

How Much of Venezuela's Crisis is Really Maduro's Fault?

There are several factors for Venezuela's economic crisis, but you wouldn't know it by listening to U.S. leaders or following corporate media, writes Steve Ellner.

By **Steve Ellner**

Special to Consortium News



The recognition by U.S. House Speaker Nancy Pelosi and former Vice President Joe Biden of Juan Guaidó as Venezuelan president is the **latest demonstration** of the consensus in Washington over the nefariousness of the Nicolás Maduro government. Not since Fidel Castro's early years in power has a Latin American head of state been so consistently demonized. But the 1960s was the peak of the Cold War polarization that placed Cuba plainly in the enemy camp, and unlike Venezuela today, that nation had a one-party system.

The scope of that consensus was evident by the recent faceoff between two figures as far apart as President Donald Trump and Rep. Alexandria Ocasio-Cortez. In his State of the Union address, Trump attributed Venezuela's economic crisis to the failed system of socialism. Ocasio-Cortez responded by arguing that the Venezuelan case is "an issue of **authoritarian regime versus democracy.**"

Taken together, the comments by Trump and Ocasio-Cortez complement one another. According to the narrative that dominates Washington, Venezuela is a disaster from both economic and political viewpoints. The exclusive blame for

the sorry state of the economy and for the country's allegedly authoritarian rule lays with Maduro and his cohorts.

Not surprisingly, the mainstream media have refrained from questioning these assumptions. Most of their reporting puts the accent mark on state incompetence and corruption, while skirting the detrimental effects of the economic sanctions implemented by the Trump administration.

In addition, many on the left point to the economic sanctions as responsible, at least in part, for the nation's pressing economic difficulties, but few critically examine the mainstream's characterization of the state of Venezuelan democracy. Some oppose the sanctions but join the opposition in bashing the Maduro government.

A recent article by Gabriel Hetland, for instance, posted by *Jacobin* and *NACLA: Report on the Americas* claims that Maduro "holds onto power through authoritarian means." The author then turns to the nation's economic difficulties by arguing that "the primary driver is the government's mismanagement of its oil revenue" and corruption.

During my participation in a two-month Venezuelan solidarity tour late last year in the U.S. and Canada, I often heard the statement that knowing the specifics about Venezuela's economic and political problems is not essential because the bottom line is the illegality of Trump's sanctions and threats of military intervention. But does international law end the discussion?

If it could be proven that Maduro is a dictator and a totally incompetent ruler, would people enthusiastically

rally behind his government in opposition to foreign intervention? I don't think so. Undoubtedly, it is necessary to take a close look at both political and economic fronts because the effectiveness of solidarity efforts hinges on the specifics. The dominant narrative about Maduro and its assumptions cannot be taken at face value, even while there are elements of truth in it.

How Far Back Do the Economic Problems Go?

The Venezuelan opposition frequently argues that neither the sanctions nor depressed international oil prices are to blame for the nation's economic difficulties, only the mismanagement of the economy. At best, declining oil prices contributed to the problems but were not a root cause. Some opposition analysts deny or minimize the importance of oil prices as a factor by pointing out that the economies of other OPEC nations are as dependent on oil exports as that of Venezuela but have not plummeted to the same levels.

The opposition's central argument here is that Venezuela's dire economic problems predate Trump's implementation of sanctions and even predate the sharp decline in international oil prices beginning mid-2014. That is, government follies with disastrous effects came first, followed by the decline in oil prices and then the sanctions. Two-time presidential candidate for the opposition Henrique Capriles claimed that the crisis began prior to the fall of oil prices but for a long time was "ignored, repressed and covered up" by the government.

There are two fallacies in this line of thinking. In the first place, the so-called economic war against Venezuela,

which eventually included the Trump-imposed sanctions, preceded everything else. Washington almost from the beginning of Hugo Chávez's presidency in 1999 did not stand by idly while he defied the neoliberal Washington consensus as well as U.S. hegemony. Washington's hostility seriously harmed the economy in multiple ways.

For instance, the George W. Bush administration banned the sale of spare parts for the Venezuelan Air Force's costly F-16 fighter jets in 2006, forcing the country to turn to Russia for the purchase of 24 Sukhoi SU-30 fighter planes. Furthermore, the international sanctions did not begin with Trump, but rather Obama in 2015 which were justified by his executive order calling Venezuela a threat to U.S. national security. That order was followed by an avalanche of pull-outs from Venezuela by multinationals including Ford, Kimberly Clark, General Motors, Kellogg's and nearly all the international airlines.

In the second place, oil prices under Maduro have not only been low since 2014 but nosedived, just the opposite of what happened under Chávez. This is particularly problematic because high prices create expectations and commitments that then get transformed into frustration and anger when they precipitously drop. Prices are currently slightly over half of what they were before the decline, in spite of their modest recovery since 2017.

Three factors explain Venezuela's economic woes, not one: low oil prices, the "economic war" against Venezuela, and mistaken policies. Prominent in the latter category is Maduro's lethargic response to the problem of the widening disparity between official prices set by the government on

certain items in short supply and their prices on the black market. The government has encountered major problems in distributing basic commodities forcing Venezuelans to buy those same goods on the higher-priced black market. The system is conducive to corruption and contraband as many of the products that are supposed to be retailed at reduced prices end up being sold on the black market or sent off to neighboring Colombia.

The Dictatorship Label Repeated a Thousand Times

The media are in desperate need of good fact-checkers in their reporting on Venezuela. Statements about Venezuelan democracy range from blatantly misleading to accurate with most lying between the two extremes. An example of the former is the *Guardian's* claim that the Venezuelan government "controls most TV and radio stations which transmit a constant stream of pro-Maduro propaganda." In fact, of those who tune into Venezuelan TV channels, 80 percent watch the three major private channels (Venevisión, Televén, and Globovisión) which cannot be seriously accused of being pro-government.

At the other extreme is Hetland's assertion in his *Jacobin-NACLA* piece that the decision to strip Henrique Capriles of his right to run for office as a result of corruption charges was politically motivated. The statement is accurate. Actually, the move was worse than what Hetland discusses. For some time before that, Capriles, whose political positions have vacillated considerably, favored a less intransigent stance toward the government than those on the radical right, which has largely dominated the opposition of late. The move, in effect, played into the

hands of the radicals and undermined efforts to bring about a much-needed national dialogue.

Those who call Maduro a dictator make two basic assertions. In the first place, the government is alleged to have brutally repressed the four-month long peaceful demonstrations designed to bring about regime change carried out in 2014 and then 2017. In fact, the protests were hardly peaceful. Six National Guardsmen and two policemen were killed in 2014 and protestors fired into an air force base in Caracas and attacked a number of police stations in Táchira in 2017. There are different versions of the circumstances surrounding the numerous fatalities in 2014 and 2017, thus requiring an impartial analysis, which the media has hardly attempted to present. Police repression is reprehensible – and repression there was on both occasions – regardless of circumstances, but the context has to be brought into the picture.

In the second place, the opposition denies that Maduro's re-election in May of last year was legitimate because the election was called for by the National Constituent Assembly (ANC), whose existence allegedly has no legal basis. One of the nation's foremost constitutional lawyers, Hermann Escarrá, has defended the ANC's legality, while others formulate plausible arguments to the contrary. Again, the mainstream media has failed to present both sides or to objectively analyze the issue. Nearly all the opposition parties that refused to participate in the presidential elections in 2018, however, did participate in the gubernatorial elections of the preceding year that were convened by the same ANC. The justification for Juan

Guaidó's self-proclamation as Venezuelan president on Jan. 23 was predicated on the illegitimacy of the ANC.

Violation of democratic norms and cases of police repression do not in themselves demonstrate that a government is authoritarian or dictatorial. If they did, the United States would hardly be considered democratic. The real defining issue is whether electoral fraud takes place in which votes are not correctly counted. That accusation has been largely absent in the controversy over recent elections, even among leaders of the radical opposition.

The mainstream media and Washington politicians freely call Maduro an "autocrat" a "dictator" and "authoritarian." More than anything that is said about Venezuela's economic difficulties, the use of these terms has had a profound effect on policy making. A nation's economic problems should not justify intervention of any sort. The real issue of contention, therefore, is the state of Venezuelan democracy as depicted by the dominant narrative. Amazingly enough, there is no major actor in mainstream politics and the mainstream media willing to challenge that narrative with all its questionable claims regarding the Maduro government.

