

Venezuelan Crisis and US-Russian Involvement



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Abstract

In the year 2018, the incumbent Nicolás Maduro faced heavy opposition in his bid to be reelected to power in Venezuela. His opposition was the young and uprising Juan Guaidó who was expected to overthrow Maduro, the man who was considered responsible for the socio-economic and political crisis in Venezuela, considered by many scholars to be the worst economic depression since ‘The Great Depression’ itself. Rampant pressure from the UN and the United State led allies forced Maduro to take emergency elections where most of the opposition parties were banned and Maduro declared President. However, Guaidó had different plans. On 10th January 2019 he declared that the election results were unfair and on 23rd January declared himself Acting President of Venezuela. This would lead to more than 80 countries getting head locked in the state of affairs of Venezuela creating a power bloc rivalry which has been vacant since the end of the Cold War. However, before we can delve into the US-Russian involvement there are certain factors which we need to analyse and understand to deconstruct the international impact this Latin American nation is having on the world.

Venezuela in the 20th and 21st Century

Modern Venezuela has two very important political leaders; Juan Vicente Gomez and Marcos Perez Jimenez, who were the important military dictators ruling Venezuela before the rise of democratic politics in Venezuela. The Perez Jimenez dictatorship utilized force to ensure order and compliance, particularly through its Seguridad National.¹ This however would end in 1958 with Jimenez disposed and fleeing the country. That very year free and fair elections would be held in Venezuela, creating a new democratic and representative political system. In the 1960s Venezuela was swept by the Castro-Cuban revolution which would go onto mark yet another landmark incident in the history of Venezuela.² The rise of communist parties in Venezuela which were loyal to the ideas of Mao Zedong and Fidel Castro were rioting and plotting to overthrow the Romulo Betancourt government. This was the very person who was fundamental in bringing democracy to Venezuela. There was evidence now that Venezuela could not survive on a single majority party government and there needed to

¹ Micheal, T. D., Frederick, J. C., & Rivas, A. A. (2018). The history of Venezuela. Santa Barbara, CA: Greenwood, an imprint ABC-CLIO, LLC.

² John D. Powell, Political Mobilization of the Venezuelan Peasants (Cambridge, MA: Harvard University Press, 1971), 156-157.

be coalition governments to stabilize the newly found democracy. Raul Leoni would come to power in 1964 with a coalition government. It was during his reign many left wing and communist parties were gaining quick momentum and were creating a well-established presence in Venezuela.³ We can trace the early signs of US presence in Venezuela during this period afraid of allowing the communist parties from getting tract in Venezuela and effectively lose another Latin American country to the Eastern Bloc. President Leoni was also under heavy pressure to prevent Fidel Castro from causing problems in Venezuela via the Communist Party and allow the greater trade and further developments in Venezuela's Oil Industry.⁴ President Caldera who succeeded Leoni would also allow the exploitation of oil and natural resources all over Venezuela by the state, cancelling and reclaiming all the licenses that private companies had. National power changed hands from one popularly elected president to another two times during this era, switching not only the individual elected by the people, but also the political party in power. The armed forces remained apolitical, and most of the Venezuelan people came to accept democracy.⁵ The 70s also saw another major boom in Venezuela which would change the fate of the country to this date. The 1970s saw the rise and fall of the price of crude oil all over the world. President Perez who was at the center of all this saw a golden opportunity to expand the power of Venezuela as a nation beyond Latin America to an international junction. Perez nationalized the Petroleum industry completely. By the 1980s this very Petroleum would account for 70% of the country's economy. Perez signed a deal with foreign investors allowing them to mine in Venezuela, but they would have to provide technological support to the country and the government. Venezuela started taking loans from the IMF and World Bank for a sum of about 800 million dollars.⁶ and also wanted assurance that these companies would continue investing in the petroleum industry and resources in Venezuela. Within five years the price of Venezuelan crude oil rose by around 500% in the country and abroad. Perez spent 53 Billion in five years with a majority going towards petroleum and iron and the rest to reforming agriculture and bureaucracy. With an influx of millions, Perez now sought to combat poverty in Venezuela. Perez who did not share Cuban ideology was favored by then President Gerald Ford of America and other Western Bloc powers. The Perez led presidency would bring back

³ Clairmont, F. F. (2007). *Cuba and Venezuela: The Nemeses of imperialism.* , Pulau Pinang, Malaysia: Citizens International.

