



EMBASSY OF THE BOLIVARIAN REPUBLIC OF VENEZUELA IN AUSTRALIA

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CARACAZO 27 FEBRUARY 1989 THE ROOTS OF THE BOLIVARIAN REVOLUTION



From repressive military against the people in 1989 to organised Peoples Power & Bolivarian Revolution

February 27th 1989 The Caracazo: 19 years later people's consciousness remains awake.

Caracas, Feb 27 ABN.- Nineteen years after a people's consciousness awoke, Venezuelans understand even more what happened on February 27th 1989, when what has been called sacudón or the Caracazo occurred, a tragic and painful social outbreak in Venezuela, which marked the beginning of profound changes in the country.

19 years have passed since that tragic day which plunged several Venezuelan families into mourning. Nevertheless that moment marked the awakening of the men and women who are today building the Bolivarian Republic of Venezuela towards the XXI century socialism.

The Caracazo is the name given to the massacre organized by Carlos Andrés Pérez's administration against demonstrators who had created a strong wave of protests and looting on February 27th 1989, which began in Guarenas (a town in Miranda State near to the capital) and spread to the Venezuelan capital, Caracas.

The word Caracazo comes from the name of Caracas, city where some of the events took part, as reminiscence of another event occurred several years before in Colombia: the Bogotazo.

People from Caracas and other surrounding cities went out to the streets on February 27th 1989. Riots and looting seemed to be out of control. The anger restrained during several years previously caused the explosion in response to the measurements announced by Carlos Andrés Pérez, who started his second presidential term kneeling before the International Monetary Fund.

Since 1970, poverty rates in the country had startlingly increased; rural labor force reduced to 0% and, in just three years, 600 peasants emigrated to the cities; street vendors rose from 34.5% in 1980 to 53% in 1989; the industrial working class diminished before the partial or complete privatization of areas as telecommunications, ports, oil, steel and airlines, and it reduced the labor force in strategic areas.

In 1989, Carlos Andrés Pérez started his second presidential term by informing people that he would implement a program of free-market reforms following the recommendations of the International Monetary Fund, denominated the Economic Package, which included privatizing state companies, eliminating subsidies and the State's protection over private companies and promoting decentralization.

One of the first measures was to increase fuel prices and, as a consequence, the increase of public transport fare. Other measures included submitting to a program under the IMF supervision in order to obtain around 4,500 million dollars on the following three years; releasing the interest rate of assets and liabilities on the whole financial system until a temporary limit fixed in around 30%; a single currency exchange system eliminating the preferential exchange rate; determining the exchange rate at the free-market of foreign currencies; and the realization of all foreign transactions at the new floating fee.

Therefore, price release of all the products except 18 items of the basic-needs basket; announcing the not immediate, but gradual, increase of public utilities rates as telephone, electricity and gas residential services; yearly increase at the national market during three years of oil derivative products' prices, with a first average increase of 100% on fuel prices.

Likewise, initial increase of public transportation fares in 30%; increase of wages at the central government between 5% and 30% and increase of the minimum wage; gradual elimination of import custom duties; reducing fiscal deficit to a limit of 4% of the gross domestic product; freezing posts at the civil service.

On February 28th, in cabinet meeting, President Pérez ordered to the National Guard and the Army to suppress the riots.



In addition, he decreed the state of emergency foreseen in article 240 of the Constitution from 1961. Thus, some of the constitutional rights were suspended during the following ten days.

By the sunset of that 28th, the bloodiest curfew in Venezuelan history had begun. The mass grave 'La Peste' is, at the same time, witness and prosecutor of this immeasurable massacre.

The Caracazo was then, not only an answer to the impoverishing measures imposed by the IMF and followed by Carlos Andrés Pérez's administration, but also people's expression, which found no other way to funnel their dissatisfaction before the generalized corruption and the crisis generated by the governments of representative democracy.

Caracazo consequences :

The repression unleashed against the people did not stop people's aspiration to change their reality. For that reason, they supported the military uprising on February 4th 1992, headed by lieutenant colonel Hugo Chávez Frías.

For now and forever tribute will be paid to those who fell at the Caracazo, and for now and forever Venezuela will say that the people's consciousness awoke forever a February 27th 1989.

The Inter-American Court of Human Rights condemned the Pérez government's actions, and the State committed to compensate the victims, an act partially fulfilled in 2004 with those victims who were represented by COFAVIC, a human rights organization.

However, by the end of 2006, the administration of President Hugo Chávez Frías, through the Ministry of Interior and Justice, announced mechanisms to compensate also the victims who had no access to the Inter-American Court.

In order to inform of the events of that bad time and to pay homage to those who fell, the famous filmmaker Román Chalbaud shot a film in reference to the events occurred on February 27th 1989, titled El Caracazo, which was released in Venezuelan movie theaters in 2005. This film deals with a film adaptation of this chapter from the Venezuelan contemporary history, from which all Venezuelans have a different and unforgettable anecdote to tell.

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