# Venezuela: What's Next & What to Do?

Spring Practicum 2021



### **Topic Areas**



#### • Humanitarian Aid

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- Internal Politics
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  - Stephen Demarais
- External Politics
  - Isabella Greene
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- Economics
  - Jasmine Porter
  - Katherine Cedillos
- Border Security
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# Methodology



- Academic and policy papers
- Venezuelan polling data (e.g., Datanálisis)
- Local NGO reports and news
- Conversations with regional experts and practitioners

### Context



**Venezuela** has undergone a profound deterioration of its institutions, economy, and political culture.

**Solutions** to overcome these challenges and reduce human suffering must:

- Identify the drivers behind Venezuela's political crisis, and viable strategies for resolution.
- Revitalize health, humanitarian, and security systems
- Stimulate economic recovery and diversification

# Key Judgments



#### • Humanitarian Aid

- Overburdened healthcare system
- Widespread human suffering
- Insufficient COVID-19 Response

#### Internal Politics

- Chavismo legacy
- Polarization and Fragmentation
- Repression

#### • External Politics

- Ineffective sanctions
- Conflicted international response
- Economics
  - Macroeconomic mismanagement
  - Failing rentier model and infrastructure

#### • Border Security

- Rampant violence
- Endemic corruption
- Refugee crisis



Photo by tomscoffin via Flickr

Politicization is the main obstacle to delivering urgently needed humanitarian aid in Venezuela.

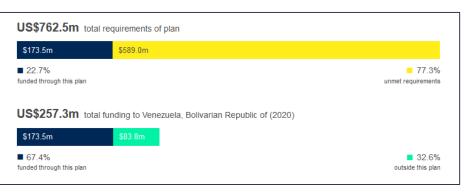
Maduro has refused humanitarian aid from countries allied with the United States. NGOs not openly aligned with the government are treated as hostile.

The PAHO Agreement

- Health as a Bridge for Peace: Negotiations on humanitarian aid distribution are not a substitute for political agreements, but they do offer opportunity to build trust
- The U.S. must pledge to uphold PAHO's neutrality and push for a truce until the COVID-19 crisis is alleviated

#### Depoliticizing Humanitarian Aid

- Designate a neutral third party to distribute aid beyond COVID-19, such as medicine and food assistance
- Increase transparency through a monitoring mechanism that will oversee use of resources and success of aid distribution



Financial Tracking Service https://fts.unocha.org/appeals/928/summary

**Re-Envisioning Aid Distribution** 

- Promote the delivery of *material aid over monetary assistance* to avoid accusations of corruption and aid distribution is streamlined
- Religious partnership diversification is imperative to ensure that "power" is distributed more equitably among religious organizations working in local communities
- Utilizing the frozen Venezuelan funds in the U.S. Treasury to create an **independent aid distribution network** could set the stage for a re-imagining how aid distribution can be carried out in the country



Photo by Efecto Cocuyo

The public lacks confidence in domestic actors and their ability to find political solutions.

Distrust in leaders across the spectrum and private and public institutions in all forms exacerbates social turmoil.

Civil Society as Neutral Space

- Fortify networks between national and local CSOs.
- Cultivate public engagement by increasing cooperation with state-sanctioned organizations.
- **Report achievements** to highlight civil society as a means of empowering communities.

Advancing Negotiations

- Opposition groups should work toward opening dialogue with both the Maduro government and military.
- Extend an offer of amnesty to all members of the military and Maduro administration.
- Coordinate strategy between U.S. government and opposition leaders.

**Cultural Dialogue** 

- Convene dialogues to revitalize Venezuelan national pride based on shared cultural, social, and artistic values, rather than political allegiance.
- Collaborate with independent Venezuelan arts and culture institutions and conduct polls to develop areas of common interest.
- Facilitate conversations between individuals with different political leanings and report conclusions to the public.

### **External Politics**



Current U.S. sanctions strategy inadequately considers the humanitarian cost of broad sectoral, economic, and targeted sanctions.

Multilateral diplomatic strategies provide opportunities to create consensus within Venezuela and among key international actors to reach a political solution.

#### **External Politics**

U.S. Sanctions Policy

- Lift the ban against PDVSA to permit diesel swaps for crude oil.
- **Reverse the \$55 million dollar bounty** on senior officials provided they negotiate in good faith.

### **External Politics**

**Multilateral Diplomacy** 

- Norway should re-stimulate the negotiation process and invite greater multilateral participation. Focus on existing areas for consensus such as humanitarian assistance.
- Tie the humanitarian cooperation to the **presidential recall referendum in 2022** and greater democratic reforms.

#### Economics



Oil dependency, economic mismanagement, decaying infrastructure, and widespread corruption drive Venezuela's economic crisis.

Economic recovery will require revitalizing the oil sector, diversifying the economy, and improved economic management.

### Economics

Structural Reforms

- The United States should lift sanctions in exchange for structural reforms.
- Lift sanctions against PDVSA and ones blocking Venezuela from U.S. financial markets and the purchase of Venezuelan debt.
- U.S. and international actors should **coordinate to negotiate debt restructuring** and financing reforms.

### Economics

Public-Private Partnerships

- The international community should support the creation of public-private partnerships.
- Promote partnerships as a way of simultaneously addressing economic and humanitarian needs.
- Concentrate support for partnerships in non-oil industries.



#### Colombia-Venezuela border:

- Lawless history.
- Historic presence of Colombian guerrilla groups.
- 2016 FARC peace agreement stumbling, ELN talks frozen.
- Guerrillas expanding, fortifying presence in Venezuela

Guerrillas Jeopardize Colombia-Venezuela Border Security

- Fully implement the 2016 FARC peace deal to reduce border insecurity.
- Fund coca crop substitution program and rural development projects.
- Reintegrate former FARC fighters, build good faith, unfreeze negotiations with the ELN.

**Open Borders for Improved Regional Security** 

- Reopen the Colombia-Venezuela border with support from a third party organization.
- Invite a neutral organization such as World Wildlife Fund to both countries.
- **Develop the formal economy** in both countries to deter trafficking and smuggling.
- Transition control from criminal groups back to both national governments.

Align Elite Attitudes on the Colombia-Venezuela Border

- Open line of **communication** between elites in both Colombia and Venezuela.
- Share management of bi-national problems through annual conferences, hotline for direct communications, small group meetings.
- Joint-patrol, border control team comprised of individuals from both countries.

# Concluding Remarks



Venezuela's extremely complex reality warrants multifaceted approach to identify root causes, reduce human suffering:

- Humanitarian Aid (6–9)
  - The PAHO Agreement
  - Depoliticizing Humanitarian Aid
  - Re-Envisioning Aid Distribution
- Internal Politics (10–13)
  - Civil Society as Neutral Space
  - Advancing Negotiations
  - Cultural Dialogue
- External Politics (14–16)
  - U.S. Sanctions Policy
  - Multilateral Diplomacy
- Economics (17–19)
  - Structural Reforms
  - Public-Private Partnerships
- Border Security (20–23)
  - Guerrillas Jeopardize Border Security
  - Open Borders for Improved Regional Security
  - Align Elite Attitudes on the Border