

# Bloomberg

## Venezuela's Maduro Steps Up Verbal Bout Ahead of Talk With Rival

By Nathan Crooks  
February 23, 2014

Venezuelan President [Nicolas Maduro](#) and opposition leaders intensified accusations against each other ahead of a meeting scheduled for today to ease tensions.

Maduro called his rivals fascists, accused them of sabotaging the economy and banding with the U.S. to destabilize his government in a television interview last night. [Venezuela](#) opposition governor Henrique Capriles replied in a Twitter posting that the world is starting to use the word genocide to describe the president's acts.

Maduro called a meeting with the country's governors in response to street protests that have left at least nine dead. Demonstrations have turned violent on a nightly basis since opposition leader Leopoldo Lopez, who has been detained, called on Feb. 12 for people to take to the streets to speak out against rising crime, the world's fastest inflation and shortages of everything from milk to medicine.

"The rhetoric has intensified," said [Eric Farnsworth](#), head of the Washington office of the Council of the Americas. "It doesn't contribute to a positive atmosphere where they can actually make progress if they are calling each other fascist and murderers."

Capriles, who lost to Maduro in April elections by the narrowest margin in 45 years, said he would consult with his community before deciding whether to attend the meeting at the Presidential Palace.

### Genocide

"What a bunch of garbage you speak, Nicolas," Capriles, who runs the state of Miranda, said in a post on his Twitter account as the president spoke. "The world is starting to use the word genocide to describe you."

Maduro said last week that opposition governors will face “legal” and administrative consequences if they don’t come to the talks today. He called for the meeting a day after detaining Lopez, who has been accused by the public prosecutor of arson and inciting violence.

“That detained fascist, Leopoldo Lopez, is a part of the U.S. government plan to destabilize Venezuela,” Maduro said. He said that groups had attempted to smuggle maps of the country’s oil infrastructure into Lopez’s prison cell, and that oil workers had assured him that they would not send “a drop” of oil to the U.S. if he were to be removed from power.

Any dialogue with the government must focus on the release of political prisoners including Lopez, the suspension of all court proceedings against detained students, and the disarmament of pro-government “paramilitaries,” Caracas mayor and opposition leader Antonio Ledezma said in an open [letter](#) to Maduro posted on his Twitter account yesterday.

## Students Detained

On an interview to Telesur Network last night, Maduro said authorities had detained three students for making threats on Twitter against the daughter of National Assembly President [Diosdado Cabello](#).

He also accused retired general of Angel Vivas of being the intellectual author of roadblocks placed in Caracas streets. Vivas yesterday confronted troops trying to serve an arrest warrant at his house by standing on his roof with a rifle, Caracas-based newspaper El Nacional reported.

“Both the government and opposition have laid lines in the sand that will be hard to erase, but both sides know how difficult it will be to hold firm,” Gregory Weeks, a Latin America specialist who chairs the political science department at the University of [North Carolina](#) at [Charlotte](#), said yesterday in an e-mailed response to questions.

Maduro, the hand-picked successor of [Hugo Chavez](#), who died in March after 14 years in power, vowed to protect his government and keep National Guard troops out in force.

## Torture

Some students arrested during protests in Venezuela say they were beaten and had gasoline poured on them by National Guard, newspaper El Nacional reported over the weekend, citing students and their lawyers. Maduro told reporters Feb. 21 that his government respects human rights and would probe reports of violence.

U.S. President [Barack Obama](#), on a visit to Mexico Feb. 19, condemned the violence in Venezuela. U.S. Secretary of State [John Kerry](#) in a statement late Feb. 21 urged Maduro’s government to end its efforts to “stifle dissent.”

“The Venezuelan government has confronted peaceful protesters with force and in some cases with armed vigilantes claiming to support the government,” Kerry said.

Maduro called Kerry's statement "insolent" and an "aggression," saying that he remains willing to exchange ambassadors.

[Brazil](#) President [Dilma Rousseff](#) said yesterday she won't take a position on the internal affairs of another country, speaking with reporters in [Rome](#), as shown in video posted on the presidency website.

## **Bogus Excuse**

"The excuse of not meddling in the internal affairs of other country is bogus," Juan Carlos Hidalgo, a Latin America analyst with the [Cato Institute](#), said in an emailed response to questions. "In the last 15 years Brazil has made it clear that it aspires to become not only a regional power but also a global one. But with aspirations come responsibilities."

Struggling to rein in 56 percent [inflation](#) and shortages of basic goods and medicine, Maduro last week announced plans to import \$1 billion in food and medicine and to unveil a new currency swap market designed to help companies and individuals have more access to dollars.

Maduro signed on Feb. 18 a currency law he said would boost the supply of dollars in the \$380 billion economy, allowing importers to purchase more goods and alleviate shortages at an [exchange rate](#) weaker than the official rate of 6.3 bolivars per dollar. On the black market, the bolivar trades at a rate of about 88 per dollar.

## **Scarcity**

The central bank's scarcity index last month rose to a record 28 percent, meaning that more than one in four basic goods was out of stock at any given time.

Economic growth will slow this year to 0.5 percent from an estimated 1.2 percent in 2013, in both instances falling short of the Latin American average, according to analysts polled by Bloomberg. Amid the political turmoil, Venezuelan bonds have posted the biggest losses in [emerging markets](#) this year of 10.6 percent, according to JPMorgan Chase & Co.'s EMBIG+ index.

"Venezuela is headed toward an economic debacle and the government is trying to cover it up by repressing the protests," Capriles said this weekend. "We are going to convert these protests into the biggest social movement in the history of Venezuela."

To contact the reporter on this story: Nathan Crooks in Caracas at [ncrooks@bloomberg.net](mailto:ncrooks@bloomberg.net)

To contact the editor responsible for this story: Andre Soliani at [asoliani@bloomberg.net](mailto:asoliani@bloomberg.net)