

The Herald

Caracas in chaos: David Pratt on the growing crisis in Venezuela

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An assassination attempt against the president using drones, one million per cent inflation, most of the population living below the poverty line and millions of others fleeing the country, Foreign Editor David Pratt reports on Venezuela in meltdown

It was meant to be a celebration but instead turned into a snapshot of a country in chaos. Venezuelan President Nicolas Maduro in the midst of a speech at a military parade is suddenly seen looking up at the sky.

Seconds later there is a blast, the stage shakes from an explosion and phalanxes of troops standing before the country's leader break ranks and flee in panic.

What appears to have been an assassination attempt on Maduro last weekend using two explosive laden drones remains shrouded in mystery, but the dramatic events have once again thrown the spotlight on a country in meltdown.

Regardless of who perpetrated the attack or why, the incident is already being used by the Venezuelan regime to crackdown on its political opponents.

Shortly after last week's attack in the capital Caracas, Maduro made a televised broadcast in which he accused two opposition politicians of scheming to kill him.

The government has blamed Juan Requesens and Julio Borges both members of Venezuela's opposition-controlled National Assembly, and of the Primero Justicia (Justice First) party.

According to Requesens' party, members of Venezuela's secret **police**, Sebin, took him and his sister Rafaela, an opposition student activist, from their apartment in the capital Caracas just days after the drone incident.

Rafaela Requesens was later released but Juan Requesens has not been heard of since.

Meanwhile on Maduro's orders an arrest warrant was also issued for Julio Borges who has been in exile ever since helping found the Justice First party some years ago.

The Venezuelan authorities have provided scant evidence to link the two politicians to the incident, apart from an alleged confession broadcast on state television. **Government** foes meanwhile say Maduro is using the incident to stifle dissent.

“This is a cowardly government that does not tire of persecuting, with lies, whoever thinks differently,” tweeted another opposition politician Jorge Millan.

Meanwhile adding further to the confusion a little known group called the “National Movement of Soldiers in T-shirts” claimed responsibility for last week’s drone attack from which Maduro walked away unscathed

The events are just the latest political intrigues in a country where severe restrictions on independent media and freedom of expression create major challenges for reporting.

Such restrictions ensure Venezuela’s plight rarely make headlines even if conditions inside what was once Latin America’s richest nation now beggar belief.

Only a few months ago a UN official warned of the scale of the crisis unfolding and since then inside Venezuela things have deteriorated even further.

“I don't think people around the world realise how bad the situation is and how much worse it could very well be,” said David Beasley, the World Food Programme (WFP) director, following a visit to neighbouring Colombia, which is struggling to cope with Venezuelans fleeing across the border.

“This could turn into an absolute disaster in unprecedented proportions for the Western Hemisphere,” Beasley warned.

The statistics revealing the extent of Venezuela’s crisis are mindboggling. Many economists are already comparing the country’s economic turmoil to that which gripped Germany after the First World War and Zimbabwe at the beginning of the last decade.

Already the International Monetary Fund (IMF) has estimated that by the end of this year inflation in Venezuela could top 1 million per cent.

“The collapse in economic activity, hyperinflation and increasing deterioration...will lead to intensifying spillover effects on neighbouring countries,” wrote Alejandro Werner, head of the IMF’s Western Hemisphere department in a blog post last month.

Last year it was estimated that 87 per cent of Venezuelan families now live below the poverty line. Although the country has the world’s largest proven reserves of oil, Maduro’s socialist regime have mismanaged the economy so badly that people struggle to buy food or medicines.

The Pharmaceutical Federation estimates that 80 per cent of drugs are not available in pharmacies, and there have been outbreaks of diseases that had been eradicated or were previously under control, such as diphtheria, measles and malaria.

Over the course of last year nearly three quarters of Venezuelans lost an average of 19 pounds on what many have wryly dubbed the “Maduro diet”.

More than half of children monitored in four regions including the capital Caracas between October and December 2016, suffered from malnutrition or were at risk of it.

Most analysts say the seeds of the current crisis were planted in 1999, when the late socialist President Hugo Chavez came to power and ruled until his death in 2003.

Though rich in oil it is arguably precisely this wealth that is also at the root of many of Venezuela's current economic problems. Oil revenues account for about 95 per cent of Venezuela's export earnings. This means that when oil prices were high, a lot of money was flowing into the coffers of the Venezuelan government.

When Chavez was in power, he used some of that money to finance generous social programmes to reduce inequality and poverty.

But when oil prices dropped sharply in 2014, the government was suddenly faced with a gaping hole in its finances and had to cut back on some of its most popular programmes. Many of the other policies introduced by Chavez also backfired, but this did not stop Maduro continuing those policies when he took power.

Earlier this year Maduro was elected to a second six-year term in office amid allegations by the international community and Venezuela's opposition that the polls were neither free nor fair.

Cronyism and corruption have plague Maduro's time in power according to a number of Venezuela watchers, among them Juan Carlos Hidalgo a policy analyst on Latin America at the Cato Institute in Washington DC.

