

## The Situation in Venezuela

*Special Political and Decolonization Committee (SPECPOL)*

## Table of Contents

The Situation in Venezuela.....	1
<i>Special Political and Decolonization Committee (SPECPOL)</i> .....	1
A Note from the Chairs.....	3
I. Introduction .....	4
A. Introduction of the committee .....	4
B. Introduction of the topic .....	4
II. Definition of Key Terms .....	5
III. History of the Issue.....	6
IV. Current Situation in Venezuela .....	7
V. Important Actors.....	11
VI. Relevant UN Documents.....	13
VII. Questions to Consider .....	14
VIII. Bibliography and further reading .....	15

## A Note from the Chairs

Dear Delegates of the Special Political and Decolonization Committee (SPECPOL),

we are delighted to introduce ourselves to you! “We” are Laurenz (21) and Robert (22), both studying Sociology, Politics and Economics at Zeppelin University when not in the gym practicing Muay Thai.

It is our honor to serve as the Chairs of SPECPOL this year, which means that you will spend a lot of time with us during LakeMUN: We steer your work and the work of the committee and are responsible to ensure that at the end, you and your fellow delegates will agree on a suitable resolution regarding the topic.

With this Study Guide on the situation in Venezuela, we aim to provide you with a short overview of the issue and the committee you will form. This Study Guide should prepare you for your own research, but more importantly, get you hooked on said topic.

To get to know you in advance, we encourage you to send us a short E-Mail stating your name, the country you represent and what you are looking forward to for LakeMUN 2019. PLEASE do not hesitate to ask us any question you have about the topic, the procedure & rules, or any other thing that comes to mind!

We are eager to hear from you!

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## I. Introduction

### A. Introduction of the committee

Before we get started with our topic, let us look at the committee you will be working in:

SPECPOL, or the “United Nations General Assembly Fourth Committee”.

Like other original UN bodies, the range of the topics covered by SPECPOL is far. As the UN evolved, issue unrelated to decolonization (the initial focus) were added to the committee’s area of responsibility (e.g. “peaceful uses of outer space”, “question of peacekeeping operations”, “special political missions”<sup>1</sup> etc.).

If you have heard about a UN resolution on the Israel-Palestine conflict, chances are high it came from SPECPOL, as that conflict was historically most important, measured by country-specific resolutions<sup>2</sup>. SPECPOL, with its seven sub-bodies, has the power to draft and adopt non-binding UN resolutions and can comment on Peacekeeping Operations.

### B. Introduction of the topic

Venezuela is sitting on the world’s largest know oil reserves. Yet, the country’s economic situation is so desperate that in 2017, the average Venezuelan had lost 12 kg (!) of weight over the course of one year<sup>3</sup>. Between 2014 and 2018, around 3.4 million Venezuelans have fled their country<sup>4</sup>, with an additional 1.9 million expected to leave this year.

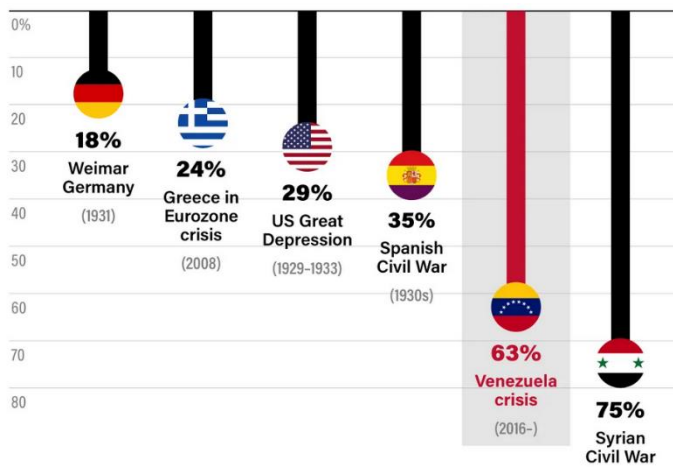
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<sup>1</sup> Further topics include, among others, atomic radiation, information use, UNRWA etc., according to the Un

<sup>2</sup> There are accusations of an institutional bias at the UN against Israel

<sup>3</sup> The „Maduro Diet“, as called by the locals

<sup>4</sup> Estimates vary. Figures taken from UNHCR



The colossal scale and rate of its economic decline are “virtually unknown among countries during peace time”<sup>5</sup>. Compare it to other infamous crisis on the left. How is this possible? Before we address the historic roots and the current situation of the crisis, let us clarify some Key Terms for further use.