⁴ Micheal, T. D., Frederick, J. C., & Rivas, A. A. (2018). *The history of Venezuela.* Santa Barbara, CA: Greenwood, an imprint ABC-CLIO, LLC.

⁵ Kovalik, D., & Stone, O. (2019). *The plot to overthrow Venezuela: How the US is orchestrating a coup for oil.* New York, NY: Hot Books, an imprint of Skyhorse Publishing.

⁶ Lynn R. Kelley, "Venezuelan Constitutional Forms and Realities," in *Venezuela: The Democratic Experience*, John Martz and David Meyers, eds. (New York: Praeger, 1986), 39.

the darkness in the administration and politics of Venezuela which was unheard of since the collapse of the dictatorial regimes in Venezuela. Perez was succeeded by two successful Presidents who helped in securing the oil boom and the petroleum market overseeing the ideas which were presented by Perez. However, by 1986, Perez was regaining national attention.⁷ President Lusinchi saw Perez as a threat to Venezuela and asked the party to bring in a more orthodox candidate. This was a successful venture, however Perez had other ideas. Using his influence and power, he decided to stand as a separate candidate and in 1988 became the first President of Venezuela to be re-elected to power. It was during Perez's presidency when the government announce to tighten rules in the country to secure the national economy as well as bring about certain sacrifices from the people themselves. Venezuela was 35\$ Billion dollars in debt and was forced to take heavy loans from the IMF. With low crude oil prices and increasing need for funds from other sectors, Perez sought to bring about certain changes in the economic model of Venezuela. However, this just led to inflation in the country. Between 1989 to 1991, inflation had risen by an unprecedented 150%.⁸ Riots started pouring out all over Venezuela when the IMF mandated 'Economic Package' affected the lives of all the citizens of Venezuela. Venezuela was so occupied with the oil boom of the 70s and 80s that they would start ignoring smaller socio-economic issues which were rising in the country. These issues contributed in creating a major incident to form itself in Venezuela and in 1989 and onwards led to the dismantling the political stability of the nation. Social and economic marginalization, poverty, unemployment kept increasing at an unprecedented rate. These were the conditions which opened a chapter in Venezuelan history which would be its very own Pandora's Box, the election of Hugo Chavez Frias.

Chavismo and Venezuela

Chavez was already a well-known figure in Venezuelan politics as he had tried to overthrow President Perez in a coup in 1992. The people of Venezuela by this time were already plagued with multiple economic and political issues. Chavez would take presidency on a very low voter turnout election and become the President of Venezuela. Chavismo innately came into existence in the early 1970s when we saw the nationalist curriculum sweep away Venezuela among whose students were Hugo Chavez. The studies of Simon Bolivar played a very

⁷ Micheal, T. D., Frederick, J. C., & Rivas, A. A. (2018). The history of Venezuela. Santa Barbara, CA: Greenwood, an imprint ABC-CLIO, LLC.

⁸ Gallegos, R. (2019). Crude nation how oil riches ruined Venezuela. Lincoln: Potomac Books, an imprint of the University of Nebraska Press.