Steve Ellner is a retired professor from Venezuela's University of the East and is currently associate managing editor of "Latin American Perspectives." Among his over a dozen books on Latin America is his edited "The Pink Tide Experiences: Breakthroughs and Shortcomings in Twenty-First Century Latin America" (Rowman & Littlefield, 2019).

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Regime Change Made in the USA

Trump's backing of Juan Guaidó's shadow government could weaken the opposition's longstanding support among the majority of Venezuelans, writes Steve Ellner.

By **Steve Ellner**

NACLA



Since its outset, the Trump administration has ratcheted up pressure on Venezuela and radicalized its positions. In the process, the Venezuelan opposition has become more and more associated with—and dependent on—Washington and its allies. An example is the opposition protests that occurred last week. The actions were timed to coincide with the European Union's "ultimatum," which stated they would recognize the shadow government of Juan Guaidó if President Nicolás Maduro had not called elections within a week's time.

The opposition's most radical sectors, which include Guaidó's Voluntad Popular party (VP) along with former presidential candidate María Corina Machado, have always had close ties with the United States. Guaidó, as well as VP head Leopoldo López and the VP's Carlos Vecchio, who is the shadow government's chargé d'affaires in Washington, were educated in prestigious U.S. universities—not uncommon among Latin American economic and political elites. The ties between the opposition and international actors are strong:

last weekend, Vecchio called the campaign to unseat Maduro “an international effort.” At the same time, Guaidó, referring to opposition-called protests, stated “today, February 2, we are going to meet again in the streets to show our gratitude to the support that the European Parliament has given us.” In doing so, Guaidó explicitly connected the authority of outside countries to his own assumption of leadership.


The outcome of Washington’s actions is bound to be unfavorable in a number of ways, regardless of whether or not they achieve regime change. Most importantly, a government headed by Guaidó will be perceived both by Venezuelans and international observers as “made in U.S.A.” Further, the opposition’s association with foreign powers has enabled the Maduro leadership to keep discontented members of the Chavista movement in their ranks.

Furthermore, Venezuelans will perceive any sign of economic recovery under a Guaidó government as made possible by aid, if not handouts, from Washington, designed to discredit Maduro’s socialist government, though such assistance will undoubtedly be used to further U.S. economic and political interests. In fact, U.S. National Security Advisor John Bolton has indicated that he is already calling on oil companies to opt for investments in Venezuela once Maduro is overthrown. As he told Fox News, “we’re in conversation with major American companies now... It will make a big difference to the United States economically if we could have American oil companies really invest in and produce the oil capabilities in Venezuela.”

Washington Dictating Strategy

Either explicitly or implicitly, Washington is dictating strategy, or at least providing input into its formulation. One of the challenges the opposition faces is the need to demonstrate to rank-and-file Venezuelans that the current offensive against Maduro will be different from the disastrous attempts of 2014 and 2017, when anti-government leaders assured protesters that the president would be toppled in a matter of days. The opposition leadership claims that this time is different for two reasons. First, the regional Right turn has deepened, and the opposition is more able than ever to rely on decisive support from Washington and other governments, regardless of how democratic they are—see the neofascist credentials of [Brazil's Jair Bolsonaro](#).

Second, the opposition is counting on the backing of military officers, particularly lower-ranking ones who have allegedly lost patience with Maduro. In addition to some defections, junior officers attempted to [stage a military coup](#) just two days before mass opposition protests on Jan. 23 when Guaidó declared himself president. Previously, the Venezuelan opposition expressed a degree of contempt for military officers for their unwillingness to defy the Chavista government. The opposition's new perspective dates back to Trump's three [meetings with military rebels](#) and his [statement](#), made alongside President Iván Duque of Colombia in September of last year, that the Maduro government "could be toppled very quickly by the military if the military decides to do that." The U.S. effort to encourage the military to step in was again made evident on Wednesday in a tweet by [John Bolton](#).



The U.S. will consider sanctions off-ramps for any Venezuelan senior military officer that stands for democracy and recognizes the constitutional government of President Juan Guaidó. If not, the international financial circle will be closed off completely. Make the right choice!

– John Bolton (@AmbJohnBolton) February 6, 2019

Recently, Guaidó made a similar offer to military officers, implying continuity and closeness between Washington and the shadow government.

Also noteworthy is that Guaidó and other VP leaders are closer to Washington than the rest of the opposition. *The Wall Street Journal* reported that Guaidó consulted Vice President Mike Pence the night before his self-proclamation as president on Jan. 23. According to ex-presidential candidate Henrique Capriles Radonski the majority of the opposition parties were not aware of Guaidó's intentions and in fact did not support the idea.

Calling on Military

To make matters worse, the VP-led opposition is openly working hand-in-glove with Washington. Last week Guaidó announced that he would attempt to transport humanitarian aid the United States has deposited on the Colombian and Brazilian borders into Venezuela. He called on the Venezuelan military to disobey orders from the Maduro government by facilitating the passage of goods, while Maduro ordered it blocked. While playing political benefactor, Washington was clearly manipulating the optics of the situation to discredit Maduro and rally more international support for Guaidó. In an apparent rebuke to Washington and Guaidó, UN spokesperson Stéphane Dujarric on

Wednesday insisted that the humanitarian aid be “depoliticized.”

Opposition leaders and the Trump government are also working together to isolate Venezuela economically throughout the world. Julio Borges, a leading member of the opposition, has campaigned to convince international financial institutions to shun Venezuelan transactions and has urged Great Britain to refuse to repatriate Venezuelan gold stored in London. President Maduro has responded by calling on the attorney general to open judicial proceedings against Borges on grounds of treason. Along similar lines, U.S. Secretary of the Treasury Steven Mnuchin and Commerce Secretary Wilbur Ross are currently attempting to convince international business interests to deny the Venezuelan government access to national assets in their possession.

The Trump administration’s blatant and undisguised interventionism may in fact backfire and help Maduro counter his sagging poll numbers, which last October the polling firm Datanálisis reported was 23 percent. Maduro recently lashed out on Twitter at the close nexus between Washington and the opposition, saying “Aren’t you embarrassed at yourselves, ashamed at the way every day by Twitter Mike Pence, John Bolton, Mike Pompeo tell you what you should do.”

Cornerstone of Chavista Movement

Anti-imperialism is, of course, a major cornerstone of the Chavista movement, born from resentment of U.S. interventionism and heavy-handedness that had for decades controlled many of Venezuela’s resources and dictated its

economic policies. The maneuvers of the Trump administration and its allies only double down on this narrative, and are counterproductive at best when it comes to solving the crisis. Their actions also risk fanning the flames of anti-Americanism throughout the continent. It wouldn't be the first time: In 1958, then-Vice President Richard Nixon was attacked by a riotous crowd in Caracas, and a decade later Nelson Rockefeller's fact-finding tour arranged by then-President Nixon faced off with angry disruptive protests. Both incidents were responses to Washington's self-serving support for regimes that came to power through undemocratic means, in some cases with U.S. involvement.

In its strategy towards Venezuela, Washington is invoking not only its Cold War policy but the [Monroe Doctrine](#) and its view of Latin America as the U.S.' "backyard,"—a claim that is especially anathema throughout the region. Indeed, Pence told [Fox News](#), in answering a question about why Trump is withdrawing troops from Syria and Afghanistan while intervening in Venezuela: "President Trump has always had a very different view of our hemisphere. He's long understood that the United States has a special responsibility to support and nurture democracy and freedom in this hemisphere and that's a longstanding tradition."

Meanwhile, President Donald Trump appointed neocon Elliott Abrams as special envoy to Venezuela. As a longtime U.S. diplomat, Abrams has in many ways personified the application of the Monroe Doctrine with his blatant disregard for human rights violations and the principle of non-intervention in [Guatemala](#), Nicaragua, and El Salvador in the 1980s and his alleged involvement in the 2002 coup

against Hugo Chávez.

Finally, Trump's decision regarding CITGO, a U.S.-based company owned by Venezuela's state oil company, speaks to a dangerous precedent. Last week he declared that jurisdiction over CITGO would be turned over to the shadow government, and appealed to other countries to follow similar steps. While condemning anti-democratic actions and fraudulent elections in Venezuela, these sanctions ignore the rule of law. The Maduro government was never given the opportunity to defend itself and legal procedures were not followed.

