў	ÿÿ	ÿÿ	ÿÿÿ —		ÿÿ	ўўўў
ӰӰӰӰ	ӰӰӰӰ	ÿÿÿÿ	ÿÿ	ÿ	ӰӰӰӰ	ÿÿ	ÿÿ	ÿÿÿÿÿ

³ Lu Siheng: « "Resource Curse" and Institutional Weakness: The "Development Trap" of Latin American Countries Mirror*ÿ Beijing: Chinese Social Sciences
Publisher, 2021, pp. 95-96.

超丁美湖研究 Issue 3, 2023

ӰӰӰӰ	ўўўў	ўўўў	ўўў	ÿÿ	ўўўў	ÿÿ	ўўў	ӰӰӰӰӰ
ӱӱӱӱ	ӱӱӱӱ	ӱӱӱӱ	ӰӰӰ	ÿÿ	ӱӱӱӱӱ	ÿ	ўўў	ÿÿÿÿÿ
ӱӱӱӱ	ўўўў	ўўўў	ўўў	ӰӰӰ	ӰӰӰӰ	ӰӰӰ	ўўўў	ÿÿÿÿÿ
ӱӱӱӱ	ӱӱӱӱ	ӱӱӱӱ	ÿÿÿ — ÿÿÿ	ÿ		ÿÿ	— <u>ў</u> ўўўў	
ӰӰӰӰ	ўўўўў	ӰӰӰӰ	ӰӰӰ	ӰӰӰ	ўўўў	ÿÿ	ўўў	ÿÿÿÿÿ
ӰӰӰӰ	ӱӱӱӱ	ӱӱӱӱ	ӰӰӰ	ӰӰ			— <u>ўўўў</u> ў	
ӰӰӰӰ	ӰӰӰӰ	ӰӰӰӰ	ÿÿÿ — ÿÿÿ	ÿ—			ўў	ÿÿÿÿÿ
ӰӰӰӰ	ўўўўў	ӰӰӰӰ	ўўўў	ӰӰӰ	ўўўў	ӰӰӰ	ўўў	ÿÿÿÿÿ
ўўўў	ӱӱӱӱ	ӰӰӰӰ	צעע — צעע	у — ўўў				ÿÿÿÿÿ
ӰӰӰӰ	ӰӰӰӰ	ўўўў	ÿÿÿ — ÿÿÿ	ÿ —			— ўўўўў	
ўўўў	ўўўўў	ўўўўў	ÿÿÿ — ÿÿÿ	<i>і</i> ў —			— ўўўўў	
ўўўў	ўўўўў	ўўўўў	ÿÿÿÿ — ÿÿ	ÿÿ		ӰӰӰ	ўўўў	ÿÿÿÿÿ

ÿÿÿÿ: scientifically slightly slightly slightly ÿ ÿÿ‹ÿÿ‹ÿÿ‹ÿÿ,ÿ "Chÿÿÿaó ÿÿ ÿÿÿÿ ÿÿÿÿ The sight

Although the oil industry provides large-scale subsidies to other industries, this strategy has not promoted

"Import Substitution Strategy". ÿ In 1991, the average price of natural gas in Venezuela was US\$0.07 per liter, far from

The latter has sustained and healthy development. Since the 1970s, the Venezuelan government has taken advantage of cheap energy.

Provide subsidies for goods and daily necessities and sell them to workers at a price 5% lower than the cost. ÿ However, there are real

Ratings I like: CHARM 200ÿ X

— ÿÿÿ —

ÿÿÿÿÿÿÿÿ ÿÿÿ ÿÿÿ ÿÿ ÿÿ ÿÿÿÿÿ ÿÿ ÿÿÿ ÿ ÿÿÿ

We should vigorously develop heavy industries such as steel, aluminum and chemical industries, and promote "development" based on natural resources.

Lower than Western developed countries such as the United States, the United Kingdom, and France. In addition, the government will also use oil revenue to support food production,

Subsidies received by high-end manufacturing and information industries that are conducive to Venezuela's economic growth are related to agriculture and important industries. There are very few industries in the country. ÿ What's more serious is that the above measures have enabled the Venezuelan government to improve its industrial distribution. The situation is becoming increasingly powerless. Government subsidies have given rise to inefficient enterprises, so that even the actual production capacity is only the equipment Enterprises with a calculated production capacity of 60% can also survive in the market, and industrial development groups composed of large enterprises

It has been able to maintain a rigid monopoly. ÿ Among the non-oil industries that receive subsidies, only a few non-productive tertiary industries have shown vitality, while the development of most other industries is still relatively silent. ÿ

Thirdly, Venezuelan politicians and the oil industry alliance have close ties in political elections.