Important role in the rise of this movement. Chávez coming to party was at that point seen as great hope for the people as Chávez coming to power effectively ended the two-party system in the country.⁹ Chávez was now ready to end the old political system and help create a new political system which was desired by the Venezuelan people. The government would then spend the successive year creating a completely new constitution which was dominated mostly by pro Chávez lawmakers. While the new constitution was lengthy it concentrated a lot of power to the executive and provided questionable reforms. However, there were also certain reforms such as protection for landowners and minorities which made it acceptable for the time being. Chavez started a very radical socio-economic policy at the turn of the 21st century to consolidate his revolution. Chavez started expanding diplomatic ties with Iraq, China and Cuba and implemented the famous ‘49 laws’ all over the country with major repercussions from the people. This led to great dismay amongst even those close to Chavez. The opposition organized strikes against Chavez and forced him to roll back many important policies. Chavez’s economic policies also started to fail, and unemployment increased with the oil prices in the country going lower and lower. Chavez lost support from the press and relied on his television and radios to spread mass propaganda. Chavez kept reshuffling his cabinet to ensure that there would only be loyal members close to him. Chavez had a major scare to his power in 2002 when he tried to bring changes to state owned oil companies. This led to major strikes all over Caracas and Chavez’s forces killed multiple protesters. The military of Venezuela upset with the conditions of the state held Chavez responsible and demanded his resignation.¹⁰ Chavez was forced to step down and Pedro Carmona was declared interim president. Carmona issued several decrees as he revoked the constitution, dismissed the National Assembly and the Supreme Court. However, this would lead many pro-Chavez supporters within the military and the population rise and cause a countercoup helping Chávez return to power in April. The US which had been supporting those who had participated in the coup had to make a diplomatic reversal when Chavez returned to power almost immediately. Chavez started a major investigation and removed many officers from power. The opposition decided to create a ‘peaceful coup’ and started opposing the ideas of Chavez and calling for a national referendum. The strike would slowly erode as conditions in Venezuela turned for the worse. In 2003 Chavez in a bid to consolidate power started multiple reformation programs for the poor people all

⁹ Hawkins, K. A. (2014). Venezuela's Chavismo and populism in comparative perspective. Cambridge: Cambridge University Press.

¹⁰ Hawkins, K. A. (2014). Venezuela's Chavismo and populism in comparative perspective. Cambridge: Cambridge University Press.

over the country. Subsequently Chavez also decided to extend his control over the National Assembly and the judiciaries to ensure that the entire political system would remain loyal to him. Chavez started using newer strategies to keep voters in his pockets and in the 2004 elections won almost every seat as the opposition failed to properly counter Chavez's influence in Venezuela. Chavez started focusing heavily on foreign relations after his reelection and started gaining international support to counter the heavy influence of USA in the region.¹¹ Chavez has engaged, with varying degrees of success, numerous other foreign leaders, including Argentina's Nestor Kirchner, China's Hu Jintao, Cuba's Fidel Castro, Iran's Mahmoud Ahmadinejad, and Russia's Vladimir Putin. By 2006 the election result again saw Chavez retain popular vote. In January 2007, he made the surprising announcement of his intention to renationalize key firms, including telecommunications and electrical firms and foreign investments in the oil industry, and to end central bank autonomy.¹² Chavez continued to move forward even with a lot of pressure back home and internationally. To deal with international repercussions, Chavez decided to change their major international partner from USA to China. By this point Chavismo was attracting both international support and hate. Many saw Chavez as the new Allende and wanted glimpses of his Bolivarian Revolution. Chavez started using oil diplomacy to start buying potential allies and used international forums to look down upon state enemies and support allied states. By 2007 Chavez started peddling agendas to end presidential terms and by 2009 he won a referendum which removed presidential term limits. Chavez started buying major stakes in the media and openly started controlling other major industries. Chavez won another election in 2012 extending his term however this victory would be short lived as he died in 2013. During Chavez's presidency, thousands were killed, and crime rates were at an unprecedented high. Many popular opposition parties were suppressed, and it seemed that Chavismo would remain the most powerful driving force of Venezuela with no viable opposition. This would however change in 2013.

¹¹ Ciccariello-Maher, G. (2016). *Building the commune: Radical democracy in Venezuela*. London: Verso.

¹² Micheal, T. D., & Frederick, J. C. (2005). *History of Venezuela (The Greenwood histories of the modern nations)*. Greenwood Publishing Group.

