

CHAPTER IV THE UNITED STATES DOUBT TO MADURO'S PRESIDENCY

In this chapter, the writer will explain further about the reason behind the United States determine to impose sanction towards Venezuela since the administration of Obama to Trump-related to the issues that happened in Venezuela. In order to prove the hypothesis which is the United States as a dominant anti-socialist to Maduro Administration and remains unconvinced towards Venezuela democracy, the writer will examine the United States role in sanctioning Venezuela by categorizing each sanction. Moreover, the sanction that imposed was triggered by the behavior of both actors related to each country's issues.

A. The United States Policy in Latin America

The national interests of the United States are diverse, including political, economic, security, and humanitarian matters. The United States has been tied with 11 countries in Latin America in economic sectors. Primarily, Venezuela and Mexico are the suppliers of crude oil. In Latin America and the Caribbean, the United States has been a prominent actor especially in Venezuela related to undemocratic practice that has been a concern for the United States.

There are some priorities of the United States in Latin America and the Caribbean during Obama administration. The president has set four pillars of priorities framework for the United States policy:

- 1) To promote economic and social opportunity;

- 2) To ensure citizen security;
- 3) To strengthen effective institutions of democratic governance; and
- 4) To secure a clean energy future

These four priorities are based on the reason of the States interest in contributing to the building stable, prosperous, and democratic nations in order to be able to take a prominent role in dealing with the global challenges. Obama has emphasized the policy under diplomacy way where mutual respect through engagement in dialogue responsibility should be put on the first place, which is equally valued.

In economic and social opportunity, the United States has a massive role in development assistance program that focuses on education and health for a long time. In 2008, the program called The Pathways to Prosperity Initiative launched to help countries learn from each other's experiences through sharing best practices and goals to promote prosperity, social justice, and growth. In 2009, Inter-American Social Protection Network (IASPN), the United States organization, launched to facilitate the exchange information related to the policies, experiences, and best practices in order to eliminate social disparities, inequality, and intense poverty. In 2011, *100,000 Strong in the Americas* was launched to raise the number of student in Latin America to study in the United States. Still, in the same year, the United States of Feed the Future Initiative (FTF) launched in order to counter global hunger and advance food security. Moreover, in 2012 President Obama has launched three programs. The first, the Small Business Network of the Americas (SBNA), is purposed to help small business to participate in international trade through national networks. The second, the Women's Entrepreneurship in the Americas (WEAmericas), is purposed to increase women's participation in the economic field. The third, the Innovation Fund of the Americas, is launched by USAID to help finance

lower cost and effective solution towards development challenges (Sullivan, Latin America and the Caribbean: Key Issues for The 113 Congress, 2014).

The policies implemented in Latin America countries shows that the role of the United States is really important in developing certain aspect such as the political and economic field. The programs that were offered is really beneficial for Latin America's prosperity in the future. Not only that, but it also helps Latin America to strengthen the relationship between the United States. Thus, the United States sees Latin America as potency profitable since it has many abundant natural resources that can be an economic foundation to increase economic power for Latin America countries as well as the United States as country-partner.

B. The Traces of the United States Sanctions towards Venezuela

The United States takes massive power imposed sanctions towards Venezuela for more than a decade as a form of responding to Venezuela's government activities. The sanctions are including terrorism, drug trafficking, trafficking in person, anti-democratic actions, corruption, and human rights violations.

1) Terrorism-related Sanctions

In 2006, the United States was concerned about the lack of cooperation of Venezuela on anti-terrorism efforts. The secretary of the United States has stated that Venezuela is not cooperating fully with the United States anti-terrorism efforts and determines a Section 40A of the Arms Export Control Act

(22 U.S.C. 2781). Since that, the United States has banned all commercial arms sales and retransfer to Venezuela.

In 2008, the United States of Department of Treasury Treasury (USDT) imposed sanctions to two people and travel agencies because they provided loan support to Lebanon-based Islamic Shiite group Hezbollah, a radical movement. This was taken to an Executive Order (E.O) 13224 in purposed to prevent loan support for terrorist and its activities.

2) Drug Trafficking-related Sanctions

In 2005, the United States was concerned about the lack of cooperation of Venezuela on counter-narcotics efforts. At the time, the president has made a determination to procedures set forth in the Foreign Relations Authorization Act, FY2003 (P.L.107-228, §706; 22 U.S.C 2291j), which Venezuela has failed to demonstrate and the obligations under narcotics agreements. The recent determination that has made by Trump for FY2019 was in September; the president put aside the restrictions of foreign aid for the program in order to support the promotion of democracy.