## II. Definition of Key Terms

### 1. UN Resolution

According to official UN-website, UN resolutions are “formal expressions of the opinion or will of United Nations organs”<sup>6</sup>. Legally, only resolutions of the Security Council are binding. A resolution is made up of the heading (stating the specific UN body), preambular clauses and operative clauses (describing specific actions recommended). They are written in one long sentence.

### 2. Human Rights

Human Rights are a set of universal, fundamental, inalienable rights “inherent in all human beings”<sup>7</sup>, codified in the Universal Declaration of Human Rights. All member states of the UN are required to respect those Human Rights.

### 3. Authoritarianism

Authoritarianism is a form of government without/limited political freedoms, no/ineffective constitutional checks and balances and strong centralization of power, either in one person or in a group.

<sup>5</sup> Note that only Syria is worth in this graphic of GZERO Media

<sup>6</sup> According to the official website of the UN Security Council

<sup>7</sup> As defined by Encyclopedia Britannica

#### **4. Political Corruption / Extractive Institutions**

Political corruption is, in short, the misuse of state power for private gain. For our topic, not only “petty” corruption like bribery is important, but also institutional corruption. Extractive political and economic institutions, as found in Venezuela today, are built to control the economic rewards produced by a nation and secure the political dominance of small elite.

#### **5. Gross Domestic Product (GDP) per capita**

The GDP per capita is simple measure of all goods and services produced in a certain area over a certain amount of time. It can be used as a first indicator of national prosperity.

### **III. History of the Issue**

After a period of political upheaval following the end of the Cold War, Hugo Chávez was elected President of Venezuela in 1999. Chávez, who attempted two coups in the 1990s, was the leader of a left-wing populist movement that promised nationalization of the oil industry and a sharp turn away of capitalism and towards socialist redistribution of wealth. He quickly began to draft a new constitution and realigned Venezuela, traditionally following a more Western-leaning foreign policy, with socialist Cuba, which would become Venezuela’s largest trading partner.

Over the course of 2000 to 2002, Chávez initial popularity<sup>8</sup> started to shrink. Reasons were the people’s distaste for the “cubanization” of their country as well as a contraction of the GDP by about 4.5%. National strikes rocked the country, culminating in coup attempt. Chávez reshuffled the military leadership in response, thus tightening his control of the state.

With raising oil prices, Chávez could temporarily re-stabilize his government after the turmoil of the early 2000s. After his re-election in 2004, Chávez initiated new policies limiting press freedom and further pushed to reform the country to a socialist state-directed economy. He also developed ever closer ties with Russia, China, Cuba and Iran. In 2007, the Venezuelan

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<sup>8</sup> A popularity which largely stemmed from high oil prices making it possible to finance drastic social reforms

National Assembly granted Chávez the power to rule by decree. After massive protests (which were met with excessive violence from the state), a constitutional referendum removing term limits narrowly passed in 2009. At this point, the majority of Venezuela opposed Chávez' rule due to widespread corruption, lack of freedom of expression and other human rights abuses.

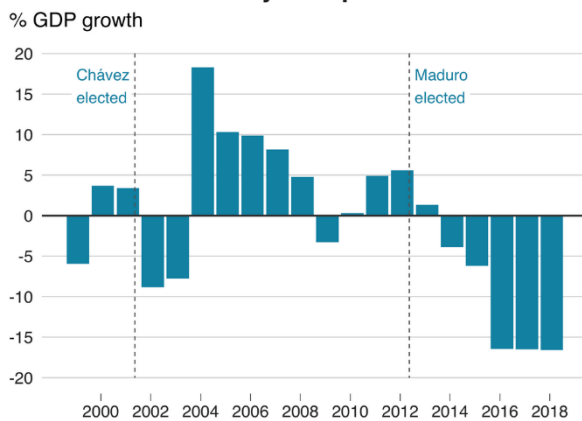
Shortly after his third victory at the presidential election, Chávez died in 2013.