Maduro and Guaidó

Following Chavez's death his second in command Nicolás Maduro Moros was tasked by the Socialist Party to win the reelection and retain power in the government. Maduro barely won elections and used the oil diplomacy by his predecessor to continue keeping the army and allied party members in control. It also ensured Venezuela's international allies kept loyal to the Socialist party. Maduro's presidency portrayed him as a more radical version of Chavez who was equally power hungry. Maduro ruled effectively as a dictator with most of the country's institutions controlled by those loyal to him.¹³ He was committing various human right violations and was accused of drug peddling and drug abuse by many international organizations. Maduro was also considered to be profiting from the rise of unemployment which was rampant in the country during that time. Maduro was financially skimming millions from the taxpayers of Venezuela and was using it to profit his own organizations and his military ambitions. Maduro was creating a bigger socio-economic leviathan than what had ever been seen and was responsible for multiple strikes which were happening all over the country. During the 2018 General Elections to counter Maduro and to prevent his incumbency; Juan Guaidó was championed by the opposition to prevent Maduro from returning to power. Maduro won the Presidency however he was contested by many international powers as well as the opposition party of Venezuela. Guaidó started a major protest with the opposition parties and they declared on January 23rd that Guaidó was now acting president of Venezuela. Guaidó's presidency was heavily contested by the incumbent parties in power as well overseas allies of Maduro who saw Guaidó as a western puppet working under the whims of US and her allies. Guaidó tried to coup the government with one of the largest protests which were seen in Latin American history but however failed to materialize the people. Guaidó went on multiple tours pre Covid-19 to ensure continued support among the allied states as well as ensure that the hopes of Maduro's presidency to finally come to a halt would come true. Maduro who was already designated as a narco-terrorist by the DEA¹⁴ needed certain reprise and there were talks that allies of both Maduro and Guaidó had met during the pandemic, however no source confirmed the same. Guaidó's attempts to recognize himself as acting president also saw major back draw when the internal parliamentary structure was disrupted in Venezuela. With more and more sanctions in place,

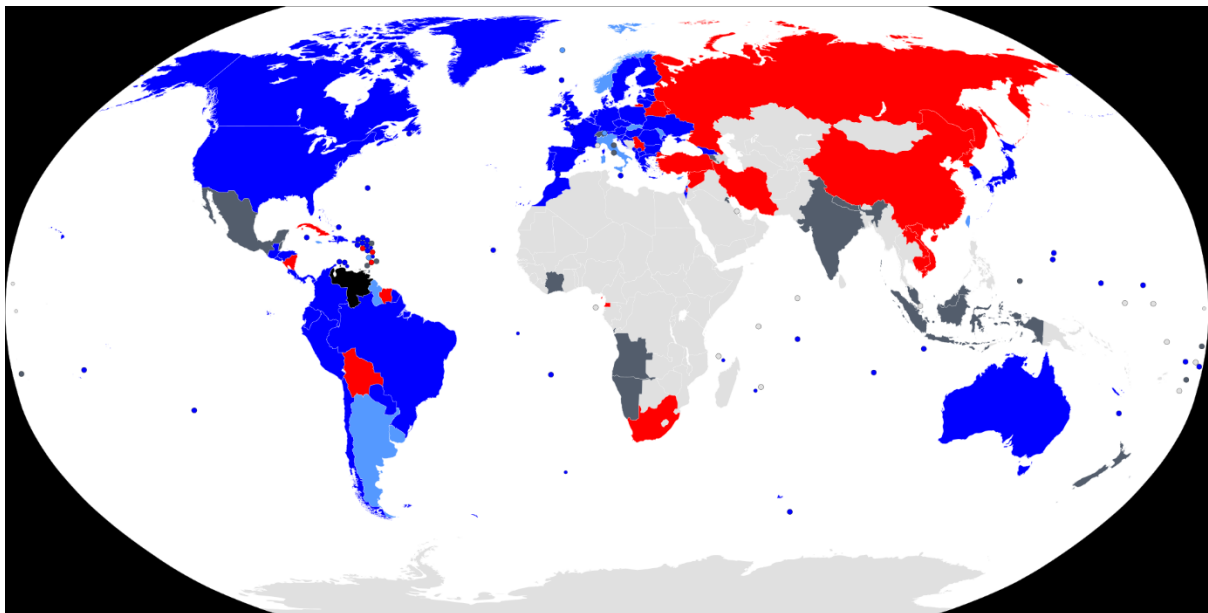
¹³ Nelson, B. A. (2012). *The silence and the scorpion: The coup against Chávez and the making of modern Venezuela*. New York: Nation Books.

¹⁴ Micheal, T. D., & Frederick, J. C. (2005). *History of Venezuela (The Greenwood histories of the modern nations)*. Greenwood Publishing Group.

