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“Venezuela: Options for U.S. Policy”

Chairman Corker, Ranking Member Cardin, Members of the Committee:

Thank you for the opportunity to testify today. Let me begin by commending the Committee for holding this hearing. In a hemisphere full of opportunities for the United States, there is one glaring crisis that demands action by the United States and other countries in the region – the autocratic rule and economic collapse in Venezuela.

As necessary as this hearing is, I think we can all agree it is a shame that Venezuela is overshadowing the many positive developments in Latin America. When Donald Trump took office, relations between the United States and Latin America were better than they had ever been. Mexico and the United States were partners in controlling migration, combating drug trafficking and expanding economic opportunity for Americans and Mexicans alike; more than a decade of bipartisan support for Colombia had positioned its government to end the longest armed conflict in the hemisphere; increased assistance to Central America was beginning to address the factors driving illegal migration to the United States; and steps to normalize relations with Cuba and improve the lives of its people had removed an irritant in hemispheric relations.

Venezuela was the notable exception to the general trend toward more democratic governance and amicable U.S. relations in the region. Rather than address the severe economic and social problems crippling Venezuela, President Nicolas Maduro opted to scapegoat the United States and invent accusations of American political and economic interference. Well before fake news stained the U.S. presidential election, the Venezuelan regime, like other authoritarian governments, made a practice of circulating falsehoods.

The principal victims of the Venezuelan government's incompetence and malfeasance are of course the Venezuelan people. By doubling down on the failed economic policies imposed by the late President Hugo Chavez, Maduro has produced a social cataclysm. The country with the world's highest oil reserves suffers from the world's highest inflation and deepest decline of GDP. Venezuelans spend their days in search of food and medicine. At the same time, military and civilian officials are plundering the country and enriching themselves, siphoning scarce resources and trafficking in illegal drugs. The streets of Venezuela are notoriously dangerous, with the country's murder rate the highest in the world. Venezuelans are already fleeing to Colombia, Brazil and Caribbean neighbors, and a larger refugee crisis is increasingly likely.

Maduro has compounded his economic misrule with political repression. Scores of political prisoners sit in jail for exercising their fundamental rights to express themselves freely and assemble peaceably. The opposition-controlled National Assembly has been stripped of its

authority by a pliant Supreme Court. The co-opted electoral authorities quashed a presidential recall referendum and have arbitrarily postponed regional elections that would almost certainly have unseated governors from the ruling socialist movement. Such practices, once common in Latin America, should not be acceptable in a region that is now nearly fully democratic with formal procedures to defend and promote democracy.

While Maduro denies the existence of an economic crisis and human suffering, the Venezuelan people continue their courageous struggle to restore democracy. In December 2015, voters overcame a skewed electoral process and voted overwhelmingly for opposition candidates for the National Assembly. Despite fears of violence and government reprisals, Venezuelans have participated in large-scale protests against the government. Millions were prepared to participate in a referendum to unseat Maduro, despite expected reprisals from the government. And the political opposition, committed to a peaceful transition, agreed to participate in a dialogue with the government, though the regime merely used the process to defuse domestic protests and hold the international community at bay, while buying time to consolidate its stranglehold on power.

The solution to Venezuela's economic and political crises will largely come from inside Venezuela, from the continued mobilization of citizens there and by the actions of those who represent them. A favorable outcome cannot and should not be imposed from the outside. That said, there are important steps the United States should take, in concert with other countries in the region, to help end the suffering of the Venezuelan people and restore respect for democratic norms. The Trump Administration should immediately follow the sanctions it levied against Venezuelan Vice President Tarek El Aissami and an associate for international drug trafficking with the following actions:

First, the Administration should publicly and privately insist that any political transition be peaceful and constitutional. American officials must heed the lessons of the short-lived coup in 2002, when Bush Administration support for Chavez's ouster undermined America's standing in the region and damaged our credibility as a defender of democracy. A democratic transition could be achieved in Venezuela by a variety of legitimate means, including by reviving the presidential recall referendum process or moving up next year's presidential elections.

Second, the United States should be clear that the opposition should not be compelled to suspend protests to participate in a dialogue with the government, as other international actors have insisted. Absent elections, an independent judiciary and a functioning legislature, protests are the only mechanism for Venezuelans to demonstrate their rejection of the government and its policies. The Administration should mobilize likeminded countries to warn Venezuelan authorities that anyone who orders or participates in violence against demonstrators will be held accountable by the international community.