There is often an exchange of interests. Politicians facing electoral pressure rely on the election of the oil industry alliance. After winning the election, they often vigorously promote the development of the oil industry as a reward for their support. ÿ In addition to providing a large amount of campaign funds to the candidates it supports, Venezuela's oil industry alliance can also exert its huge influence to mobilize communes The Commission works with the Bolivarian Group (Circulos Bolivarianos) and mainstream television stations to promote and canvass votes for the candidates it supports. 4. Since the establishment of the Punto Fijo regime, government agencies have cooperated with national organizations including PDVSA. Personnel rotation between companies has become commonplace 5. Although there was an unwritten rule at the beginning of PDVSA's establishment that its executives should be elected from within the company, President Luis Herrera Campíns broke this rule in 1984 when his term was about to end, and Appoint the main leader of his or her political party as the president of PDVSA in order to gain the support of PDVSA in the next presidential election.ÿ

In short, the Venezuelan government and politicians are highly dependent on the oil industry alliance in terms of tax revenue, industrial subsidies and political elections, which ultimately led to the country gradually forming a dominant oil industry company after the 1970s. Industrial structure. In 1990, the output value of the petroleum industry exceeded 600 billion bolivars, accounting for 39% of the country's GDP (see Figure 4). In addition, petroleum exports also accounted for the vast majority of commodity exports. From 1970 to 2010, During the period, oil exports accounted for

ÿ David R Mares and Nelson Altamiranoÿ "Veneze La's PDVSA and World Energy Markets: Corporate Strategies and Political Factors Determining Its Behavior and Influence ". https://www.baker.institute.org/ media / files / page / 9c4eb216 [2021-09-2 3]

拉丁美海研究 Issue 3, 2023

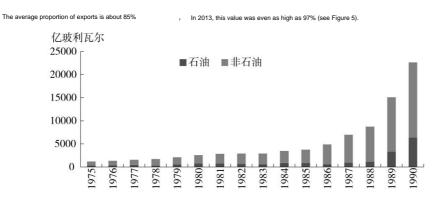


Figure 4 Venezuela's oil GDP and non-oil GDP scale (1975-1990)

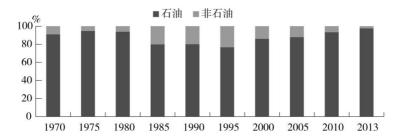


Figure 5 Proportion of Venezuelan oil and non-oil exports (1970-2013)

Source: World Bankÿ "Fuel Exports (% of Merchandise Ex ports)". https://data worldbank org/indicator [2021 - 09 - 23]

 While the petroleum industry is expanding on a large scale, the development space of other industries in Venezuela has been squeezed out, which shows that

 It shows slow growth, stagnation or even regression. First of all, the non-oil industry's contribution to GDP is insignificant.

 There has been a significant growth, and some industries have even shown a downward trend. From 1968 to 2005, the petroleum industry's GDP growth rate was

 The proportion of them increased from 17.9% to 30.4%
 , The entire energy industry has also grown by more than 140%.
 y But with

 At the same time, the construction industry's share of GDP shrank by 45 percentage points, and the manufacturing industry's share also shrank.
 70 percentage points. ÿ Agriculture has experienced a serious recession. Not only has per capita grain output barely increased, but
 Its annual average contribution to GDP even dropped from 70% in 1961-1970 to 1976-1980.

This makes it the country with the smallest proportion of agriculture in GDP in Latin America. Secondly, non-stone

— ўўў —

The number of jobs created by the oil industry also decreased, especially in the manufacturing industry. In the 1960s, the Commission

The employment population of the manufacturing industry in Nerreira accounts for only 18.1% of the total employment population, which is far behind that of the same period.

The average level of other countries in the United States is 270%. ÿ After 1980, the population employed in Venezuela's manufacturing industry

The number began to decline, from 460,000 in 1980 to 340,000 in 2010. Overall,

In Venezuela, only the oil industry has been fully developed since the 1970s, while other industries have

Gradually decline

Four super-scale energy industries and stagnant economic growth

The current industrial structure with the petroleum industry as its super core will inevitably lead to the following two results.