## IV. Current Situation in Venezuela

### Economic crisis

Hugo Chávez was succeeded by Nicolás Maduro, former Vice-President and Minister of Foreign Affairs from 2006 to 2013. From his first year in power onward, Maduro has ruled

#### Venezuela's economy collapsed under Maduro



Source: Banco Central de Venezuela



by decree. Early in his first presidential term, the oil-dependent economy of Venezuela tumbled from moderate growth into stagnation, then freefall. The current government blames the economic decline described in the introduction on an alleged economic war that the “imperialist” USA and her allies are waging against it.

However, the disastrous continuity of Chávismo economic policies, paired with declining oil prices and political corruption are more likely the cause of the recent economic downturn. Venezuela's oil riches cannot be converted into desperately needed exports as oil production is on an all-time low. One of the consequences of corruption and unsecure property rights is a lack of investment and maintenance of existing machinery, resulting in lower out-put. For a country as dependent on oil exports as Venezuela, rising prices and lower production of oil is a disastrous combination.

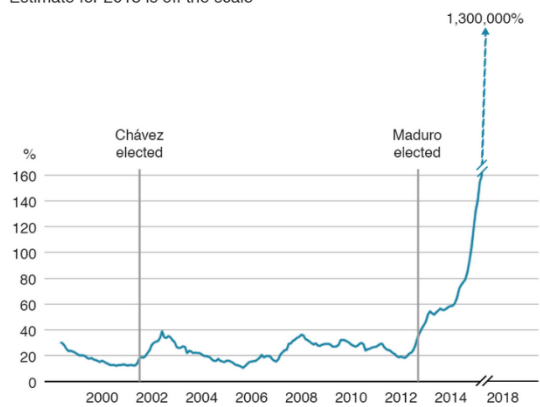
Maduro and his government<sup>9</sup>, like Chávez before, used oil revenue as a way of buying loyalty and to mitigate political differences within the country's elite. With less money to spend, regimes in such situation can either give up their political monopoly and push economic reforms or give in to their anti-democratic impulses in order to stay in power. Maduro and his inner circle have chosen the latter.

Instead of engaging all political parties and civil society to find a solution for the country's chronic, unsustainable dependency on oil exports and its corrupt institutions, Maduro has first denied the existence of the economic crisis and then blamed it on counter-revolutionary elements within and on imperialists/fascist governments outside of Venezuela<sup>10</sup>.

### Social Costs of the collapse

Due to lack of income from oil exports, large shortages of (basic) goods and the anticipation of an even more dire economic situation, prices for everything from bread to medicine and, **Venezuela's inflation spiked after Maduro's election**

Estimate for 2018 is off the scale



Source: Bloomberg/Reuters estimate for 2018

ironically, fuel have skyrocketed. The country is now at point where even such renowned institutions like the International Monetary Fund can only state vague estimations of the actual rate of inflation.

Instead of on oil revenues, Maduro now relays on food distribution by the military for control over the population. However, just as the oil industry, food production has been nationalized,

then neglected.

The collapse of its oil and food industry was followed by the collapse of the nation's once respected health care system. Infant mortality, as well as deaths from malaria and other preventable diseases have seen sharp increases. For new equipment and medicine, Venezuela relays on imports. Health care is therefore yet another field in which a disastrous economic

<sup>9</sup> Especially the military that oversees all oil production

<sup>10</sup>The overwhelming majority of economists are of the opinion the hyperinflation and shortages of basic goods preceded US sanctions. The sanctions of 2019, however, target oil revenues, thus hurting both the regime and the population.



situation translates into worse living conditions.

Crime rates, especially for kidnapping and homicide, have surged. In 2017 alone, over 25,000 people have been killed in a homicide. In 2018, more Venezuelans have been murdered than Syrians killed in the countries' civil war. Between 2016 and 2018, around 70,000 Venezuelans have been killed. In many areas, the state is connected to criminal gangs and socialist "colectivos", who are one of the main perpetrators of the crimes.