Third, the Administration should signal it would consider supporting opposition proposals to offer guarantees to government figures who facilitate a democratic transition. It is never satisfying when individuals are not held accountable for misdeeds. But such compromises can be necessary to dislodge an authoritarian regime without bloodshed and chaos.

Fourth, the Administration should continue to refine the plans ordered by President Obama to deal with a range of contingencies in Venezuela, including a worsening of the humanitarian situation, an increased flow of refugees into neighboring countries, and a transition to a government committed to democracy and economic reform. Even as pressure is ramped up on the regime, the United States should be poised to provide humanitarian assistance to the Venezuelan people, support U.N. agencies and countries like Colombia to care for refugees, and support the Inter-American Development Bank and other international bodies to promote sound economic policies that restore economic growth, reduce poverty and crime, and help rebuild Venezuela's collapsed health system.

Fifth, the Trump Administration should encourage other countries, and the European Union, to join the United States in imposing sanctions on Venezuelan officials for engaging in massive corruption, abusing human rights and dismantling democracy. Multilateral sanctions are more effective in blocking an individual's assets and travel, and they convey global opprobrium and deprive wrongdoers of the opportunity to portray themselves as martyrs in an anti-imperialist struggle against the United States. When the Obama Administration appropriately sanctioned seven Venezuelan security officials in April 2015, the legislative requirement to find that Venezuela "constitutes an unusual and extraordinary threat to the national security and foreign policy of the United States" led governments in the region to denounce the sanctions and some in the opposition to distance themselves from the U.S. action.

Finally, the Trump administration should continue Obama administration efforts to build support at the Organization of American States to invoke the Inter-American Democratic Charter, which offers tools to defend democracy, including Venezuela's potential suspension from the OAS. International approval matters greatly to Venezuela, and the government works mightily to beat back efforts to criticize or isolate it in international fora. In December, after Mercosur, a regional customs union, expelled Venezuela, Foreign Minister Delcy Rodriguez suffered physical injuries when she sought to overpower security guards excluding her from a Mercosur summit.

OAS member states should follow Mercosur's lead, and the bold and principled leadership of Secretary General Luis Almagro, and impose consequences on the Venezuelan government for continuing to hold political prisoners, cancelling the presidential recall referendum, and shackling the National Assembly. Such external pressure, combined with the domestic mobilization of the Venezuelan opposition, is essential for any internal dialogue or international mediation to succeed in bringing about a democratic transition and meaningful economic reform.

Although patience with the Maduro government in the region has been exhausted, invoking the Charter will not be easy. New governments in influential countries like Argentina, Brazil and Peru have been critical of Maduro, but most of the region has preferred to delay action while the Vatican-mediated dialogue between the government and opposition sputters along. Countries in the Americas are also generally disinclined to weigh in on the internal affairs of their neighbors,

and Venezuela has silenced many Caribbean governments with its provision of discounted petroleum.

Unfortunately, the Trump Administration is poorly positioned to marshal regional efforts to defend democracy. Notwithstanding the president's meeting with the wife of Leopoldo Lopez and his call to release the prominent political prisoner, Trump and his team have evinced little interest in human rights and democratic norms overseas. Moreover, the president's attacks on the American press, judiciary and critics of his Administration have eroded the moral authority of the United States. As former President George W. Bush said this week, "It's hard to tell others to have independent press when we're not willing to have one ourselves."

The Trump's administration's alienation of some of our closest allies has also undermined our ability to organize international efforts on Venezuela. Mexico, an important actor in the region and in the OAS, is less inclined to collaborate with Washington after Trump's bullying and denigration of the country. The lack of respect accorded Mexico has also made it more difficult for other countries in the region to team up with the United States to confront another Latin American country. Trump even created an opening for Maduro to express solidarity with Mexico and try to isolate the United States in the region. EU members, meanwhile, are bristling at Trump's disparagement of the organization and see the president himself as a threat to democratic values.

As noted, there are steps the Trump Administration should take to have a positive impact in Venezuela. But unless the president alters his posture domestically and internationally, the United States will sideline itself diplomatically, and advocates for democracy and human rights might need to look to other countries to champion the cause of the embattled Venezuelan people.