Maduro abandoned multiple economic reforms and forced the country's economy to continue crashing.

International Involvement in Venezuela

The Venezuelan presidential crisis opened multiple avenues for the world's powers to actively participate and struggle for power in Latin America. It would be wrong to completely blame the elections for such an involvement as foreign powers had their presence in Venezuela since at least a decade before the timeline of the current events taking place. Maduro accused the UN of orchestrating a coup to try and take him out of power and once again the political divides became clearer in the world.



The above map is a clear indicator of the division of power for the struggle of the Venezuelan independence movement.¹⁵

- Black represents Venezuela
- Grey represents neutral countries
- White represents countries not part of the conflict
- Dark Blue represents countries supporting Guaido
- Light Blue represents countries supporting the National Assembly
- Red represents the countries supporting Maduro

¹⁵ By ZiaLater - Own work, Public Domain, <https://commons.wikimedia.org/w/index.php?curid=75890028>

This map shows us the polar world as it is now and the allegiances for each of the two factions. It can be said that the world is once again seeing a major divide between pro-democracy capitalist powers such as US, UK and the Socialist semi-liberal economies such as China, Russia. Neutral powers such as

India is also advocating a major role of not allow ideologies gain an upper hand in the conflict and allow for reelections to take place again under proper and democratic mechanisms. The world sees Venezuela as an area of both geopolitical and resource-based importance. While oil is one of the major players, salts, irons etc. also are important for Latin American nations while the ideology of Chavismo reigns well with the socialist governments. The reason Venezuela has become an important area for contestation for many nations is not only their political and military agendas but also their ideological agendas which sets a flame and renews the old wounds of the Cold War between Russia and the USA as we shall see in the next segment.

USA, Russia, and other powers in Venezuela

US and Venezuela shared amicable relations as they helped uphold the democracy of Latin America while the US involved itself heavily with other Latin American states to ensure the prevalence of ideologies.¹⁶ Chavez coming to power saw these relations rapidly deteriorate as Chavez accused President Bush of trying to instigate coups against him. Some reform came with President Obama coming to power however with Maduro holding Presidency and with many counts of violations and narco-terrorism. In 2014 American diplomats were expelled from Venezuela on charges of promoting communal violence and supporting the protestors against the government. In 2019 President Trump openly sponsored the candidacy of Guaido and caused more rift between the nations.

Russia and Venezuela expanded ties during the Chavez government which saw Venezuela become the most important military and diplomatic ally in Latin America.¹⁷ Russia continues to support Venezuela with multiple weapons, oil treaties as well as resources and anti-American agendas on international forums. Russia openly supports the presidency of Maduro as well as the newer elections taking place continuously in the country to undermine the efforts of the separatists and opposition parties. Relations between both nations are at an all-time high right now as the Venezuelan Presidency Crisis continues.

¹⁶ Ciccariello-Maher, G. (2016). Building the commune: Radical democracy in Venezuela. London: Verso.

¹⁷ Nelson, B. A. (2012). The silence and the scorpion: The coup against Chávez and the making of modern Venezuela. New York: Nation Books.

With the 2019 Presidential crisis drawing over in Venezuela many socialist countries saw the reason to defend and ensure Maduro would remain in power. Cuban and Russian military started involving themselves early on in 2019 backing security forces in Venezuela. Colombia started sending in their militia in Venezuela and started to repress the riots in the state. Iran started opening military lines with Venezuela and started sending weapons and many other forms of support which saw them get major sanctions from EU nations. Iran also pledged to support Maduro by assigning the National Guard. While the US tries to continue to find foothold in the region, Russia's extensive presence militarily almost makes it impossible for the US to keep its interests perked in the region beyond diplomatic and trade ties. To make up for lack of military action, the US and her allies have tried to place heavy sanctions on Venezuela and her allies. This conflict reached a boiling point when American led forces tried to invade Venezuela and dispose Maduro but failed and caused a major international embarrassment.¹⁸

