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THEDIALOGUE

FEATURED Q&A

What Is Venezuela's Opposition Seeking From Int'l Actors?

The opposition's Leopoldo López (L) on June 23 discussed the situation in Venezuela with Inter-American Dialogue President Michael Shifter (C) and Venezuelan envoy to the United States Carlos Vecchio (R). // Photo: Gastón Ocampo, Inter-American Dialogue.

Q A committee of Venezuelan opposition figures visited Washington and Brussels in recent days in a bid to secure support and discuss with allies the eventual lifting of sanctions on the South American nation. The group has also been meeting with Norway in recent weeks as it seeks to establish a dialogue with President Nicolás Maduro, who during a recent interview with Bloomberg News called on U.S. President Joe Biden to end sanctions and normalize relations. A State Department spokesman rejected Maduro's appeal, saying a U.S. policy shift would require major changes by Maduro. What is the purpose of the opposition group's trips, and will it secure the international support it is seeking? Why have Venezuelan opposition leaders shifted their positions on the lifting of sanctions now, and is a breakthrough on this front likely anytime soon? What exactly does Maduro need to concede for the Biden administration to engage in talks with his government?

A Gustavo Roosen, member of the Advisor board and president of IESA in Caracas: "The latest available surveys indicate that, for 91 percent of Venezuelans, the situation in the country is bad or very bad. Most (64 percent) attribute their difficult situation to the cost of living and poor management of the economy. Eighty-two percent of the population rejects Nicolás Maduro. Additionally, 68.6 percent think Maduro should leave power in 2021. The detachment that is reflected in the fact that 67 percent of the population is on the fringes of politics is very worrying. Only 19 percent favor the opposition,

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TODAY'S NEWS

BUSINESS

Slim Will Pay for Repairs to Mexico City Overpass

Mexican billionaire Carlos Slim will pay to rebuild a Mexico City metro overpass that collapsed in May, killing 26 people, President Andrés Manuel López Obrador announced.

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BUSINESS

Argentina's CGC Closes Deal to Buy Sinopec Unit

Compañía General de Combustibles, or CGC, closed a deal to buy the Argentine unit of China's Sinopec.

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POLITICAL

Opposition Launches New Bid to Impeach Brazil's Bolsonaro

Brazilian opposition lawmakers began a new effort to impeach President Jair Bolsonaro. The move came amid allegations of corruption in the procurement of Covid-19 vaccines and a probe over his handling of the pandemic.

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Bolsonaro // File Photo: Brazilian Government.

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POLITICAL NEWS

Opposition Launches New Bid to Impeach Brazil's Bolsonaro

Brazilian opposition lawmakers on Wednesday launched a new effort to impeach President Jair Bolsonaro amid the emergence of more allegations related to corruption in the acquisition of Covid-19 vaccines, Agence France-Presse reported. Dozens of leftist politicians, civil organizations, trade unions and a few former allies of Bolsonaro signed a document calling for the president's impeachment. The statement listed more than 20 accusations against Bolsonaro, including that of "negligence" in handling the pandemic. Brazil has more than 518,000 recorded Covid-19 deaths, more than any other country in the world except the United States, which has more than 604,000, according to Johns Hopkins University. For two months, a Brazilian Senate committee has heard from several witnesses testifying how Bolsonaro and his government have disregarded scientific evidence on how to contain the novel coronavirus. Bolsonaro has dismissed Covid-19 as a "little flu," fought lockdown measures, questioned the use of face masks, rejected some offers of vaccines and touted unproven drugs as remedies. Chamber of Deputies President Arthur Lira, an ally of Bolsonaro, has blocked previous attempts to impeach Bolsonaro, and he is likely to continue doing so, AFP reported. Bolsonaro's conservative allies in Congress would also likely save him from being removed from office, the wire service reported. On Wednesday, Bolsonaro vowed not to be taken down by the Senate inquiry, Reuters reported. Three Brazilian senators have also formally accused Bolsonaro of malfeasance before the Supreme Court. Also this week, Bolsonaro fired Roberto Dias, head of the Health Ministry's logistics department, after Folha de S.Paulo reported his alleged participation in a corruption scheme related to Covid-19 vaccines, the Associated Press reported. Dias allegedly asked a vaccine provider to inflate the prices of vaccine doses by $1 each. Neither Dias nor the Health Ministry responded to requests for comment by the AP. Protests against Bolsonaro's government are planned for this week in Brasília, AFP reported.