It is always a dubious exercise to guess at Trump's intentions. His actions in Venezuela could be designed to divert attention from the multiple probes into his own unethical behavior, or they may be a way to draw attention away from the utter fiasco of U.S. interventions in the Middle East, from Libya to Afghanistan, Iraq and Syria. Trump may also view his Venezuela policy as a quick fix to Make America Great Again. Along similar lines, Trump evidently sees the downfall of the Maduro government as the ultimate proof that socialism doesn't work. He indicated as much in his [State of the Union address](#) when he used the topic of Venezuela as a springboard for declaring: "We are born free, and we will stay free... America will never be a socialist country."

Yet regardless of short-term results of U.S. support for Guaidó, the final outcome will be negative. There are a number of reasons why: first, it bolsters the position of the most radical elements of the opposition led by the VP party, thus contributing to the fragmentation of the anti-Chavista movement. Second, it attaches a "made in U.S.A."

label to those positioned to govern should Maduro fall. The stigma would undoubtedly scuttle their chances of maintaining longstanding majority support and in doing so would undermine their authority and ability to govern. Third, the appeal to the military to save Venezuela has terrifying implications for a continent with a long history of military rule. And finally, the seizure of Venezuelan assets, which have then been turned over to a political ally, violates sacred norms of property rights, and in the process erodes confidence in the system of private property. These four considerations are an indication of the multiple adverse impacts that the Trump administration's rash approach to the Maduro government will have on the United States, Venezuela, and the rest of the region.

Steve Ellner is a retired professor from Venezuela's University of the East, a long-time contributor to [*NACLA: Report on the Americas*](#), and currently associate managing editor of [*Latin American Perspectives*](#). Among his over a dozen books on Latin America is his edited "The Pink Tide Experiences: Breakthroughs and Shortcomings in Twenty-First Century Latin America" (Rowman & Littlefield, 2019).

Watch the 16th Julian Assange Vigil

Unity4J presented the 16th online vigil for WikiLeaks founder Julian Assange on Friday. You can watch the replay here. Guests: Mike Gravel, Arthur Chesterfield-Evans, Brian Becker, Teodrose Fikre and more.

Among the topics discussed were the Geneva city parliament

voting to ask the Swiss government to grant asylum to Assange, a 2008 WikiLeaks release that is relevant again because of Venezuela and Ambassador Tony Kevin's plan to free Assange from the Ecuador embassy in London.

PATRICK LAWRENCE: In Venezuela, US Forgets What Century It Is

Destabilizing other nations in gross violation of international law will no longer go unopposed, writes Patrick Lawrence.

By **Patrick Lawrence**

Special to Consortium News



The Venezuela crisis worsens by the day. Early last week the U.S. sanctioned PdVSA, the state-owned oil company, by sequestering income from U.S. sales in a blocked bank account. On Sunday President Donald Trump confirmed in a television interview that deploying American troops is “an option.”

Little of what Washington has done in the weeks since it recognized an opposition legislator, Juan Guaidó, as Venezuela's “interim president” has any basis in international law. But there is much worse to come and much more at risk if the U.S. follows through with its recently disclosed plans to reshape Latin American politics to its neoliberal liking.

Administration officials now advertise the effort to depose the government of Nicolás Maduro as merely the first step in

a plan to reassert American influence among our southerly neighbors. The next two targets, Cuba and Nicaragua, are what John Bolton, Trump's national security adviser, calls the continent's "troika of tyranny."

"The United States looks forward to watching each corner of the triangle fall—in Havana, in Caracas, in Managua," Bolton said in a not-much-noted speech in Miami late last year. "The troika will crumble." There is cold comfort to derive from knowing this forecast reflects the single most deranged worldview of anyone now active in the Trump White House.

But therein lie considerable dangers. In effect, Trump and his policy minders intend to revive the Monroe Doctrine, in which the fifth U.S. president effectively declared the Western Hemisphere America's to manage however it wished. But it is 2019, not 1823, when James Monroe made his case in a State of the Union speech to Congress. It is frequently remarkable how blind Washington is to the limits the 21st century imposes on its power, and we are about to watch it crash into two of them.

Era of Coups Is Over

For one thing, the long era of U.S.-cultivated coups—"regime changes" for those who cannot quite face this aspect of America's conduct abroad—is over. First in Ukraine and a year later in Syria, Moscow has put Washington on notice: Destabilizing other nations in gross violation of international law will no longer go unopposed. One way or another, this will again prove true in Venezuela.

The Ukraine case ranks among the worst foreign policy calls former President Barack Obama made during his eight years in

office, and there are many from which to choose. State Department-sponsored NGOs and “civil society” groups such as the National Endowment for Democracy had been up to their customary chicanery in Kiev for years before Obama took office. But it was Obama who green-lighted the operation that led, five years ago this month, to the ouster of Viktor Yanukovich as Ukraine’s duly elected president and the division of the country into pro-Western and pro-Russian halves that remain at war with one another.

It is now de rigueur in the Western press to date the Ukraine crisis—and the sanctions regime that remains in place—to Russia’s re-annexation of Crimea after a referendum held in March 2014. This is ahistorical nonsense. It is a matter of record that Vladimir Putin convened his national security advisers the night of Feb. 22, a day after Yanukovich was forced to flee Kiev. By dawn on the 23rd, the Russian president had decided there was no alternative to reclaiming Crimea if Russia was to prevent NATO from assuming control over its only warm-water naval base.

A middling graduate student in international relations could have told the State Department’s Victoria Nuland and Vice President Joe Biden, who carried the administration’s Ukraine portfolio, that precipitating a coup in Kiev was a reckless, amateurish business. And so it has proven.

In the Syrian case, the U.S. had been training, arming, and financing radical Sunni jihadists since 2012 at the latest. But it was only in September 2015, a year after the Ukraine debacle, that Moscow—at the invitation of the Assad government in Damascus—entered the conflict militarily. The result speaks for itself: The Syrian Arab Army is now

finishing its mop-up phase and the European powers, along with Turkey and Russia, are negotiating a variety of political, social, and economic reconstruction plans.

It is stunning, in the context of these two events, that the U.S. now proposes to embark on a series of three coup operations in Latin America, the first of which unfolds as we speak. But learning from past errors has never been among Washington's strong suits, to put the point too mildly. The Maduro government warns the U.S. of "another Vietnam" if it intervenes militarily in Venezuela. Moscow warns of "catastrophic consequences."

Let us not misread this last remark. It is highly unlikely, if not unimaginable, that Russia would counter direct U.S. intervention in Venezuela through military support. Moscow has all but said as much, indeed.

Russian and Chinese Interests

But we now come to the second limitation on American power in the 21st century. In an era of virtually unlimited economic interdependence, Russia and China have considerable interests in Venezuela, and you can bet your last ruble or renminbi that they will exert themselves to protect them.

China has developed a series of oil-for-loans agreements with Venezuela over the past dozen years, and these total more than \$50 billion in value. At this point Caracas is some \$20 billion in arrears on these deals, according to official Chinese sources as quoted in *The Wall Street Journal*. Russia has also invested many billions in Venezuela since the years of the Hugo Chávez presidency. Logically enough, both Moscow and Beijing question whether a

post-Maduro government would honor these obligations.

China and Russia are also Venezuela's largest arms suppliers, and both have intelligence-gathering installations on Venezuelan soil. Two days after Washington recognized Juan Guaidó as Venezuela's interim leader, reports surfaced that Moscow had dispatched a team of private contractors—read: mercenaries—to support the Maduro government.

The Atlantic Council, a Washington think tank known for its anti-Russian biases and its close ties to various intelligence agencies, put out a paper over the weekend suggesting that the Venezuela crisis marks the beginning of “great-power competition” in Latin America. For once, the council seems to have gotten it roughly right.

No, this is not likely to resemble the Cold War in its superficial aspects. While Washington appears likely to fight it with hunger-inducing sanctions, semi-covert subterfuge, and possibly armed interventions, Russia and China will rely on diplomatic and possibly military support, economic aid, and investment. Both Moscow and Beijing continue to back the Maduro government and have encouraged political negotiations between the Venezuelan president and his adversaries.

The best way to read this competition at the moment is to recall the years prior to the Obama administration's diplomatic recognition of Cuba (which the Trump administration has all but officially dismantled). Obama was more or less forced to act, because decades of merciless economic embargo and non-recognition had thoroughly

alienated the rest of Latin America. Depending on how events turn in Venezuela, Trump and his policy minders could easily land Washington back in the same unenviable predicament.