First, Venezuela's subsequent industrialization and industrial upgrading process has been completely hindered. ÿ On the one hand, the country

The overall level of industry showed a relative decline trend. At the end of the 20th century, the overall development of Venezuela's manufacturing industry tended to stagnate.

lags behind, its contribution to GDP has dropped significantly (see Figure 6). In 1997, Venezuela's manufacturing sector had only

At that time, there were only 06 manufacturing companies per 1,000 residents in y If we compare the number of companies with the number of residents of a country

Venezuela. This data was not yet

Half of that of Colombia, only 1/3 of Mexico, far less than 1/10 of Germany. 1997-1999

During this period, the number of manufacturing enterprises in Venezuela further decreased. By 2000, there were only 8,000 manufacturing enterprises in the country.

Enterprises ÿ On the other hand, the development of Venezuela's non-oil industry is seriously lagging behind. Venezuela's non-oil industry

The industry is mainly dominated by low-end manufacturing, with furniture, textiles, food processing and clothing being its main representatives.

In the 1970s, most shoes made in Venezuela still used imported leather, and its production

The polyester fiber needed for shirts also relies on foreign imports. Despite the implementation of the "import substitution war" for many years,

slightly", More than half of the parts needed to produce cars in Venezuela still need to be imported from the United States. ÿ

ÿ Institutional Weakness: Mirror of the "Development Trap" in Latin American Countries»ÿ Beijing: Chinese Social Sciences Publisher, 2021, pp. 56-57.

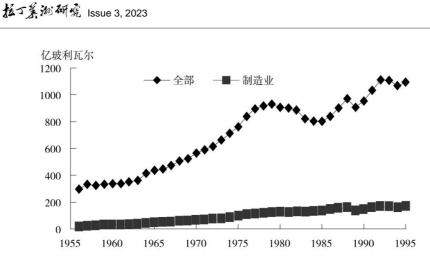


Figure 6 Venezuela's GDP and manufacturing GDP scale (1956-1995)

Second, the super-scale oil industry structure has resulted in Venezuela's single export structure, which is dominated by oil. structure, amplifying the negative effects of oil price fluctuations.

First of all, when oil prices remained high for a long time, Venezuela obtained huge oil revenues while occupying the development space of other industries. During the period from 1972 to 1974, affected by the first world oil crisis, the average price of Venezuelan crude oil exports increased from From US\$25 per barrel to US\$105, this astonishing increase in oil prices has brought unprecedented huge profits to Venezuela. Between 1974 and 1985, Venezuela's oil revenue reached US\$247 billion, and its population was almost 10 times that Brazil's export revenue during this period was only US\$194 billion. ÿ The large influx of oil revenue and the rising domestic exchange rate severely impacted the country's tradable manufacturing sector, which resulted in it not gaining substantial gains during the same period. Growth. From 1965 to 1998, there was a negative correlation between the industry, and its correlation coefficient was - 0 44 (see Figure 7). The total factor productivity of the growth of the non-oil industry increased from The average annual growth rate from 1950 to 1968 dropped from 11% to -145% from 1968 to 1984. ÿ The huge influx of oil revenue when oil prices were at high levels did not bring internationally competitive non-oil industries to Venezuela. On the contrary, it It occupies the development space of the latter.

² il and ÿÿÿÿÿÿÿÿÿÿÿÿÿ The Presentÿ Pennsylvania S ÿÿÿÿÿÿÿÿÿÿÿÿÿÿÿÿÿÿÿÿÿÿÿÿ 2009ÿ ÿ 22ÿ ÿ 23 Zhao Lihong: «"Resource Curse" and the Primary Product Export-oriented Development Model

ÿ of Latin American Countries»ÿ Beijing: Contemporary World Publishing House 2010, pages 177-178.

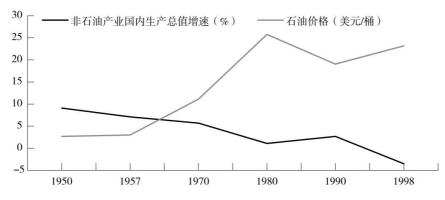


Figure 7 Venezuela's non-oil industry GDP growth rate and oil price (1950-2003)

Secondly, when oil prices remain low for a long time, Venezuela cannot obtain sufficient foreign exchange earnings.