Because of the desperate situation in Venezuela, millions have left the country, causing political upheaval in the surrounding nations. The scale of the exodus can be compared to the Syrian Refugee Crisis of 2015 and 2016. Although most Venezuelans stay in neighboring countries such as Columbia, a large part are moving further north. The Human Rights situation for the migrations is dreadful, especially for children and women who are often forced into prostitution.

### **Political power struggle**

In 2015, opposition parties could gain a majority in the National Assembly after the parliamentary elections. After a period of disorder, in 2016, the National Assembly called for a referendum against Maduro. In order to secure his power, Maduro sought to dissolve the parliament with the help of the Supreme Tribunal of Justice of Venezuela. Due to massive public protest and the criticism of some inner-circle officials, the courts reversed its decision, which further angered protestors as this was seen as a clear sign of Maduro controlling the allegedly independent judiciary system. Maduro would soon move to establish a competitive chamber, the Constitutional Assembly.

Protests grew in frequency and size as the political situation further developed: Maduro was declared winner of the 2018 presidential election, in which major opposition parties were banned. Because of the ban of political opponents and the use of violence in the election campaign, several countries view Maduro as not legitimately elected. Since early 2019, there is a practical stalemate between the opposition, led by National Assembly president Juan Guaidó, and the socialist movement under Maduro. Arguing on the basis of the constitution

of 1999, Guaidó declared himself acting president and is accepted as such by several major countries.

Despite the country's economic decline and their own future loss of resources and power resulting from this, the military leadership is still loyal to Maduro. Calls from Guaidó to switch sides (which was framed by the government as coup attempt with western backing) have only been answered by some officers, not the majority of soldiers. It is notable, however, that Guaidó is still able to appear in public.

Both Cuba and Russia now have a considerable influence on internal affairs in Venezuela. Especially Cuba has already deployed thousands of its security personnel and controls critical areas in the country's government. This indicates that Maduro himself is not entirely in command anymore of his security apparatus.

To understand the situation in Venezuela fully, one must take into consideration the geopolitical context of the conflict. Venezuela is, of course, crucial for a reliable energy supply in a carbon-based future. It comes as no surprise that Cuba, but also China have a high interest in keeping Venezuela away from influence of the United States. China is dependent fossil fuels and plans a role for Venezuela in its Belt and Road initiative.

Russia likewise is interested in both deepening trade relations and establishing a military presence in the backyard of the US but also tries to gain bargaining power for other, more important issue. The most important actors in this context will be now further described.

## V. Important Actors

### 1. Colombia

From 1492 on, when the Americas were discovered by the Europeans, Venezuela and Colombia share a common history. For eleven years, Venezuela and Colombia were part of the Republic of Greater Columbia, this union dissolved in 1830. Still, both countries have close ties with each other. During the Civil war in Colombia, Venezuela sheltered approximately 170.000 refugees (Agency, 2019). in the last decades, relations stained due to ideological differences between the two governments. During the ongoing crisis in Venezuela, Colombia provided humanitarian aid to both native Colombians and Venezuelans fleeing the desperate domestic conditions in Venezuela (Cross, 2019). In 2015 already, Venezuela closed its borders, to prevent people fleeing the country (Rawlins, 2015), this naturally stained relations between the two countries.

### 2. United States

Historically, the United States and Venezuela had strong economic and diplomatic ties, especially concerning the combat on illicit drug trafficking and shared interests in the outcome of the Colombian civil war. After the election of Hugo Chavez as Venezuelan President, relations were stalled, when the United States Ambassador was accused of support for violent leftist groups in 2008 (Romero, 2008), although there were attempts to reopen lines of communication in 2015, the relations deteriorated further with the election of President Donald Trump. The Trump administration went as far as planning to invade Venezuela as early as 2017 (Diamond, 2018). The tension is still high, with the United States viewing Juan Guido as the lawfully elected president

### **3. Cuba**

Cuba and Venezuela share the same views on ideology and governance leading to close ties with each other since Hugo Chavez took over in 2001. Being isolated through US - efforts, the countries are engaging in an exchange of goods and services one has a plenty of, and the other lacks. (Sanders, 2007) For Example, the Cuban government provides medical assistance and doctors, while Venezuela trades their oil with them at a low tariff. The cordial relations leads Raul Castro, Cuban leader, to defend Maduros policies and opposing other countries and nations wishing to aid the people in Venezuela through humanitarian aid or political pressure. (Anon., 2016)

