

4-20-2018

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Recommended Citation

Gaudín, Andrés. "Opposition in Disarray as Venezuela's Early Presidential Election Looms." (2018).
<https://digitalrepository.unm.edu/notisur/14596>

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Opposition in Disarray as Venezuela's Early Presidential Election Looms

by *Andrés Gaudín*

Category/Department: Venezuela

Published: 2018-04-20

Despite an unending international smear campaign, coupled with persistent attempts by the opposition to weaken his government at home, President Nicolás Maduro has managed not just to stay afloat, but to take the offensive and revert the chaotic situation in Venezuela.

Since Feb. 7, when mediation talk held in the Dominican Republic broke down, Maduro has put the opposition on the ropes.

In that first week of February, the government accepted the opposition's demand that the next presidential election not take place before April 22. But once the agreement was laid out—with April 22 as the chosen election date—the Mesa de la Unidad Democrática (Democratic Unity Roundtable, MUD) opposition coalition refused to sign it. The government's lead negotiator, Information Minister Jorge Rodríguez, blamed the impasse on "top US officials," saying they "pressured the opposition so that MUD wouldn't sign the agreement."

"This was a shameful act. A telephone call was made from Bogota telling Julio Borges [MUD's lead negotiator for the Dominican Republic talks] what to do," Rodríguez claimed. He recalled that the US secretary of state at the time, Rex Tillerson—the high official in question—was visiting the Colombian capital that very day, Feb. 7 ([NotiSur, Feb. 16, 2018](#)).

On Feb. 8, in an article by Caracas correspondent Alexander Martínez, the Agence France-Presse (AFP) news agency quoted Borges as telling reporters, "We're like boxers who've taken so many blows they're in a daze. We're in a daze." That same day, in accordance with one of the clauses in the unsigned agreement, Maduro reached out to the secretary-general of the United Nations, António Guterres, asking for a team of observers to be sent, starting March 22, to oversee the election process.

"Venezuela is open to providing all the necessary guarantees and receiving all the international observers who want to come," Maduro wrote in Twitter. The invitation extended to the Caribbean Community (CARICOM) and the Economic Community of West African States (ECOWAS).

Nearly two weeks after that, on Feb. 21, MUD decided not to participate in the April 22 elections, which have since been pushed back to May 20, as requested by opposition candidate Henri Falcón.

Missed opportunity

Various analysts agree that MUD's decision was dictated by powerful outside forces—from the US, the European Union, and other Latin American nations—that let it be known they are not willing to accept the forthcoming Venezuelan election results.

"Maduro may be at his weakest right now, but he has an advantage due to MUD's weakness and failures, its lack of seriousness and coherence, and its submission to outside directives," argued analyst Félix Seijas, the director of the consulting firm Delphos. "MUD is already finished,

and that reflects badly on the opposition, which failed to visualize and propose a common project. The easiest option for the opposition, but also the most terrible, is to not participate, because participating would mean going against those outside forces that would then and always point an accusatory finger.”

In an interview with the AFP, the political scientist Luis Salamanca said that if the opposition were really worried about fraud, it would be better off refusing to recognize an eventual Maduro victory than to simply forfeit the election by not participating.

The candidates for the May 20 contest are Maduro, Falcón, and four others who have essentially no chance of winning. One of those is Javier Bertucci, a businessman and Evangelical pastor with the Iglesia Maranatha who said his decision to run came “after deep spiritual reflection with the Holy Spirit.”

Falcón was a member of the governing Partido Socialista Unido de Venezuela (United Socialist Party of Venezuela, PSUV) until 2010, when he broke with the leader of the Bolivarian Revolution, the late president Hugo Chávez (1999-2013). After serving two terms as governor of the central-western state of Lara, he joined MUD and became campaign chief for opposition candidate Henrique Capriles in the 2013 presidential elections, which Maduro won ([NotiSur, May 3, 2013](#)).

On March 8—and for unknown reasons, given that it had already decided not to participate in the elections—MUD announced the formation of a new coalition: the Frente Amplio Venezuela Libre (Broad Front for a Free Venezuela). MUD was formed in 2008 as the result of a crisis in the Coordinadora Democrática (Democratic Coordinator, CD), an opposition coalition that had boycotted the parliamentary elections of 2005. Whether the new Frente Amplio is meant to replace or complement MUD is unclear.

Whatever the strategy, the right has clearly squandered an opportunity to capitalize on popular discontent. “The government is inefficient, abusive, and manipulative, but it’s lucky enough to have an adolescent opposition that can’t even stand to be around each other. It self-flagellates, attacks its allies, and wastes resources fighting its own shadow,” the analyst Luis Vicente León, head of the market research company Datanálisis, wrote March 7.

Experimental currency

Not only has the government fenced in the opposition politically, it also took the initiative in the economic sphere, as evidenced in recent weeks by the launch of the “Petro,” a cryptocurrency backed by the country’s oil reserves, and by the decision to lop off three zeros from the national currency, the Bolívar. The latter is a cosmetic but psychologically effective measure in a society that has seen its traditional currency lose value day after day due to the economic crisis, widespread speculation, and sanctions imposed by the US Department of the Treasury and its allies in Western Europe ([NotiSur, Jan. 12, 2018](#)).

Venezuela began presales of the Petro on Feb. 20. Unlike cryptocurrencies such as Bitcoin or Ether, the Petro has the hard backing of the country’s abundant gold, oil, gas, and diamond reserves.

“Today, we formally and officially begin the presale of the Venezuelan Petro. The country positions itself at the vanguard of future times,” said the exultant vice president, Tareck El Aissami. “Venezuela is the first country with a cryptocurrency.”

While the government was all smiles, many experts have doubts about the currency, given the general distrust generated by the country's economic collapse. Upon launching the initiative, President Maduro said the virtual currency would allow "new ways of financing to counter US sanctions." The sanctions prevent US citizens and companies from trading Venezuelan bonds—along with bonds from the state oil company *Petróleos de Venezuela (PDVSA)*—precisely when the government is looking to renegotiate its approximately US\$150 billion external debt.

The public's general unfamiliarity with cryptocurrencies and how they operate prompted various media outlets to offer their readers detailed explanations. BBC Mundo, the Spanish language arm of the British broadcaster, noted on Feb. 20: "Cryptocurrencies are virtual constructions developed by private parties (Venezuela is an exception) and not issued by central banks or public bodies. Instead they're created ('mined') by users through a registry of transactions known as a blockchain."

Except for the Petro, cryptocurrencies have no hard backing in the real world. The business and economic newspaper *The Financial Times* noted that Japan—through its central bank and with an eye toward the 2020 Olympic Games in Tokyo—is planning to launch a so-called "J-coin." The proposed cryptocurrency would have an even, one-to-one exchange rate with the Yen, according to the British publication. One Petro, in contrast, is worth US\$60—in line with the per-barrel price of oil in January. The Venezuelan cryptocurrency is backed by 5.3 billion barrels of certified crude (worth an estimated US\$267 billion) from the Orinoco Petroleum Belt.

On Feb. 24, in an article for the German news service *Deutsche Welle (DW)*, analyst Mischa Ehrhardt quoted economist and digital currency expert Philipp Sandner of the Frankfurt School of Finance & Management as saying that the Petro is "more stable than Bitcoin." Ehrhardt wrote, "In times of monetary turmoil, there may be yearnings for the time when currencies were backed by physical assets, such as gold." In that sense, the Petro can be thought of as an experiment, he said, "a return to the gold standard in a digital world."

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