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The Making of Juan Guaidó: US Regime-Change Laboratory Created Venezuela’s Coup Leader

The Washington favorite has spent years at the forefront of a violent campaign of destabilization, write Dan Cohen and Max Blumenthal of Grayzone.

By **Dan Cohen** and **Max Blumenthal**

[Grayzone](#)



Before the fateful date of Jan. 22, fewer than 1-in-5 Venezuelans had heard of Juan Guaidó. Only a few months ago, the 35-year-old was an obscure character in a politically marginal far-right group closely associated with gruesome acts of street violence. Even in his own party, Guaidó had been a mid-level figure in the opposition-dominated National Assembly, which is now held under contempt according to Venezuela's constitution.

But after a single phone call from U.S. Vice President Mike Pence, Guaidó proclaimed himself as president of Venezuela. Anointed as the leader of his country by Washington, a previously unknown political bottom dweller was vaulted onto the international stage as the U.S.-selected leader of the nation with the world's largest oil reserves.

Echoing the Washington consensus, *The New York Times* editorial board hailed Guaidó as a "credible rival" to President Nicolás Maduro with a "refreshing style and vision of taking the country forward." The *Bloomberg News* editorial board applauded him for seeking "restoration of democracy" and *The Wall Street Journal* declared him "a new democratic leader." Meanwhile, Canada, numerous European nations, Israel, and the bloc of right-wing Latin American governments known as the Lima Group recognized Guaidó as the legitimate leader of Venezuela.



While Guaidó seemed to have materialized out of nowhere, he was, in fact, the product of more than a decade of assiduous grooming by the U.S. government's elite regime change factories. Alongside a cadre of right-wing student activists, Guaidó was cultivated to undermine Venezuela's socialist-oriented government, destabilize the country and one day seize power. Though he has been a minor figure in Venezuelan politics, he had spent years quietly demonstrating his worthiness in Washington's halls of power.

"Juan Guaidó is a character that has been created for this circumstance," Marco Teruggi, an Argentinian sociologist and leading chronicler of Venezuelan politics, told the *Grayzone*. "It's the logic of a laboratory – Guaidó is like a mixture of several elements that create a character who, in all honesty, oscillates between laughable and worrying."

Diego Sequera, a Venezuelan journalist and writer for the investigative outlet, *Mision Verdad*, agreed: "Guaidó is more popular outside Venezuela than inside, especially in the elite Ivy League and Washington circles," Sequera remarked to the *Grayzone*. "He's a known character there, is

predictably right-wing, and is considered loyal to the program.”

While Guaidó is today sold as the face of democratic restoration, he spent his career in the most violent faction of Venezuela’s most radical opposition party, positioning himself at the forefront of one destabilization campaign after another. His party has been widely discredited inside Venezuela, and is held partly responsible for fragmenting a badly weakened opposition.

““These radical leaders have no more than 20 percent in opinion polls,” wrote Luis Vicente León, Venezuela’s leading pollster. According to Leon, Guaidó’s party remains isolated because the majority of the population does not want war. “What they want is a solution.””

But this is precisely why Guaidó was selected by Washington: he is not expected to lead Venezuela towards democracy, but to collapse a country that for the past two decades has been a bulwark of resistance to U.S. hegemony. His unlikely rise signals the culmination of a two decades-long project to destroy a robust socialist experiment.

Targeting ‘Troika of Tyranny’

Since the 1998 election of Hugo Chavez, the United States has fought to restore control over Venezuela and its vast oil reserves. Chavez’s socialist programs may have redistributed the country’s wealth and helped lift millions out of poverty, but they also earned him a target on his back. In 2002, Venezuela’s right-wing opposition briefly ousted him with U.S. support and recognition, before the military restored his presidency following a mass popular

mobilization. Throughout the administrations of U.S. Presidents George W. Bush and Barack Obama, Chavez survived numerous assassination plots before succumbing to cancer in 2013. His successor, Nicolás Maduro, has survived three attempts on his life.

The Trump administration immediately elevated Venezuela to the top of Washington's regime change target list, branding it the leader of a "troika of tyranny." Last year, Trump's national security team attempted to recruit members of the military brass to mount a military junta, but that effort failed. According to the Venezuelan government, the U.S. was also involved in a plot codenamed Operation Constitution to capture Maduro at the Miraflores presidential palace, and another called Operation Armageddon to assassinate him at a military parade in July 2017. Just over a year later, exiled opposition leaders tried and failed to kill Maduro with drone bombs during a military parade in Caracas.

More than a decade before these intrigues, a group of right-wing opposition students were hand selected and groomed by an elite, U.S.-funded regime change training academy to topple Venezuela's government and restore the neoliberal order.

Training for Insurrection

On Oct. 5, 2005, with Chavez's popularity at its peak and his government planning sweeping socialist programs, five Venezuelan "student leaders" arrived in Belgrade, Serbia to begin training for an insurrection.

The students had arrived from Venezuela courtesy of the Center for Applied Non-Violent Action and Strategies, or

CANVAS. This group is funded largely through the National Endowment for Democracy, a CIA cut-out that functions as the U.S. government's main arm of promoting regime change; and offshoots like the International Republican Institute and the National Democratic Institute for International Affairs. According to leaked internal emails from Stratfor, an intelligence firm known as the "shadow CIA," "[CANVAS] may have also received CIA funding and training during the 1999/2000 anti-Milosevic struggle."

CANVAS is a spinoff of Otpor, a Serbian protest group founded by Srdja Popovic in 1998 at the University of Belgrade. Otpor, which means "resistance" in Serbian, was the student group that gained international fame – and Hollywood-level promotion – by mobilizing the protests that eventually toppled Slobodan Milosevic. This small cell of regime change specialists was operating according to the theories of the late Gene Sharp, the "Clausewitz of non-violent struggle." Sharp had worked with a former Defense Intelligence Agency analyst, Col. Robert Helvey, to conceive a strategic blueprint that weaponized protest as a form of hybrid warfare, aiming it at states that resisted Washington's unipolar domination.

Otpor was supported by the National Endowment for Democracy, USAID and Sharp's Albert Einstein Institute. Sinisa Sikman, one of Otpor's main trainers, once said the group even received direct CIA funding. According to a leaked email from a Stratfor staffer, after running Milosevic out of power, "the kids who ran OTPOR grew up, got suits and designed CANVAS... or in other words an 'export-a-revolution' group that sowed the seeds for a NUMBER of color

revolutions. They are still hooked into U.S. funding and basically go around the world trying to topple dictators and autocratic governments (ones that U.S. does not like).”

Stratfor revealed that CANVAS “turned its attention to Venezuela” in 2005 after training opposition movements that led pro-NATO regime change operations across Eastern Europe.

While monitoring the CANVAS training program, Stratfor outlined its insurrectionist agenda in strikingly blunt language: “Success is by no means guaranteed, and student movements are only at the beginning of what could be a years-long effort to trigger a revolution in Venezuela, but the trainers themselves are the people who cut their teeth on the ‘Butcher of the Balkans.’ □ They’ve got mad skills. When you see students at five Venezuelan universities hold simultaneous demonstrations, you will know that the training is over and the real work has begun.”

Generation 2007

The “real work” began two years later, in 2007, when Guaidó graduated from Andrés Bello Catholic University of Caracas. He moved to Washington, D.C., to enroll in the governance and political management program at George Washington University under the tutelage of Venezuelan economist Luis Enrique Berrizbeitia, one of the top Latin American neoliberal economists. Berrizbeitia is a former executive director of the International Monetary Fund who spent more than a decade working in the Venezuelan energy sector under the oligarchic old regime that was ousted by Chavez.

That year, Guaidó helped lead anti-government rallies after the Venezuelan government declined to renew the license of

Radio Caracas Televisión (RCTV). This privately-owned station played a leading role in the 2002 coup against Hugo Chavez. RCTV helped mobilize anti-government demonstrators, falsified information blaming government supporters for acts of violence carried out by opposition members, and banned pro-government reporting amid the coup. The role of RCTV and other oligarch-owned stations in driving the failed coup attempt was chronicled in the acclaimed documentary, “The Revolution Will Not Be Televised.”

That same year, the students claimed credit for stymying Chavez’s constitutional referendum for a “21st century socialism” that promised “to set the legal framework for the political and social reorganization of the country, giving direct power to organized communities as a prerequisite for the development of a new economic system.”