"Venezuela is not simply governed by incompetent ideologues. Regime leaders run a criminal gang. Two former minister turned-critics estimate that over \$300 billion of oil revenues have been stolen in the past decade," Hidalgo recently highlighted for NBC news. He says Venezuela's armed forces are also deeply involved in smuggling and drug-trafficking.

The US Treasury Department has now sanctioned several high-ranking government and military officials as "drug kingpins," including Tareck El Aissami, the country's 43-year-old minister of Industries and Production, who has had half a billion dollars in assets seized by the US authorities.

"The criminal nature of Venezuela's regime makes it highly unlikely that its leaders will surrender power peacefully," Hidalgo concludes.

Given this intransigence on behalf of Maduro's regime, many now fear further serious unrest or even worse is just around the corner.

'Time is running out to prevent civil war in Venezuela,' warned the headline of a Washington Post editorial on Friday summing up the growing concerns of many in the wake of last week's drone incident.

"The South American nation's social and economic crisis is so profound, and its dictatorship so stubborn, however, that it would have been a miracle if at least a faction of the opposition did not resort to violence," the US newspaper concluded in its editorial responding to the attack.

For his part Maduro shows no signs of relinquishing control. Having survived last week's apparent assassination attempt - if that's what it was - he has also weathered attempted rebellions, months of street protests, threats of military intervention from President Trump, dissent within his own party and the cold shoulder from some Latin American neighbour states.

With his re-election Maduro's term is now extended until 2025, something many Venezuelans facing further hardship, unrest and uncertainty are not prepared to wait out. Already the continuing exodus of destitute Venezuelans has reached a tide. Since 2016, nearly two million people have fled the country. This year alone as part of one of the largest mass migrations in Latin American history, more than half a million Venezuelans have crossed into Ecuador.

According to the UN about 547,000 Venezuelan citizens have entered Ecuador since January, mostly through its northern border with Colombia.

Staggeringly that is nearly 10 times the number of migrants and refugees who attempted to cross the Mediterranean into Europe over the same period. Last week the International Organisation for Migration (IOM) said that 59,271 migrants and refugees tried to reach Europe by sea between January and August, with most coming to Spain, Italy or Greece.

Some 500 Venezuelans are now also estimated to cross the border with Brazil in a remote section of the Amazon **rain** forest every day. So chaotic and unsafe is the situation that in the Brazilian state of Roraima, a judge recently ordered suspension of border crossings until adequate humanitarian assistance can be organised.

For his part Maduro continues to appear oblivious to the plight of his people, insisting instead that Washington, is guilty of "conspiracy" and blaming US politicians and intelligence services of fomenting plans to topple him to end nearly two decades of socialism in Venezuela.

Last year the then director of the CIA Mike Pompeo - now US Secretary of State - gave some of the clearest clues yet about Washington's latest meddling in the politics of Latin America,

Speaking at a Q&A session at a security forum organised by the Aspen Institute think tank last in July, the CIA chief said he was "hopeful that there can be a transition in Venezuela and we the CIA is doing its best to understand the dynamic there."

Pompeo added: "I was just down in Mexico City and in Bogota a week before last talking about this very issue, trying to help them understand the things they might do so that they can get a better outcome for their part of the world and our part of the world."

Not surprisingly Pompeo's comments sparked outcry among supporters of Venezuela's government with Maduro himself denouncing the remarks and hitting out at the governments of Mexico and Colombia.

"I demand the government of Mexico and the government of Colombia to properly clarify the declarations from the CIA and I will make political and diplomatic decisions accordingly before this audacity," declared Maduro.

But the president's outrage aside, few doubt the CIA is active in seeking its preferred outcome in Venezuela.

Washington and the CIA after all has long term form when it comes to interfering with elected governments in Latin America, from Chile to Nicaragua, and Argentina to Haiti.

For now though Maduro continues to survive and get by, even if the same cannot be said for many of Venezuela's citizens. As if to emphasise this point a power failure left 80 per cent of Caracas, the capital, without electricity for hours last week, and such shortages are becoming common in other cities.

No one knows whether the Maduro regime will last decades or days, but without international engagement and a shift in Maduro's position the situation looks bleak. Currently there is considerable international pressure on the Maduro regime. Some fourteen Latin American countries, the US, Canada and the entire European Union have all refused to recognise his recent re-election.

Writing in the New York Times following last weekend's incident in Caracas, political conflict analyst and Venezuela expert David Smilde, made the point that pressure alone without dialogue is unlikely to change Maduro's mind or hasten a more democratic transition.

"This drone attack should be a warning to international stakeholders. To achieve an orderly, democratic and nonviolent solution to the Venezuelan crisis, international pressure must be complemented by constructive engagement of both the government and opposition," Smilde pointed out.

Only time will tell whether anyone listens to his advice. In the meantime the chaos in Caracas will continue and Venezuela goes from bad to worse.