The economic sanctions that imposed by the United States of Department of Treasury on 22 mentioned that people that connected to Venezuela and 27 companies to designate them Specially Designated Narcotics Traffickers based on the Foreign Narcotics Kingpin Designation Act (Kingpin Act; P.L. 106-120, Title VIII; 21 U.S.C. 1901 et seq.).

3) Sanctions related to Anti-Democratic Action, Human Rights Violations, and Corruptions

In December 2014, the Congress set Defence of Human Rights and Civil Society Act of 2014 (P.L. 113-278; 50 U.S.C> 1701 note). Related to the stipulation under the low requirements, the President has imposed sanction by blocking assets, and visa restrictions to whom are responsible for intense

violence acts and human right abuses that involved in the demonstration on February 2014. This 2014 act extended by the Congress through 2019 in P.L. 114-194.

Obama released E.O. 13692 to implement P.L. 113-278 in 2015, while the Treasury Department released regulations in July 2015 (31 C.F.R. Part 591). This was purposed to block assets and visa restrictions for those who involved in the policies or action that destroying the process of democratic or institutions; violence acts or human rights abuses; degrade the freedom of expression of peaceful assembly; and corruption by officials of Venezuela.

Recently, the Treasury Department has imposed economic sanction to 82 Venezuelans to E.O 13692. In the era of President Obama, the assets of 7 Venezuelans were frozen by the Treasury Department. While, in the era of Trump, the sanctions was directed to 75 Venezuelan and military officials including Maduro and his wife, Executive Vice President, PSUV First Vice President, 8 members of Supreme Court, Leader of Venezuela's army, national guard, national police, 4 state governors, director of the Central Bank of Venezuela, foreign minister. The United States of Department of Treasury imposed sanction to the head of Intelligence service of Venezuela on May 7, 2019.

4) Sanctions related to the Oil and Gold Sectors

Trump released E.O. 13850 on November 1, 2018. This purposed to block the assets and prohibited any transactions of any person. Recently, there are 6 people who have been imposed a sanction for the involvement in corruption pattern related to Venezuela's currency exchange practices that produced \$2.4 billion corruption results. In March, the

president of gold mining company in Venezuela was sanctioned.

Based on to E.O. 13850, on January 28, 2019, The Treasury Department imposed sanction to PDVSA, Venezuela's oil company which its property is blocked and the United States prohibited any transaction with the company.

The Treasury Department continued sanctions based on the E.O. 13850 on March 2019 that sanctioned the Moscow-based Evrofinance Mosnarbak that owned by Russia and Venezuela in matters of helping PDSVA to absorbed finance from oil sales. On March 19, Venezuela's state-owned gold sector company, Minerven was sanctioned for using the illicit gold operation to help regime financially. Moreover, on March 22, the Venezuelan Economic of state-affiliated and Social Development Bank (BANDES) and five subsidiaries that used by the Maduro regime was to move money outside of Venezuela.

The United States of Department of Treasury was imposed sanction to 44 vessels (including 6 shipping companies) that involved in transporting the oil of Venezuela where 5 of those companies transported the oil to Cuba on April 2019. Furthermore, it also sanctioned Venezuela's Central Bank in purposed to eliminate the access to the United States currency and to limit its ability to do international financial transactions.

5) Additional Financial Sanctions

In August 2017, Trump issued E.O 13808 that prohibits Venezuela's government accesses the United States market, including PDVSA. These additional sanctions were targeted to the individuals and companies related to human rights abuses, anti-democratic actions, and responsibility towards humanitarian crisis.

Trump released E.O 13827 in March 2018 in order to prohibit transaction involving the Venezuelan government's issuance of digital currency, coin, or token. Moreover, he also released E.O 13835 on May 2018 that prohibits transaction related to the purchased of Venezuelan debt, including account receivable and the debt that owed Venezuela to pledge as collateral. It was purposed to prevent the corrupt Venezuelan officials by its ability to improperly value and sell off the public assets in return for repayment (Sullivan, 2019).