From the protests around RCTV and the referendum, a specialized cadre of U.S.-backed class of regime change activists was born. They called themselves “Generation 2007.”

The Stratfor and CANVAS trainers of this cell identified Guaidó’s ally – a street organizer named Yon Goicoechea – as a “key factor” in defeating the constitutional referendum. The following year, Goicoechea was rewarded for his efforts with the Cato Institute’s Milton Friedman Prize for Advancing Liberty, along with a \$500,000 prize, which he promptly invested into building his own Liberty First (Primero Justicia) political network.

Friedman, of course, was the godfather of the notorious neoliberal Chicago Boys who were imported into Chile by

dictatorial junta leader Augusto Pinochet to implement policies of radical “shock doctrine”-style fiscal austerity. And the Cato Institute is the libertarian Washington, D.C.-based think tank founded by the Koch brothers, two top Republican Party donors who have become aggressive supporters of the right-wing across Latin America.

WikiLeaks published a 2007 email that American ambassador to Venezuela William Brownfield sent to the State Department, National Security Council and Department of Defense Southern Command praising “Generation of ’07” for having “forced the Venezuelan president, accustomed to setting the political agenda, to (over)react.” Among the “emerging leaders” Brownfield identified were Freddy Guevara and Yon Goicoechea. He applauded the latter figure as “one of the students’ most articulate defenders of civil liberties.”

Flush with cash from libertarian oligarchs and U.S. government soft power outfits, the radical Venezuelan cadre took their Otpor tactics to the streets, along with a version of the group’s logo, as seen below:



Spinning Anti-Chavez Unrest

In 2009, the Generation 2007 youth activists staged their most provocative demonstration yet, dropping their pants on public roads and aping the outrageous guerrilla theater tactics outlined by Gene Sharp in his regime change manuals. The protesters had mobilized against the arrest of an ally from another newfangled youth group called JAVU. This far-right group “gathered funds from a variety of U.S. government sources, which allowed it to gain notoriety quickly as the hardline wing of opposition street movements,” according to academic George Ciccariello-Maher’s book, “Building the Commune.”

While video of the protest is not available, many Venezuelans have identified Guaidó as one of its key participants. While the allegation is unconfirmed, it is certainly plausible; the bare-buttocks protesters were

members of the Generation 2007 inner core that Guaidó belonged to, and were clad in their trademark Resistencia! Venezuela t-shirts, as seen below:



That year, Guaidó exposed himself to the public in another way, founding a political party to capture the anti-Chavez energy his Generation 2007 had cultivated. Called Popular Will, it was led by Leopoldo López, a Princeton-educated right-wing firebrand heavily involved in National Endowment for Democracy programs and elected as the mayor of a district in Caracas that was one of the wealthiest in the country. Lopez was a portrait of Venezuelan aristocracy, directly descended from his country's first president. He was also the first cousin of Thor Halvorssen, founder of the U.S.-based Human Rights Foundation that functions as a de facto publicity shop for U.S.-backed anti-government activists in countries targeted by Washington for regime change.

Though Lopez's interests aligned neatly with Washington's, U.S. diplomatic cables published by *WikiLeaks* highlighted the fanatical tendencies that would ultimately lead to Popular Will's marginalization. One cable identified Lopez

as “a divisive figure within the opposition... often described as arrogant, vindictive, and power-hungry.” Others highlighted his obsession with street confrontations and his “uncompromising approach” as a source of tension with other opposition leaders who prioritized unity and participation in the country’s democratic institutions.

By 2010, Popular Will and its foreign backers moved to exploit the worst drought to hit Venezuela in decades. Massive electricity shortages had struck the country due the dearth of water, which was needed to power hydroelectric plants. A global economic recession and declining oil prices compounded the crisis, driving public discontentment.

Stratfor and CANVAS – key advisors of Guaidó and his anti-government cadre – devised a shockingly cynical [plan](#) to drive a dagger through the heart of the Bolivarian revolution. The scheme hinged on a 70 percent collapse of the country’s electrical system by as early as April 2010.

“This could be the watershed event, as there is little that Chavez can do to protect the poor from the failure of that system,” the Stratfor internal memo declared. “This would likely have the impact of galvanizing public unrest in a way that no opposition group could ever hope to generate. At that point in time, an opposition group would be best served to take advantage of the situation and spin it against Chavez and towards their needs.”

By this point, the Venezuelan opposition was receiving a staggering \$40-50 million a year from U.S. government organizations like USAID and the National Endowment for Democracy, according to [a report](#) by the Spanish think tank,

the FRIDE Institute. It also had massive wealth to draw on from its own accounts, which were mostly outside the country.

While the scenario envisioned by Statfor did not come to fruition, the Popular Will party activists and their allies cast aside any pretense of non-violence and joined a radical plan to destabilize the country.

Violent Destabilization

In November 2010, according to emails obtained by Venezuelan security services and presented by former Justice Minister Miguel Rodríguez Torres, Guaidó, Goicoechea, and several other student activists attended a secret five-day training at the Fiesta Mexicana hotel in Mexico City. The sessions were run by Otpor, the Belgrade-based regime change trainers backed by the U.S. government. The meeting had reportedly received the blessing of Otto Reich, a fanatically anti-Castro Cuban exile working in George W. Bush's Department of State, and the right-wing former Colombian President Alvaro Uribe.

At the Fiesta Mexicana hotel, the emails stated, Guaidó and his fellow activists hatched a plan to overthrow President Hugo Chavez by generating chaos through protracted spasms of street violence.

Three petroleum industry figureheads – Gustavo Torrar, Eligio Cedeño and Pedro Burelli – allegedly covered the \$52,000 tab to hold the meeting. Torrar is a self-described “human rights activist” and “intellectual” whose younger brother Reynaldo Tovar Arroyo is the representative in Venezuela of the private Mexican oil and gas company

Petroquímica del Golfo, which holds a contract with the Venezuelan state.

Cedeño, for his part, is a fugitive Venezuelan businessman who claimed asylum in the United States, and Pedro Burelli a former JP Morgan executive and the former director of Venezuela's national oil company, Petroleum of Venezuela (PDVSA). He left PDVSA in 1998 as Hugo Chavez took power and is on the advisory committee of Georgetown University's Latin America leadership program.

Burelli insisted that the emails detailing his participation had been fabricated and even hired a private investigator to prove it. The investigator declared that Google's records showed the emails alleged to be his were never transmitted.

Yet today Burelli makes no secret of his desire to see Venezuela's current president, Nicolás Maduro, deposed – and even dragged through the streets and sodomized with a bayonet, as Libyan leader Moammar Qaddafi was by NATO-backed militiamen.

.@NicolasMaduro, jamas me has hecho caso. Me has fustigado/perseguido como @chavezcandanga jamás osó. Óyeme, tienes sólo dos opciones en las próximas 24 horas:

1. Como Noriega: pagar pena por narcotráfico y luego a @IntlCrimCourt La Haya por DDHH.
2. 0 a la Gaddafi.

Escoge ya! pic.twitter.com/pMksCEXEmY

– Pedro Mario Burelli (@pburelli) [January 17, 2019](#)

The alleged Fiesta Mexicana plot flowed into another

destabilization plan revealed in a series of documents produced by the Venezuelan government. In May 2014, Caracas released documents detailing an assassination plot against President Nicolás Maduro. The leaks identified the Miami-based Maria Corina Machado as a leader of the scheme. A hardliner with a penchant for extreme rhetoric, Machado has functioned as an international liaison for the opposition, visiting President George W. Bush in 2005.

“I think it is time to gather efforts; make the necessary calls, and obtain financing to annihilate Maduro and the rest will fall apart,” Machado wrote in an email to former Venezuelan diplomat Diego Arria in 2014.

In another email, Machado claimed that the violent plot had the blessing of U.S. Ambassador to Colombia, Kevin Whitaker. “I have already made up my mind and this fight will continue until this regime is overthrown and we deliver to our friends in the world. If I went to San Cristobal and exposed myself before the OAS, I fear nothing. Kevin Whitaker has already reconfirmed his support and he pointed out the new steps. We have a checkbook stronger than the regime’s to break the international security ring.”

Guaidó Heads to Barricades

That February, student demonstrators acting as shock troops for the exiled oligarchy erected violent barricades across the country, turning opposition-controlled quarters into violent fortresses known as *guarimbas*. While international media portrayed the upheaval as a spontaneous protest against Maduro’s iron-fisted rule, there was ample evidence that Popular Will was orchestrating the show.