This in turn led to the country's currency devaluation and government fiscal revenue reduction, ultimately dragging down economic growth. In the 1970s, The oil boom of the 1980s did not last long. By the end of the 1980s, oil prices plummeted and remained low for a long time. Venezuela was in economic trouble. In 1986, oil prices plummeted by 50% year-on-year. This resulted in Venezuela's Per capita oil exports dropped sharply from 1986 to 1988, averaging less than US\$600 per year during this period. 1985 In 1988, Venezuela's fiscal budget surplus was equivalent to 3% of GDP. However, by 1988, the,fiscal deficit reached It accounted for more than 9% of GDP. ÿ Faced with the decrease in oil revenue, the Venezuelan government does not have enough resources. In order to support high public expenditures, the living standards of the people plummeted. In 1990, the actual number of workers in the country was International wages are more than 50% lower than the highest level in history, and even lower than wages during Gomez's reign. The proportion of the population living below the poverty line increased from 36% in 1984 to 66% in 1995. 3. Venezuela Ruila's GDP growth rate was negative from 1980 to 1983, and it experienced the most serious economic crisis in Latin America at that time. recessionÿ Finally, when oil prices fluctuate violently in the short term, Venezuela cannot achieve macroeconomic stability.

超丁星海研究 Issue 3, 2023

It is determined that oil prices continued to rise in the first half of 2008, reaching a high of US\$132/barrel in July. However, oil prices plummeted from July to December, with a drop of 70%. Within a few months of the sharp rise in oil prices, Inflation in Venezuela rose from 20% in 2007 to 31%, far exceeding the regional average at the time and becoming one of the countries with the highest inflation rates in the world. However, within a few months of the collapse in oil prices, despite the Venezuelan central government The bank implemented a negative interest rate policy, but the scale of credit was still shrinking rapidly. ÿ During the same period, the government's budget decreased by 6% year-on-year and was forced to withdraw foreign exchange reserves from special funds to protect the central bank's foreign exchange reserves. ÿAffected by this, the government once again Financial difficulties arose, and the debt-to-GDP ratio increased from 14% in 2008 to 28% in 2010. ÿ Venezuela 's economic growth has also been greatly affected. From 2004 to 2008, the country's per capita GDP grew at an average annual rate of 8%. It was one of the countries with the fastest economic growth in the world at that time. However, by 2009, the country's per capita GDP growth rate had plummeted to -46% ÿÿ

In short, Venezuela's industrialization and industrial upgrading are seriously lagging behind and have been negatively impacted by oil price fluctuations, which makes it difficult for the country to achieve long-term stable economic growth. On the one hand, compared with Latin American countries at the same time, Venezuela's economic growth is slower. In 1980, the country's per capita GDP was US\$3,894, which was much higher than the average level of Latin American countries of US\$2,166, ranking fifth in the region. However, by 2004, Venezuela's per capita GDP was approximately US\$4,325, compared with 4 Regional average of \$309 The difference is not big, but its ranking dropped to 14th (see Table 2). In addition, Venezuela's world ranking of per capita GDP also dropped from 49th in 1980 to 73rd in 2004 (see Table 3). In the 1980s, Venezuela's per capita GDP was at the same level as Mexico, Uruguay, Chile and other countries, and even twice that of South Korea, Brazil, Malaysia and other countries. However, in the subsequent 30 years of development, compared with Mexico, Uruguay, Brazil and other countries, Venezuela's per capita GDP Among Latin American countries, Venezuela's per capita GDP growth is slow, and the gap with countries such as South Korea is becoming more and more obvious. On the other hand, compared with other Latin American countries in the same period, Venezuela's national debt is larger. After entering the 21st century, although Venezuela The changing trend of the proportion of foreign debt in GDP is the same as that of Mexico, Brazil, Colombia and other countries, but their proportion of foreign debt is his

— ӱӱӱ —

In 2015, Venezuela's foreign debt accounted for 99.8% of GDP. Obviously , Venezuela

In recent decades, not only has the economic growth rate been slow, but also there have been serious debts during the economic growth process.

There are many serious problems, and economic growth has tended to stagnate.