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and 11 percent favor the government. Only 41 percent have an interest in participating in the November regional elections. However, 74 percent reject the economic sanctions against the country, and 65.6 percent want a negotiation to achieve essential governance agreements. Juan Guaidó's interim government has not been able to fulfill the task of governing because it does not have the tools or the resources to do so. This explains the political wear and tear. Moreover, the egos of opposition leaders have hindered the achievement of consensus that would define a common work agenda. The international community is concerned about the humanitarian crisis represented by six million migrant Venezuelans who today make political and social leadership difficult in countries of the region. Migration is likely to continue, with its deleterious effects inside of and outside the country. The United States, the European Union and Canada have spoken in favor of negotiations taking place, reaching agreements concerning free and fair elections, the release of political prisoners, discontinuation of pressure on NGOs and freedom of the press. The Maduro regime wants sanctions to be suspended, control of international assets restored, and its legitimacy recognized. It should be made clear that even if the opposition and third parties accepted these three conditions, it would not fix Venezuela's problems because they would not resolve the country's economic deterioration, its lack of democracy and the government's rampant corruption. Faced with this reality, no negotiation will allow us to overcome the difficult circumstances that we face."

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NEWS BRIEFS

At Least 15 Killed in Port-au-Prince Shooting

A shooting rampage in one of Port-au-Prince's main streets left at least 15 people dead, including a journalist and a political activist, Haitian police chief Leon Charles said Wednesday, the Associated Press reported. The incident was still under investigation, and Charles gave no details as to whether it involved one or multiple shooters. Insecurity has surged in Haiti in recent months. [Editor's note: See related **Q&A** in the May 5 issue of the Advisor.]

Slim Will Pay for Repairs to Mexico City Metro Overpass: President

Mexican business magnate Carlos Slim will pay to rebuild a Mexico City metro overpass that collapsed in May, killing 26 people, President Andrés Manuel López Obrador said Wednesday, CNN reported. Slim will assume all costs associated with the repairs, López Obrador said. "He will take care of the reconstruction of the entire [subway line] stretch, making sure that it gets done with all the necessary safety [measures] at no cost to the people," the president said. A report last month found that defective construction of the line was at fault for the collapse.

Venezuelan Businessman Sues U.S. Treasury Over Sanctions

A Venezuelan businessman close to President Nicolás Maduro has sued the U.S. Treasury Department, alleging he is the target of a false campaign labeling him as a drug kingpin, the Associated Press reported Wednesday. Samark López filed the lawsuit in federal court in Washington over sanctions imposed on him in 2017. He alleges that the accusations and sanctions have harmed his economic livelihood, reputation and wealth. López denies the U.S. allegations.

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BUSINESS NEWS

SoftBank Group Invests $200 Million in Mercado Bitcoin

Japan's SoftBank Group has invested $200 million in Mercado Bitcoin, one of Latin America's largest cryptocurrency exchanges, said Roberto Dagnoni, executive chairman and CEO of 2TM Group, Reuters reported today. 2TM Group is the trading platform's parent company. SoftBank Latin America Fund made the investment in a Series B funding round, which led 2TM's valuation to increase to $2.1 billion, according to the firm. The investment marked SoftBank's largest investment in a Latin American crypto company. Mercado Bitcoin will use the raised funds to scale its operations, expand offerings and invest in infrastructure to meet rising demand for cryptocurrency in the region, 2TM said in a statement. The move came at a time when investor sentiment on cryptocurrencies is faltering amid regulatory crackdowns in China, Britain and Japan, Reuters reported.

Argentina's CGC Closes Deal to Buy Sinopec's Local Unit

Argentina's Compañía General de Combustibles, or CGC, on Wednesday closed a deal to buy the local unit of China Petroleum & Chemical Corp., known as Sinopec, Bloomberg News reported. The transaction makes CGC, which is majority owned by Argentine billionaire Eduardo Eurnekian's Corporación América International, one of the top five oil and gas producers in the South American nation. The terms of the deal were not disclosed in CGC's statement. The acquisition includes Sinopec's assets in Patagonia's San Jorge and Cuyana basins, which could lead to CGC boosting its daily production by 35 percent as compared to late 2019 output levels, or nearly 40 percent as compared to its average production in the first quarter of this year, S&P Global Platts reported, citing company data. The purchase "reaffirms CGC's vision of continuing to invest and grow in Argentina," the Buenos Aires-based company's chairman and CEO, Hugo Eurnekian, said in the statement.

THE DIALOGUE CONTINUES

Can Int'l Pressure Stop Ortega's Action Against Opponents?

Q Members of the Organization of American States on June 15 voted to "unequivocally condemn the arrest, harassment and arbitrary restrictions placed on presidential candidates, political parties and independent media" in Nicaragua following an unprecedented crackdown by the government of President Daniel Ortega against political rivals. The OAS also called for the immediate release of political prisoners, of whom nearly 20 have been arrested in recent weeks. Five members, including Argentina and Mexico, abstained from voting on the OAS resolution, and Bolivia was among those that voted against it. What are the major implications of Ortega's recent round-up of political foes? What role should the international community play in the face of Ortega's increasingly authoritarian tendencies, and to what extent will international action be effective? What options does the Nicaraguan opposition have ahead of the Nov. 7 presidential election given the current circumstances?