“None of the protesters at the universities wore their university t-shirts, they all wore Popular Will or Justice First t-shirts,” a *guarimba* participant said at the time. “They might have been student groups, but the student councils are affiliated to the political opposition parties and they are accountable to them.”

Asked who the ringleaders were, the *guarimba* participant said, “Well if I am totally honest, those guys are legislators now.”

Around 43 were killed during the 2014 *guarimbas*. Three years later, they erupted again, causing mass destruction of public infrastructure, the murder of government supporters, and the deaths of 126 people, many of whom were Chavistas. In several cases, supporters of the government were burned alive by armed gangs.

Guaidó was directly involved in the 2014 *guarimbas*. In fact, he tweeted video showing himself clad in a helmet and gas mask, surrounded by masked and armed elements that had shut down a highway that were engaging in a violent clash with the police. Alluding to his participation in Generation 2007, he proclaimed, “I remember in 2007, we proclaimed, ‘Students!’ Now, we shout, ‘Resistance! Resistance!’”

Guaidó has deleted the tweet, demonstrating apparent concern for his image as a champion of democracy.

On Feb. 12, 2014, during the height of that year’s *guarimbas*, Guaidó joined Lopez on stage at a rally of Popular Will and Justice First. During a lengthy diatribe against the government, Lopez urged the crowd to

march to the office of Attorney General Luisa Ortega Diaz. Soon after, Diaz's office came under attack by armed gangs who attempted to burn it to the ground. She denounced what she called "planned and premeditated violence."

In a televised appearance in 2016, Guaidó dismissed deaths resulting from *guayas* – a *guarimba* tactic involving stretching steel wire across a roadway in order to injure or kill motorcyclists – as a "myth." His comments whitewashed a deadly tactic that had killed unarmed civilians like Santiago Pedroza and decapitated a man named Elvis Durán, among many others.

This callous disregard for human life would define his Popular Will party in the eyes of much of the public, including many opponents of Maduro.

Cracking Down on Popular Will

As violence and political polarization escalated across the country, the government began to act against the Popular Will leaders who helped stoke it.

Freddy Guevara, the National Assembly vice-president and second in command of Popular Will, was a principal leader in the 2017 street riots. Facing a trial for his role in the violence, Guevara took shelter in the Chilean embassy, where he remains.

Lester Toledo, a Popular Will legislator from the state of Zulia, was wanted by the Venezuelan government in September 2016 on charges of financing terrorism and plotting assassinations. The plans were said to be made with former Colombian President Álvaro Uribe. Toledo

escaped Venezuela and went on several speaking tours with Human Rights Watch, the U.S. government-backed Freedom House, the Spanish Congress and European Parliament.

Carlos Graffe, another Otpor-trained Generation 2007 member who led Popular Will, was arrested in July 2017. According to police, he was in possession of a bag filled with nails, C4 explosives and a detonator. He was released on Dec. 27, 2017.

Leopoldo Lopez, the longtime Popular Will leader, is today under house arrest, accused of a key role in the deaths of 13 people during the *guarimbas* in 2014. Amnesty International lauded Lopez as a “prisoner of conscience” and slammed his transfer from prison to house as “not good enough.” Meanwhile, family members of *guarimba* victims introduced a petition for more charges against Lopez.

Goicoechea, the Koch Brothers’ poster boy and U.S.-backed founder of Justice First, was arrested in 2016 by security forces who claimed they found found a kilo of explosives in his vehicle. In a *New York Times* op-ed, Goicoechea protested the charges as “trumped-up” and claimed he had been imprisoned simply for his “dream of a democratic society, free of Communism.” He was freed in November 2017.

Hoy, en Caricuao. Llevo 15 años trabajando con @jguaido. Confío en él. Conozco la constancia y la inteligencia con la que se ha construido a sí mismo. Está haciendo las cosas con bondad, pero sin ingenuidad. Hay una posibilidad abierta hacia la libertad. pic.twitter.com/Lidm8y5RTX

– Yon Goicoechea (@YonGoicoechea) January 20, 2019

David Smolansky, also a member of the original Otpor-trained Generation 2007, became Venezuela's youngest-ever mayor when he was elected in 2013 in the affluent suburb of El Hatillo. But he was stripped of his position and sentenced to 15 months in prison by the Supreme Court after it found him culpable of stirring the violent *guarimbas*.

Facing arrest, Smolansky shaved his beard, donned sunglasses and slipped into Brazil disguised as a priest with a Bible in hand and rosary around his neck. He now lives in Washington, D.C., where he was hand picked by Secretary of the Organization of American States Luis Almagro to lead the working group on the Venezuelan migrant and refugee crisis.

This July 26, Smolansky held what he called a “cordial reunion” with Elliot Abrams, the convicted Iran-Contra felon installed by Trump as special U.S. envoy to Venezuela. Abrams is notorious for overseeing the U.S. covert policy of arming right-wing death squads during the 1980s in Nicaragua, El Salvador and Guatemala. His lead role in the Venezuelan coup has stoked fears that another blood-drenched proxy war might be on the way.

Cordial reunión en la ONU con Elliott Abrams, enviado especial del gobierno de EEUU para Venezuela. Reiteramos que la prioridad para el gobierno interino que preside @jguaido es la asistencia humanitaria para millones de venezolanos que sufren de la falta de comida y medicinas. pic.twitter.com/vHfktVKgV4

– David Smolansky (@dsmolansky) [January 26, 2019](#)

Four days earlier, **Machado** rumbled another violent threat against Maduro, declaring that if he “wants to save his life, he should understand that his time is up.”

Pawn in Their Game

The collapse of Popular Will under the weight of the violent campaign of destabilization it ran alienated large sectors of the public and wound much of its leadership up in exile or in custody. Guaidó had remained a relatively minor figure, having spent most of his nine-year career in the National Assembly as an alternate deputy. Hailing from one of Venezuela's least populous states, Guaidó came in second place during the 2015 parliamentary elections, winning just 26 percent of votes cast in order to secure his place in the National Assembly. Indeed, his bottom may have been better known than his face.

Guaidó is known as the president of the opposition-dominated National Assembly, but he was never elected to the position. The four opposition parties that comprised the Assembly's Democratic Unity Table had decided to establish a rotating presidency. Popular Will's turn was on the way, but its founder, Lopez, was under house arrest. Meanwhile, his second-in-charge, Guevara, had taken refuge in the Chilean embassy. A figure named Juan Andrés Mejía would have been next in line but for reasons that are only now clear, Juan Guaido was selected.

"There is a class reasoning that explains Guaidó's rise," Sequera, the Venezuelan analyst, observed. "Mejía is high class, studied at one of the most expensive private universities in Venezuela, and could not be easily marketed to the public the way Guaidó could. For one, Guaidó has common *mestizo* features like most Venezuelans do, and seems more like a man of the people. Also, he had not been overexposed in the media, so he could be built up into

pretty much anything.”

In December 2018, Guaidó sneaked across the border and junketed to Washington, Colombia and Brazil to coordinate the plan to hold mass demonstrations during the inauguration of President Maduro. The night before Maduro’s swearing-in ceremony, both Vice President Mike Pence and Canadian Foreign Minister Chrystia Freeland called Guaidó to affirm their support.

A week later, Sen. Marco Rubio, Sen. Rick Scott and Rep. Mario Diaz-Balart – all lawmakers from the Florida base of the right-wing Cuban exile lobby – joined President Trump and Vice President Pence at the White House. At their request, Trump agreed that if Guaidó declared himself president, he would back him.

Secretary of State Mike Pompeo met personally with Guaidó on Jan. 10, according to *The Wall Street Journal*. However, Pompeo could not pronounce Guaidó’s name when he mentioned him in a press briefing on Jan. 25, referring to him as “Juan Guido.”

Secretary of State Mike Pompeo just called the figure Washington is attempting to install as Venezuelan President "Juan *Guido*" – as in the racist term for Italians. America's top diplomat didn't even bother to learn how to pronounce his puppet's name. pic.twitter.com/HsanZXuSPR

– Dan Cohen (@dancohen3000) [January 25, 2019](#)

By Jan. 11, Guaidó’s *Wikipedia* page had been edited 37 times, highlighting the struggle to shape the image of a previously anonymous figure who was now a tableau for Washington’s regime change ambitions. In the end, editorial

oversight of his page was handed over to *Wikipedia's* elite council of "librarians," who pronounced him the "contested" president of Venezuela.