									· .
Year 1980		ӰӰӰӰ	ÿÿÿÿ						
Latin Ameri	ca 2166	ӰӰӰӰ							
Venezuela 389	4	ÿÿÿÿ							
Ranking	ÿ	ÿ	ÿ	ӰӰ	ӰӰ	ÿÿ	ÿÿ	ÿÿ	ÿÿ

Table 2 Per capita GDP of Venezuela and Latin America (1980-2004)

(Unit: USD)

ÿÿÿÿ: ÿÿÿÿÿ ÿÿÿÿÿÿÿÿ "ÿÿÿ ÿÿÿ ÿáÿÿÿÿ (ÿÿ ÿ ÿ ÿÿÿÿ "

Table 3 Venezuela's world ranking of GDP per capita (1980-2004)

Year 1980	ӰӰӰӰ	ӱӱӱӱ	ӰӰӰӰ	ÿÿÿÿ	ӱӱӱӱ	ӰӱӰӰ	ÿÿÿÿ	ÿÿÿÿ
Rank 49	ӱӱ	ÿÿ	ӰӰ	ÿÿ	ÿÿ	ÿÿ	ÿÿ	ÿÿ

ÿÿÿÿ: ÿÿÿÿÿ ÿÿÿÿÿÿÿÿ "ÿÿÿ ÿÿÿ ÿáÿÿÿÿ (ÿÿ ÿ ÿ ÿÿÿÿ "

Five conclusions

The fundamental reason for the slowdown and stagnation of Venezuela's energy economy lies in the late start of the country's economic modernization process.

The specific logic is that Venezuela started its economic modernization process in the 1920s, which is a typical

A late-comer country. In order to overcome many late-comer disadvantages in economic development, the Venezuelan government is carrying out stone

After oil nationalization, it promoted and intervened in the development of the oil industry on a large scale, which quickly formed a strong and powerful

The large oil industry alliance has established a national property rights system in the oil field. Therefore, Venezuela's oil industry

Able and easy to pay excess taxes and foreign exchange at the request of the government, and directly provide services to other industries

excessive subsidies, influence elections, and exchange interests with politicians, which in turn makes the government and politicians have an interest in the oil industry.

The country has become overly dependent on the oil industry, which inevitably led to the country's eventual formation of an overly large industrial structure in the oil industry.

Such an industrial structure will drag down the subsequent industrialization process at the domestic level and amplify oil and gas prices at the international level.

Due to the negative effects of price fluctuations, the country's economy will inevitably slow down and stagnate.

超丁美酒研究 Issue 3, 2023

Based on this, this article has mainly made progress in two aspects. First, this article fully pays attention to the interaction between industrial alliances and property rights systems that cannot be ignored. Therefore, based on the author's previous series of studies, this article first studies the relationship between industrial alliances and property rights systems. Therefore, it can more comprehensively explain the industrial logic of the slowdown and stagnation of Venezuela's energy economy. Secondly, this article takes the starting point of the economic modernization process as the most fundamental independent variable and uses the perspective of modernization theory to re-understand Venezuela's energy economy. The reasons for economic slowdown and stagnation provide a new structural explanation for this topic. In particular, compared with the existing discussions on the related pathological effects of Venezuela's economic development, this article aims to understand the pathology of Venezuela's economic slowdown and stagnation. The mechanism provides a new idea.

Finally, it should be noted that economic growth, as the dependent variable of this article, is affected by many factors. This article cannot effectively control these factors. Therefore, there is inevitably the problem of "one effect with multiple causes". In fact, in addition to oil development, In addition to the pathological effects brought about by exports, the radical lending actions taken by then Venezuelan Presidents Campins and Lucinci in the 1980s, the severe economic sanctions imposed by the United States on Venezuela's oil industry in recent years, and the development of other neighboring countries The "bad neighbor effect" of stagnation and chaotic governance spilling over to Venezuela has obviously hindered the country's economic growth. Even if the existence of these factors is noted, this article is still unable to effectively control and explore their impact. This means that this article may The impact of energy on Venezuela's economic growth has been overestimated. In addition, the degree of this overestimation cannot be effectively identified and measured for the time being. In subsequent research, the author needs to further examine the history of Venezuela, and then examine the impact of energy factors on

Venezuela's economic growth. Boundaryÿ (Editor Huang Nian)