

**New York Daily News - <http://www.nydailynews.com>****Don't count Chavez out**

BY MICHAEL SHIFTER

Thursday, July 13th, 2006

Six months ago, Hugo Chavez was, according to several observers, on a roll. The fiery Venezuelan president - the Bush administration's main adversary in Latin America - was buoyed by the resounding victory of his close ally, Bolivian President Evo Morales. With gas prices soaring, Chavez, the leader of the world's fourth largest oil producing nation, had lots of money to spend in order to tighten his grip on power at home and extend political influence abroad.

The same observers are now proclaiming that Chavez's clout in the region is waning. Conservative Felipe Calderon seems to have been elected Mexico's president - and his campaign got lots of mileage out of linking his rival, Andres Manuel Lopez Obrador, to Chavez. Analysts also point to the defeat of a Chavez acolyte in Peru's election last month and the landslide win of hard-line Colombian President Alvaro Uribe in late May to support their claim that Chavez is on a downward slide.

Not so fast. However tempting it may be to conclude that Chavez's star is fading, consider the following:

- Morales has cast his lot with Chavez more quickly, and more closely, than expected, nationalizing his nation's natural gas reserves - the second largest in South America. The Bolivians seem determined to stick with the move, defying Brazil, Bolivia's biggest investor and trading partner.
- Last week Venezuela became a full member of the Mercosur trading group, an opportunity for Chavez to create a politically powerful counterweight to U.S. trade interests in the region. In April, Chavez withdrew from a less powerful regional trade group, the Andean Community, on the grounds that other members had concluded free trade deals with the United States.
- The Chavez government has stepped up its campaign to gain a Latin American, nonpermanent seat on the UN Security Council next year. The Bush administration is vigorously opposed, fearing Venezuela's likely support for Iran, but Chavez may well succeed. And he is also moving ahead and forging new arms relationships - the latest being the purchase of Russian fighter jets and Kalashnikov rifles.
- Even in elections where Chavez's preferred candidate lost, the bigger story is, in fact, how well they did. In Peru, Ollanta Humala came from nowhere and got over 47% of the vote against political veteran Alan Garcia. In Mexico, Lopez Obrador appears to have lost to Calderon by just a hair.
- Chavez allies could well reach power elsewhere in the region later this year. Of greatest concern to Washington is Daniel Ortega, the Sandinista leader the U.S. sought to topple in the 1980s. Today he leads the pack for the November vote. And Chavez himself will almost certainly be reelected for another six-year term on Dec. 3.

Those Bush administration officials who see Chavez's influence abating are guilty of wishful thinking. As long as Washington - and Latin American elites - are broadly perceived as indifferent to the region's stubborn poverty and the popular concerns of most Latin Americans, then Chavez and others like him will keep making waves in our fast-changing neighborhood.

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