Guaidó might have been an obscure figure, but his combination of radicalism and opportunism satisfied Washington's needs. "That internal piece was missing," a Trump administration official said of Guaidó. "He was the piece we needed for our strategy to be coherent and complete."

"For the first time," Brownfield, the former American ambassador to Venezuela, gushed to *The New York Times*, "you have an opposition leader who is clearly signaling to the armed forces and to law enforcement that he wants to keep them on the side of the angels and with the good guys."

But Guaidó's Popular Will party formed the shock troops of the *guarimbas* that caused the deaths of police officers and common citizens alike. He had even boasted of his own participation in street riots. And now, to win the hearts and minds of the military and police, Guaido had to erase this blood-soaked history.

On Jan. 21, a day before the coup began in earnest, Guaidó's wife delivered a video address calling on the military to rise up against Maduro. Her performance was wooden and uninspiring, underscoring her husband's limited political prospects.

At a press conference before supporters four days later, Guaidó announced his solution to the crisis: "Authorize a humanitarian intervention!"

While he waits on direct assistance, Guaidó remains what he has always been – a pet project of cynical outside forces. “It doesn’t matter if he crashes and burns after all these misadventures,” Sequera said of the coup figurehead. “To the Americans, he is expendable.”

Max Blumenthal is an award-winning journalist and the author of several books, including best-selling [“Republican Gomorrah,”](#) [“Goliath,”](#) [“The Fifty One Day War”](#), and [“The Management of Savagery.”](#) He has produced print articles for an array of publications, many video reports, and several documentaries, including [“Killing Gaza.”](#) Blumenthal founded *The Grayzone* in 2015 to shine a journalistic light on America’s state of perpetual war and its dangerous domestic repercussions.

[Dan Cohen](#) is a journalist and filmmaker. He has produced widely distributed video reports and print dispatches from across Israel-Palestine. Dan is a correspondent at RT America and tweets at [@DanCohen3000](#). See [his website](#) for more information.

The Dirty Hand of the National Endowment for Democracy in Venezuela

Written in 2014 during the Obama administration, this article by Eva Golinger gives insightful background to the current crisis in Venezuela and Washington’s role in stirring it up.

By Eva Golinger

[Chavezcode.com](#)



Anti-government protests in Venezuela that seek regime change have been led by several individuals and organizations with close ties to the U.S. government.

Leopoldo Lopez and Maria Corina Machado- two of the public leaders behind the violent protests that started in February (2014) – have long histories as collaborators, grantees and agents of Washington. The National Endowment for Democracy (NED) and the U.S. Agency for International Development (USAID) have channeled multi-million dollar funding to Lopez's political parties Primero Justicia and Voluntad Popular, and Machado's NGO Sumate and her electoral campaigns.

These Washington agencies have also filtered more than \$14 million to opposition groups in Venezuela between 2013 and 2014, including funding for their political campaigns in 2013 and for the current anti-government protests in 2014. This continues the pattern of financing from the U.S. government to anti-Chavez groups in Venezuela since 2001, when millions of dollars were given to organizations from so-called "civil society" to execute a coup d'etat against President Chavez in April 2002. After their failure days later, USAID opened an Office of Transition Initiatives (OTI) in Caracas to, together with the NED, inject more than \$100 million in efforts to undermine the Chavez government and reinforce the opposition during the following eight years.

At the beginning of 2011, after being publicly exposed for its grave violations of Venezuelan law and sovereignty, the OTI closed its doors in Venezuela and USAID operations were

transferred to its offices in the U.S.. The flow of money to anti-government groups didn't stop, despite the enactment by Venezuela's National Assembly of the Law of Political Sovereignty and National Self-Determination at the end of 2010, which outright prohibits foreign funding of political groups in the country. U.S. agencies and the Venezuelan groups that receive their money continue to violate the law with impunity. In the Obama Administration's Foreign Operations Budgets, between \$5-6 million have been included to fund opposition groups in Venezuela through USAID since 2012.



A Principal Financier of Destabilization

The NED, a "foundation" created by Congress in 1983 to essentially do the CIA's work overtly, has been one of the principal financiers of destabilization in Venezuela throughout the Chavez administration and now against President Maduro. According to NED's 2013 annual report, the

agency channeled more than \$2.3 million to Venezuelan opposition groups and projects. Within that figure, \$1,787,300 went directly to anti-government groups within Venezuela, while another \$590,000 was distributed to regional organizations that work with and fund the Venezuelan opposition. More than \$300,000 was directed towards efforts to develop a new generation of youth leaders to oppose Maduro's government politically.

One of the groups funded by NED to specifically work with youth is FORMA, an organization led by Cesar Briceño and tied to Venezuelan banker Oscar Garcia Mendoza. Garcia Mendoza runs the Banco Venezolano de Credito, a Venezuelan bank that has served as the filter for the flow of dollars from NED and USAID to opposition groups in Venezuela, including Sumate, CEDICE, Sin Mordaza, Observatorio Venezolano de Prisiones and FORMA, amongst others.

Another significant part of NED funds in Venezuela from 2013-2014 was given to groups and initiatives that work in media and run the campaign to discredit the government of President Maduro. Some of the more active media organizations outwardly opposed to Maduro and receiving NED funds include Espacio Publico, Instituto Prensa y Sociedad (IPYS), Sin Mordaza and GALI. Throughout the past year, an unprecedented media war has been waged against the Venezuelan government and President Maduro directly, which has intensified during the past few months of protests.

In direct violation of Venezuelan law, NED also funded the opposition coalition, the Democratic Unity Table (MUD), via the U.S. International Republican Institute (IRI), with \$100,000 to "share lessons learned with [anti-government

groups] in Nicaragua, Argentina and Bolivia...and allow for the adaptation of the Venezuelan experience in these countries.” Regarding this initiative, the NED 2013 annual report specifically states its aim: “To develop the ability



of political and civil society actors from Nicaragua, Argentina and Bolivia to work on national, issue-based agendas for their respective countries using lessons learned and best practices from successful Venezuelan counterparts. The Institute will facilitate an exchange of experiences between the

Venezuelan Democratic Unity Roundtable and counterparts in Bolivia, Nicaragua and Argentina. IRI will bring these actors together through a series of tailored activities that will allow for the adaptation of the Venezuelan experience in these countries.”

IRI has helped to build right-wing opposition parties Primero Justicia and Voluntad Popular, and has worked with the anti-government coalition in Venezuela since before the 2002 coup d’etat against Chavez. In fact, IRI’s president at that time, George Folsom, outwardly applauded the coup and celebrated IRI’s role in a press release claiming, “The Institute has served as a bridge between the nation’s political parties and all civil society groups to help Venezuelans forge a new democratic future...”

Detailed in a [report](#) published by the Spanish institute FRIDE in 2010, international agencies that fund the Venezuelan opposition violate currency control laws in order to get their dollars to the recipients. Also confirmed in the FRIDE report was the fact that the majority of international agencies, with the exception of the European Commission, are bringing in foreign money and changing it on the black market, in clear violation of Venezuelan law. In some cases, as the FRIDE analysis reports, the agencies open bank accounts abroad for the Venezuelan groups or they bring them the money in hard cash. The U.S. Embassy in Caracas could also use the diplomatic pouch to bring large quantities of unaccounted dollars and euros into the country that are later handed over illegally to anti-government groups in Venezuela.

What is clear is that the U.S. government continues to feed efforts to destabilize Venezuela in clear violation of law. Stronger legal measures and enforcement may be necessary to ensure the sovereignty and defense of Venezuela's democracy.

This [article](#) was republished with permission of the author.

*Read this [interview](#) with Eva Golinger about Venezuela in Jan. 2013 published on **Consortium News**.*

Eva Golinger, winner of the International Award for Journalism in Mexico (2009), named "La Novia de Venezuela" by President Hugo Chávez, is an attorney and writer from New York, living in Caracas, Venezuela since 2005 and author of the best-selling books, "The Chávez Code: Cracking US Intervention in Venezuela" (2006 Olive Branch Press), "Bush vs. Chávez: Washington's War on Venezuela" (2007, Monthly

Review Press), “The Empire’s Web: Encyclopedia of Interventionism and Subversion”, “La Mirada del Imperio sobre el 4F: Los Documentos Desclasificados de Washington sobre la rebelión militar del 4 de febrero de 1992” and “La Agresión Permanente: USAID, NED y CIA”.

