



Why the United States is taking aim at China as crisis engulfs Venezuela

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As tens of thousands of anti-government protesters clashed with security forces on the streets of Venezuela this week, the pressure was not only on the regime of embattled authoritarian leader Nicolas Maduro.

Further north in Washington, the administration of US President Donald Trump was taking aim at China, Maduro's biggest backer and an increasingly important player in Latin America, a region the United States has long seen as its backyard.

Washington has recognised opposition leader Juan Guaidó as Venezuela's interim president but despite the support on the street Guaidó has not been able to unseat Maduro, who has been in power since his predecessor Hugo Chavez died in 2013.

China is easily the regime's biggest backer, supplying weapons and loans to Venezuela as many other investors have pulled out.

But senior officials and military chiefs in the United States claim that that support amounts to propping up a dictator. They are subjecting Chinese investments and ambitions in the region to even tighter scrutiny – attention that analysts say Beijing should be wary of exacerbating.

Speaking at a US Congress hearing on Wednesday, Admiral Craig Faller, chief of the US Navy's Southern Command, which oversees Latin America and the Caribbean, pointed the finger at Beijing, saying: "China is Venezuela's single largest state creditor, saddling locals with more than US\$50 billion in debt and exporting surveillance technology to help Maduro repress his people."

Also on Wednesday, US Secretary of State Mike Pompeo accused China of posing a national security challenge to Washington.

During a tour of several Latin American countries last month, Pompeo said: "China and others are being hypocritical calling for non-intervention in Venezuela's affairs. Their own financial interventions have helped destroy that country."

According to statistics from the US government and the Washington-based Inter-American Dialogue, China has stepped up its investments and support for Venezuela even as other countries have tried to pull out.

Chinese investments in Venezuela have largely been in the form of oil-for-loan deals. Over the past decade, the bulk of China's US\$60 billion-plus in loans to the oil-rich country have been in the energy sector, which accounts for over 90 per cent of Venezuela's exports.

China also overtook Russia in 2013 to be Venezuela's biggest supplier of weapons, selling Caracas US\$628 million of arms between 2000 and 2017, according to the Washington-based Centre for Strategic and International Relations.

China's support dwarfs that offered by Venezuela's other allies, including Russia, Cuba, Turkey and Iran.

Russia sent two long-range Russian bombers to Caracas in December and another two aircraft and about 100 troops last month, but its economic interests, mostly through its oil company Rosneft, are incomparable to China's.

Nevertheless, the role of Beijing and Moscow in keeping Maduro in power has been overstated, according to Ted Galen Carpenter, a senior fellow at the libertarian Cato Institute.

He told Agence France-Presse that the military was the crucial player in preserving Maduro's rule and that Washington had been surprised at the modest number of defections.

"The US was overly optimistic, and the administration and its supporters keep coming up with excuses as to why Maduro's hold on power has remained, including greatly exaggerating the role of Russia and China," Carpenter said.

Jiang Shixue, director of the Centre for Latin American Studies at Shanghai University, said it was absurd for Pompeo and other US officials to lash out at China.

"US politicians say China's presence in Venezuela has undermined their national interests and use concerns about China along with Russia and Cuba to justify Washington's interference in Venezuela's unfolding crisis. Are these kinds of allegations not a form of hegemonism?" he said.

But Jiang said Beijing should be aware of Washington's dominance in the region and its growing sensitivity and hostility towards China's warming ties with nations in its backyard, which would pose some risks to Chinese investors.

"The US factor will be increasingly prominent in China's relations with Latin American countries. The world is big enough and Latin America should not become a battlefield for the power politics between Beijing and Washington," he said.

"It is still difficult to predict what will happen next in Venezuela or if a more volatile situation could ensue. But one thing is certain, people in Venezuela will suffer the most. I think other countries should refrain themselves from interfering in Venezuela's crisis."

Huang Jing, a US expert at Beijing Language and Culture University's Institute of International and Regional Studies, also said China should avoid confrontation with the Trump administration, which was growing frustrated at its dwindling influence in the region.

"Although it is increasingly difficult for China to maintain a low profile, Beijing should try to accommodate Washington's concerns and show some flexibility and restraint to avoid further antagonising or provoking the US, especially when it comes to its propaganda and publicity campaigns," he said.

Surveys last year by Latinobarómetro, a Latin American polling organisation, showed that China had become more popular than the US in Venezuela and other key Latin American countries such as Mexico, Argentina and Peru.

Jiang said the US would actually benefit from China's growing business links with Latin America because a more economically developed and prosperous Latin America would bring peace and stability to the region – something that was in the US interest.

“We should consider how China and the US could work together to tap into Latin America's huge markets,” he said.