Indo-Venezuela Relations

There is no doubt that India has upheld democratic values since its independence and with its cold war politics has also gained multiple supporters and followers. When India established Non-Alignment Movement it became a major source of support and backup for many post-colonial, Latin, and African nations. India became somewhat popular in these especially with a socialist leaning ideology most of the Cold War which was also as we have discussed earlier the major ideological corridor of Latin America. In 2007 India was importing a meagre 28,000 barrels per day of oil from Caracas. We fast forward to 2013 when we see that number rising to 441,000 barrels per day. In 2019 India was the largest cash cow for Venezuelan oil products.¹⁹ This major change was incoming from a long time. Since India's liberalization policies from the 90s and their thirst for oil it was deemed important to have close ties with countries with the ability to quench India's desire for continued oil supply. In 2007 when Chavez had already nationalized most of Venezuela's oil, it was eager to please the major markets and by 2008 was suppling to USA, India and China making huge profits of the nationalization policy. We can trace back the first official state visit from Indira Gandhi back in the 60s as part of her Latin expansion policies. However, due to multiple domestic issues, the Latin was again ignored by the Indian hierarchy. In 2005 Chavez would visit

¹⁸ 'Operation gideon' a flop but its producers in Washington will keep TARGETING VENEZUELA. (n.d.). Retrieved February 01, 2021, from <https://thewire.in/world/operation-gideon-a-flop-but-its-producers-in-washington-will-keep-targeting-venezuela>

¹⁹ (ITC), I. (n.d.). Trade statistics for international business development. Retrieved March 17, 2021, from <https://www.trademap.org/index.aspx>

India, hoping to lure the country towards his ambitious oil policies. India needed oil; Venezuela was willing to supply. India and Venezuela signed multiple agreements of both State and private sector involvement in the Venezuelan oil sectors. The bilateral ties between both nations for the longest time remained only involved on trade and political. This was important as India did not wish to upset its major oil partner who was already hostile with the west. However, for India to remain neutral became more and more difficult, especially post 2017. Venezuelan crisis was now creating major interference in domestic oil production and international supply. With the inflation rising, India's major oil players, Reliance and ONGC are owed a lot of money by Venezuela which is hampering ties between both nations. While India keeps its distance from the political front, Caracas sees India as a major Asian partner. Venezuela continues to rely on Russia-China axis to counter the increasing diplomatic and military pressure from the west. India which has never openly supported either doctrine continues to persist on its neutrality. However, since 2019 India has had to cut down supplies from Iran and in 2020 from Venezuela to keep in line with US sanctions. While the US tries to assure India of continued oil supply, Indian hierarchy slowly grows impatient and is looking for ways to circumnavigate those sanctions. While India supports neither of the candidates during the Presidential election conflict, India is firm on stabilizing the country and its economy to ensure that India continues to see its oil imports reach normalcy. The only possible reason why India is adhering to these sanctions is not to please its western allies but rather because India is not significantly suffering in the petroleum department. India has earlier ignored and even countered western sanctions so it is very believable that India can revert its decision at any given time. India continues to publicly acknowledge any role in Venezuela and advocates for a stable and reignited economy.

Venezuela Now

With the Covid-19 pandemic brimming in Venezuela, the protests did not see any loss in momentum and continued voicing itself against the injustices and the criminal offenses of the Maduro government. However, perhaps the opposition's Guaido also does not incite much confidence for the people. Venezuela needs to see itself out of a pandemic as well as the terrorism that plagues both the core and the outsides of Venezuela. Ideology also fails to play a major role for the people who just want to see a better day for Venezuela. Military involvement as an outcome has never been a major issue for the people as the people want change not a revolution which will shed unnecessary blood. Politics of international magnitude quantifies the proceedings of this revolution rather than the understanding of those

affected by it. Venezuela is in crisis because of its politics and it will not become better because of said politics. The Venezuela of the past was a model not made by its politicians but rather its people and the new Venezuela which must grow should also be by the people. International relations only focus on the outcomes of different sanctions, policies and decisions but these interventions and sanctions will only bring about changes desired by the politics of state and non-state actors. Venezuela will see itself through this crisis only through the will of the people and not by the action of others who are trying to make it a battle of ideologues and not the people. Countries such as India which support neither candidate should also ensure that there should be more support for the voice of the people rather than the commotion of unnecessary politics.

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