Since 2003, Eva, a graduate of Sarah Lawrence College and CUNY Law School in New York, has been investigating, analyzing and writing about U.S. intervention in Venezuela using the Freedom of Information Act (FOIA) to obtain information about U.S. Government efforts to undermine progressive movements in Latin America. Her first book, “The Chávez Code,” has been translated and published in 8 languages (English, Spanish, French, German, Italian, Russian, Farsi & Turkish) and is presently being made into a feature film.

Venezuela’s US-Backed Coup Leader Immediately Targets State Oil Company and Requests IMF Money

Unelected U.S.-backed coup leader Juan Guaidó immediately moved to try to restructure Venezuela’s state-owned oil company and seek financing from the neoliberal IMF, reports Ben Norton of *The Gray Zone*.

US Anointed ‘President’ Moves to

Seize National Petroleum Company

By Ben Norton

The Gray Zone



The right-wing opposition leader that the United States is trying to undemocratically install as Venezuela's president immediately set his sights on the country's state-owned oil company, which he is hoping to restructure and move toward privatization. He is also seeking money from the notorious International Monetary Fund (IMF) to fund his unelected government.

On January 23, U.S. President Donald Trump recognized the little-known, U.S.-educated opposition politician Juan Guaidó as the supposed "interim president" of Venezuela. Within 48 hours, Guaidó quickly tried to seize control of Venezuela's major US-based oil refiner and use its revenue to help bankroll his US-backed coup regime.

Guaidó is attempting to fire the directors of Citgo Petroleum, which is owned by Venezuela's state oil company PDVSA, and seeks to appoint his own new board.

Reuters described Citgo as "Venezuela's most important foreign asset"; Bloomberg calls it "the crown jewel of PDVSA's assets."

Citgo is the largest purchaser of Venezuelan oil, although crippling sanctions imposed by the Trump administration have prevented the company from sending revenue to Venezuela, starving the government of funding.

Citing US officials, *The Washington Post* reported that the

Trump administration's strategy "is to use the newly declared interim government as a tool to deny Maduro the oil revenue from the United States that provides Venezuela virtually all of its incoming cash."

Move Toward Privatizing Venezuela's Oil

Venezuela has the world's largest oil reserves. But leftist presidents Hugo Chávez and Nicolás Maduro have over the past two decades resisted attempts by US oil companies to exploit the South American nation's plentiful natural resources.

The oil reporting agency S&P Global Platts reported that, in the immediate wake of the U.S. anointing Juan Guaidó as Venezuela's supposed "president," the opposition leader already drafted "plans to introduce a new national hydrocarbons law that establishes flexible fiscal and contractual terms for projects adapted to oil prices and the oil investment cycle."

This plan would involve the creation of a "new hydrocarbons agency" that would "offer bidding rounds for projects in natural gas and conventional, heavy and extra-heavy crude."

In other words, these are rapid moves to privatize Venezuela's oil and open the door for multinational corporations.

As The Grayzone previously reported, Venezuela's right-wing opposition has already stated clearly in its "transition" plans: "Public companies will be subject to a restructuring process that ensures their efficient and transparent management, including through public-private agreements."

S&P Global Platts also indicated that US sanctions are

hitting Venezuela hard, and Trump administration officials could soon tighten the screws.

Coup Financing from Neoliberal IMF

The attempted restructuring of Citgo would just be the beginning of the neoliberal capitalist policies implemented by Venezuela's U.S.-backed coup regime.

Reuters also reported that Guaidó "is considering a request for funds from international institutions including the IMF to finance his interim government."

The International Monetary Fund is notorious as a vehicle for U.S. political and economic influence. For decades, the IMF, along with the World Bank, has trapped ostensibly independent Latin American nations in debt and imposed so-called "structural adjustment" programs that force governments to impose brutal neoliberal shock therapy on their populations, including austerity measures, privatization of state assets, deregulation, and gutting of social services.

In addition to seeking financing from the IMF, Guaidó is likewise trying to send a new representative to the Inter-American Development Bank.

Venezuela's right-wing opposition has made it clear that it plans to pursue aggressive neoliberal capitalist reforms. The opposition-controlled National Assembly has also declared in its "transition" plans that the "centralized model of controls of the economy will be replaced by a model of freedom and market based on the right of each Venezuelan to work under the guarantees of property rights and freedom

of enterprise.”

This plan might be a dream for foreign corporations, but even many Venezuelans marching against their government might soon decide that stripping state assets is not worth fighting for.

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The Radicalization of US Policy on Venezuela

Not since the Cuban revolution, has the U.S. government played such an overtly activist role in Latin America, writes Steve Ellner.

By Steve Ellner

Special to Consortium News



Washington’s recognition of the shadow government headed by Venezuelan National Assembly president Juan Guaidó is one more demonstration of how the Trump administration has radicalized foreign policy positions and in doing so violates international law, including the charter of the Organization of American States.

On this issue like others, the Obama administration laid the groundwork for Trump’s radicalization, but it was usually

more discrete. Obama issued an executive order calling Venezuela a threat to U.S. national security and created a list of Venezuelan officials who were sanctioned.

The Trump administration's escalation included financial sanctions against the Venezuelan government and measures against the nation's oil industry, prohibiting the Venezuelan majority-owned refinery, CITGO, from sending profits back to Venezuela. Until then the Venezuelan government had been receiving one billion dollars a year from CITGO.

The Trump administration is now threatening a total oil embargo on Venezuela and is leaving the "military option" open.

Throughout Region

In addition, top administration officials have played an openly activist role by traveling throughout the continent to promote the campaign to isolate Venezuela.

The first signal that the pro-U.S. international community would recognize the Guaidó government came from Washington along with its most right-wing ally, the Jair Bolsonaro government of Brazil. As of last year, Great Britain had intended to not recognize President Nicolás Maduro after he took office for his second term on January 10, but it intended to maintain diplomatic relations. Washington pushed for a more radical position, that of not only not recognizing Maduro but establishing diplomatic relations with a shadow government.

The activist approach to diplomacy was put in evidence the

day after the January 23 opposition protests, when U.S. Secretary of State Pompeo offered \$20 million of “humanitarian assistance” to the Venezuelan population. Many Venezuelans see this as humiliating and nothing short of a bribe designed to pressure the country into submission.

Further Polarization

*Ellner spoke Friday morning about Venezuela on Democracy
Now!*

Not since the Cuban revolution, has the U.S. government played such an overtly activist role throughout the continent in favor of the isolation of a government that is not to its liking. In the process it has further polarized Venezuela and the continent as a whole. The moderates in the Venezuelan opposition, including two former presidential candidates of the two main traditional parties, Claudio Fermín and Eduardo Fernández, have favored electoral participation and recognition of the legitimacy of the Maduro government. Washington’s actions pull the rug from under the moderates and strengthen the hands of the extremists in the opposition.

Opposition parties have contradicted themselves, first accepting in August 2017 a National Constituent Assembly’s (ANC) call for gubernatorial elections in October of that year and then refusing to participate in the May 2018 presidential elections, also called by the Assembly, on the grounds that the Assembly itself was illegitimate. Hence most of those same parties refuse to recognize the Maduro government.

The Trump administration has promoted a similar radicalization throughout the hemisphere. Most of the countries that have recognized Guaidó are on the right (as opposed to the center). But previously, the rightist presidents of Chile (Sebastián Piñera), Argentina (Mauricio Macri) and Brazil (under then president Michel Temer) rejected the Sept. 2018 statement by OAS secretary general Luis Almagro that military intervention in Venezuela should be considered. Trump, Bolsonaro and recently elected Colombian president Iván Duque have pushed these rightist presidents to an even more extreme position on Venezuela.

But just as there are moderates in the Venezuelan opposition who support dialogue, which the mainstream media have pretty much ignored, there are moderates in the international community who are also in favor of dialogue. These figures include Mexican president Andrés Manuel López Obrador, Pope Francis, UN secretary general Antonio Guterres, and the UN's High Commissioner for Human Rights and ex-president of Chile Michelle Bachelet. What they are proposing represents the best hope for this battered nation.

Steve Ellner is associate managing editor of "Latin American Perspectives" and is the editor of "The Pink Tide Experiences: Breakthroughs and Shortcomings in Twenty-First Century Latin America" (2019).