### **4. Spain – European Union**

Although the European Union is not directly involved, Spain is a prominent destination for Venezuelan refugees trying to escape the domestic struggle. There are two main reasons for that happening: Firstly, Spain and the Spanish speaking countries of South America always had close ties with Spain being the motherland to colonies abroad which became independent in the 1800s and forming the modern states of Venezuela, Panama, Mexico and so on. Therefore, through a shared language and culture, Spain is the premier destination for Venezuelans through shared citizenship and family ties. Secondly, the economic situation, the social security system, healthcare and protection from political persecution are important reasons to migrate to Europe (Maria Feck, 2019).

### **5. China and Russia**

China and Russia are having a vested interest in Venezuelan politics through many different reasons: China is a major investor in South America and particularly in Venezuela (Romero, 2010). Russia on the other hand views Venezuela as a political ally

opposing the United States and the West, which plays also a vital role for Chinese politicians in Beijing. Both countries are therefore allies of the country and provide resources for the government in Caracas, Russia going as far as selling 4 Billion \$ worth of armament to Hugo Chavez in 2005 (Anon., 2008). With a foot holding in South America, both put pressure on the United States metaphorical backyard.

## VI. Relevant UN Documents

Here are some relevant UN Documents regarding the matter at hand:

S/2019/186 - This was a US draft resolution on Venezuela that was vetoed by China and Russia.

([https://www.securitycouncilreport.org/atf/cf/%7B65BFCF9B-6D27-4E9C-8CD3-CF6E4FF96FF9%7D/s\\_2019\\_186.pdf](https://www.securitycouncilreport.org/atf/cf/%7B65BFCF9B-6D27-4E9C-8CD3-CF6E4FF96FF9%7D/s_2019_186.pdf))

S/2019/190 - This was a Russian draft resolution on Venezuela where four members voted in favour (China, Russia, Equatorial Guinea, and South Africa), seven members voted against (Belgium, France, Germany, Peru, Poland, the UK and the US), and four members abstained (Côte d'Ivoire, the Dominican Republic, Indonesia and Kuwait).

([https://www.securitycouncilreport.org/atf/cf/%7B65BFCF9B-6D27-4E9C-8CD3-CF6E4FF96FF9%7D/s\\_2019\\_190.pdf](https://www.securitycouncilreport.org/atf/cf/%7B65BFCF9B-6D27-4E9C-8CD3-CF6E4FF96FF9%7D/s_2019_190.pdf))

<https://www.whatsinblue.org/2017/05/discussion-on-the-situation-in-venezuela.php> - This is a report on the situation in Venezuela as discussed in the United Nations Security Council

## VII. Questions to Consider

### General questions

What is my country's interest in the region?

Who are my allies regarding this issue?

What outcomes are desirable / acceptable / out of question for my country?

What can I offer to solve the issue? What am I willing to give up?

### Issue-specific questions

How can effective humanitarian aid be delivered without the Maduro government blocking the shipments?

How can the UN assist in breaking up the political stalemate between government and opposition without bloodshed?

How can the interests of major powers like the US and Russia be aligned to find a way of easing the political crisis?

What can the UN do to prevent the outbreak of civil war in Venezuela?

How can the UN ensure that migrants from Venezuela are treated humane?

How should the burdens be shared that mass migration imposes on the entire region?

How can Venezuela be assisted in the future to make the transition from being an oil-dependent to becoming a diversified economy?

How should illegal drug trade be tackled?

What can the UN do in order to improve the health situation in Venezuela?

What situation would warrant the use of peacekeepers in the region?

## VIII. Bibliography and further reading

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United Nations High Commissioner for Refugees: “*Venezuelan outflow continues unabated, stands now at 3.4 million*” (February 29<sup>th</sup>, 2019 <https://www.unhcr.org/news/press/2019/2/5c6fb2d04/venezuelan-outflow-continues-unabated-stands-34-million.html>)

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