Since the relation between the United States and Venezuela has tied for a long time since Venezuela's independence, the United States certainly has an important role in Venezuela's development in the matters of transition into a democratic system. The intervention of the United States in the political structure of Venezuela has brought a big impact for the future in Venezuela itself. During Obama administration, he stated that Venezuela is a threat for the United States Security and released an executive order to impose sanction to Venezuela. This action was taken since Venezuela's government has broken the human rights of its people because of the involvement of Venezuela's officials in corruption and violation action towards Venezuelan people. The respond of Venezuela's president towards the sanctions seems to criminalize the United States by intimidation. The sanction is to prevent the deterioration of democratic values and its process. On the other side, Venezuela accused Washington as the suspect of the conflicts that happened in Venezuela after the election end. In the early of Maduro administration, he has blamed Washington over the demonstration of Anti-Maduro Regime with prejudice the United States as loan support to the opposition party and accused Joseph Robinette Biden, the United States Vice President who wanted to do coup de tat towards President Maduro (Sari, 2015). As the major actor, the power of the United States still exists even though both countries were into tension. Related to the sanctions, the writer

emphasizes that the United States has played its dominant role in Venezuela. Many times sanctioning Venezuela shows that the United States is dominant anti-socialist towards Maduro regime. Especially the sanction related to the event in 2014, after Maduro, won the election and demonstrations are increasing. At the time, many victims that caused by the violation action from the pro-government that was intended by the United States as a form of destroying democratic values. Not only that, it is continued when Venezuelan officials commit corruption that ruined the political structure which brought Venezuela into struggles.

C. The United States Remain Unconvinced Towards Venezuela's Democracy

Some factors make the United States put its doubt to Maduro's presidency. The first is to prevent communism power since Venezuela gets support from China and Russia. The second is incapability of Venezuela's government in managing the economic and political flow. The oil prices fell and brought Venezuela into hyperinflation and had difficulties in fulfilling the national interest. On the other hand, the lack of basic understanding of democracy worsens the political condition of the country itself. The third is that the United States highly put human right values in the first place because Venezuelan people struggle and cannot achieve their rights in their homeland.

On 2015, the relation between the United States and Venezuela is getting worse when Obama has ordered an executive order to give Venezuela a sanction to the officials because they were accused as a security threat, accusing the country's government of persecuting opponents, arbitrary detention, violating human rights and corruption. The current political situation in Venezuela is highly controversial since Maduro became the successor of Chavez. This certainly does not get approved and recognized by the opposition party. Even

though Maduro became the president, the United States does not recognize him as Venezuela's president but Juan Guaido. This political crisis is an unusual issue that brought Venezuelan people into a dilemma on who is the real president. More than 50 countries have recognized Juan Guaido as president while Maduro was recognized only by China and Russia. Both parties also claimed themselves as president of Venezuela. However, Juan Guaido which is the president of the National Assembly has been supported by most International Leader even though he does not have the power to control the government practically.

In fact, the United States is anti-socialist towards Maduro and unconvinced about the process of democracy in Venezuela. One interview in 2013 with Univision anchor of ABC News, Maria Elena Salinas, Obama stated that he refuses to recognize Venezuela's president because he concerned about the crackdown against opposition party and blamed Venezuela's president for ignoring the basic principles of democracy and human rights. In his statements Obama said;

"I think that the entire hemisphere has been watching the violence, the protests, the crackdowns on the opposition," Obama said. "Our approach to the entire hemisphere...(is) based on the notion of our basic principles of human rights and democracy and freedom of press and freedom of assembly. Are those being observed? There are reports that they have not been fully observed post-election" (Rueda, 2013).

In 2017 Maduro was established a new Constituent Assembly to form a Venezuelan constitution that seen as the effort to target and warn the opposition leaders. For the opponent's party, they think that the result of Maduro comes as the new leader is not fair, they rigged and blamed the system of electoral that tend to take a side to Maduro. Even the United States does not recognize it since Trump only recognizes the opposition leader, Guaido after he stated himself as the interim

leader for Venezuela. Guaido was backed up by Trump while Maduro is supported by China (Mail, 2019). On March 2019, Trump spoke at Florida International University; his statements emphasized that the United States stands and support Venezuelan people and against socialism practice in the government that leads by Maduro. Trump also gave more than \$50 million as an additional aid to Venezuela's neighbouring countries to ensure that Venezuelan refugees are safe (Zito, 2019).

At this point, by both Obama and Trump statements, the United States certainly strongly pressing the idea of anti-socialist for refusing Maduro as Venezuela's president as well as questioning the democracy practices that have been ruled out which means Maduro indirectly intended as anti-democratic.