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Lopez's Arrest Sends Venezuelan Protests Into Second Week

By Anatoly Kurmanaev and Corina Pons - Feb 19, 2014

Venezuela's opposition vowed to continue street demonstrations into a second week after National Guard troops arrested leader [Leopoldo Lopez](#) following protests that have left four people dead.

The opposition Voluntad Popular party called on supporters to rally in downtown Caracas in front of the Palace of Justice at 10 a.m. local time (9:30 a.m. EST). Lopez was forced into a police vehicle yesterday while speaking to supporters after President [Nicolas Maduro](#) blamed him for instigating demonstrations over shortages of basic goods and 56 percent inflation in a country with the world's biggest oil reserves.

"We are on the right side of history, on the side of justice, of truth," Lopez, 42, said in a video that he recorded before his arrest. "Our cause has been and continues to be the departure of this government."

Confronting the biggest challenge to his 10-month-old presidency, Maduro announced plans to import \$1 billion of food and medicine and said the government was "saving" Lopez's life by detaining him. He called the opposition leader part of a "fascist right" in the South American country.

"Lopez is one of the most emblematic figures of the Venezuelan opposition who have been arrested," [Juan Carlos Hidalgo](#), a Latin America policy analyst at the Cato Institute, said by phone from Washington. "This is only going to fire up protesters. This is definitely taking the level of repression and antagonism from the government to a new level."

Bonds, Lopez

Venezuela's dollar bonds fell to their lowest in more than two years yesterday. Yields on the benchmark 2027 dollar bond surged 39 basis points, or 0.39 percentage point, to 15.94 percent. The country's bonds have lost 12 percent this year, the most in emerging markets, according to JPMorgan Chase & Co.'s EMBIG index.

Under Maduro's watch, inflation more than doubled to 56.3 percent in January, according to the central bank. At the same time, the bank's scarcity index rose to a record 28 percent, meaning that more than one in four basic goods was out of stock at any given time.

Maduro said yesterday that Venezuelans were welcome to push for a recall referendum in 2016, adding that anyone who signed it would have to present their fingerprints and photos. The 51-year-old former bus driver defeated [Henrique Capriles](#) in April with 50.6 percent of the vote. It was the narrowest election in 45 years.

National Guard troops yesterday fired tear gas to disperse protesters shouting “liberty” after Lopez, waving a red, blue and yellow Venezuelan flag, was forced inside a police vehicle. His party said he was sent to a military prison and that he would face a judge later today.

‘Now Gone’

Maduro said that [Diosdado Cabello](#), the president of the National Assembly and a military officer, drove the car taking Lopez to a jail outside Caracas. Lilian Tintori, Lopez’s wife, confirmed that Cabello accompanied Lopez during an interview on CNN En Espanol.

“What does Cabello have to do with the justice system,” [Antonio Ledezma](#), mayor of Caracas and a leader of the opposition, said at a news conference last night. “All of the separations of power are now gone.”

Less than 3 kilometers (about 2 miles) from where Lopez was arrested, government supporters gathered in response to Maduro’s call for a march.

While opposition members blocked highways and lit tires and branches, Venezuelan state television showed oil workers dressed in red at a musical concert in a pro-government “march for peace” outside the presidential palace.

Government Concern

Lopez was mayor of the Caracas municipality of Chacao from 2000 to 2008. He co-founded the party Primero Justicia with Capriles. Lopez left Capriles’s party and founded Voluntad Popular.

He was banned in 2008 from holding public office following allegations by the government that he embezzled public money. He denies the charges.

“Lopez is someone that the government has always been concerned about, that’s why they disqualified him from running,” [Michael Shifter](#), president of the Inter-American Dialogue, said in a phone interview from Washington.

While Maduro spoke on national television yesterday, several thousand protesters gathered in the rain outside La Carlota military airport in Caracas, where Voluntad Popular said Lopez was temporarily held.

“I’m protesting because I want a better future for my little son,” said 42-year-old truck driver Jose Luis Flores. “We have every resource imaginable here but government.”

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