A Richard Feinberg, professor at the School of Global Policy and Strategy at the University of California, San Diego: "The international community is finding that entrenched ruthless autocracies are tough nuts to crack. Traditional methods, including diplomatic mediation and economic sanctions, are too often proving insufficient by themselves to reverse piecemeal democratic backsliding or blatant military takeovers in places like Nicaragua, but also in Venezuela, Belarus, Myanmar, Thailand or Hungary, among other frustrating cases—not to mention Russia or China. The reasons behind these repeated failures are structural: in a multipolar world, rogue regimes locate alternative allies and have learned how to circumvent sanctions, even brandishing their resistance as 'anti-imperialist' badges of honor; sophisticated IT cements their command-and-control over domestic security forces and facilitates surveillance of regime opponents; they share cynical tactics such as 'anti-subversion laws' to quell dissent; and Western intelligence services are at least partially neutralized. So, what is to be done? First, to acknowledge that some such distasteful regimes may enjoy a degree of domestic support, albeit minority, variously emerging from deep-seated authoritarian values and/or the sharing of corrupt gains and other perks among loyal adherents. Second, 21st century capabilities, well short of direct military intervention, should be judiciously explored, including advanced disruptive techniques in cyber security and other high-tech devices (many already premiered in Middle East theaters)—but astutely embedded within multilaterally-crafted, broader political strategies, clear-eyed risk assessments and informed calculations of potential local backlash. Possible deleterious impact on international norms argues for exceptional, well-justified usage. Nevertheless, if the international community summarily rejects such tools, we will be burdened with ugly autocracies and should stop pretending otherwise. Millions of repressed innocents will suffer the tragic consequences."

EDITOR'S NOTE: The comment above is a continuation of the Q&A published in the June 24 issue of the Advisor.

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Betilde Muñoz-Pogossian, director of the Department of Social Inclusion at the Organization of American States: "The key purpose in the efforts by some leading opposition figures and the international community to provoke a negotiation is to move past the state of limbo at which the most recent episode of the Venezuelan crisis has been for a while now. Notwithstanding the persistent humanitarian crisis, and other challenges in Venezuelans' access to economic and social rights, this seems to be a strictly political negotiation seeking to establish an electoral calendar as well as minimum conditions to get to a presidential and legislative election. We do not yet know whether this new attempt will succeed, but we do know that the conditions needed for the international community to engage with Maduro include the freeing of political prisoners, the restoration of political parties' autonomy and the guarantee of free and fair elections with international observation, among other things. Maduro knows that nothing short of this will work this time in his ultimate effort to get rid of the sanctions, and he also knows that the engagement with the Biden administration and other world leaders will only happen when the agreements reached in this negotiation are irreversible. Although he seems to always find a way out, the margin for Maduro to boycott the process once more is closing. For now, let's hope for the best."

Diego Arria, member of the Advisor board, director of the Columbus Group and former permanent representative of Venezuela to the United Nations: "Why have Venezuelan opposition leaders shifted their positions on the lifting of sanctions now? Because, for their political survival, those four has-been political parties that visited Washington and Brussels are cooperating with the Maduro-Padrino-Cabello criminal narco-tyranny, participating in regional elections next November under a 'moderately transparent' process. The quid quo pro that Maduro demands from them is the suspension of sanctions. In March 2015, under President Obama, the U.S. Treasury imposed the first sanctions on seven members of the regime, declaring that it was a threat to U.S. national security. Nevertheless, the same political parties then sent a delegation to Washington requesting a suspension of the sanctions. President Trump's treasury secretary imposed the last round of sanctions, preventing U.S. entities from doing business with the Venezuelan government for its abominable record in drug trafficking and gross human rights violations. Nothing has changed in the regime's criminal behavior since those sanctions were enacted that would justify their suspension today. On the contrary, it has worsened, as even the U.N. Human Rights Council has declared. The International Criminal Court is actively considering indicting Maduro and some of his main thugs for crimes against humanity. Sanctions do not guarantee freedom now, but their suspension or the lifting of sanctions would leave us empty-handed in any real and credible negotiating process. The United States stubbornly continues to have the wrong interlocutors in Venezuela. Any reading of the country's public opinion would tell them of the low credibility and legitimacy of those interlocutors."

> **"Sanctions do not guarantee freedom now, but their suspension or the lifting of sanctions would leave us empty-handed..."**
>
> **— Diego Arria**

The Advisor welcomes comments on its Q&A section. Readers can write editor Gene Kuleta at gkuleta@thedialogue.org.

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