



SITREP



CRISIS IN VENEZUELA



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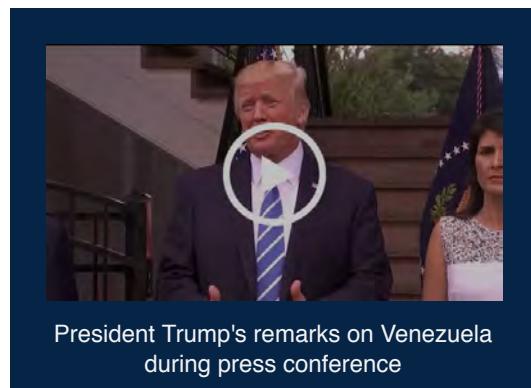
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Overview

Venezuela has started to garner international attention as the country's political situation continues to deteriorate, shining a spotlight on the oft-neglected country and its internal unrest. On August 11th, President Donald J. Trump stated during a press conference that he would not discard "a possible military option, if necessary," in Venezuela given the Maduro regime's persistent repression of protestors and consolidation of power. A few days later, CIA Director Mike Pompeo remarked, "Venezuela could very much become a risk for the United States of America. The Cubans are there, the Russians are there, the Iranians, Hezbollah are there. This is something that has a risk of getting to a very, very bad place, so America needs to take this very seriously."



CIA Director Mike Pompeo's comments on Venezuela on Fox News



President Trump's remarks on Venezuela during press conference

Unless current trends change, the Trump administration will likely have to decide if, when, and how to provide humanitarian assistance to the Venezuelan people. This includes planning for a potential mass refugee crisis, as well as a potential large-scale and dangerous Non-combatant Evacuation Operation (NEO) in Caracas. President Nicolás Maduro's regime and its external allies have planned for this. They are counting on U.S. intervention in Venezuela to help them drive an anti-American narrative throughout the region and legitimize their increased military mobilization in Venezuela. Through high-level, sophisticated information operations and advanced counterintelligence measures, the Maduro regime intends to control the chaos in the country and manipulate the public's perception of the crisis to its benefit. U.S. humanitarian aid will undoubtedly be spun as clandestine military and paramilitary action, and will likely be met with increased military and intelligence support to the Venezuelan regime by Cuba, China, Russia, and Iran.

The U.S. tendency to overlook Latin America in formulating foreign policy has resulted in a void of accurate information on Venezuela and the region. SFS stays committed to providing up-to-date reporting and has consistently emphasized the importance of Venezuela and Latin America to U.S. foreign policy and national security. Our field research and detailed analysis is carefully constructed so that U.S. policymakers can count on a proper threat assessment.

This Situation Report (SITREP) provides research, writings, and testimony from scholars, senior fellows, and international fellows of the Center for a Secure Free Society (SFS), as well as information from other scholars and international news outlets analyzing the crisis in Venezuela.

Situation

Venezuela is on the verge of a constitutional crisis that could accelerate into a "civil war." This "war" has been manufactured by the Maduro regime, which is using its military and intelligence to manipulate public and political unrest to its benefit, despite the lack of a credible threat against which Venezuela must be defended. The regime's actions are designed to provoke its opposition into calling for protests and inciting violent confrontations, using an already chaotic political atmosphere as cover. This chaos erupted with the dissolution of the National Assembly in March and further intensified when the government solidified its control through the 545-member Constituent Assembly elections this past July. Popular rebellions, either through the military or student/youth activists known as the "resistance," have further fractured the country, as the escalation of force increases. While the outside world sees a popular uprising against a repressive regime, the government has been capitalizing on the resulting instability to remove dissidents, control defectors, and eliminate any threat to its rule.

Monitoring the circumstances in Caracas closely are Russia and China, the two largest creditors to the Venezuelan regime. Owing more than \$160 billion in outstanding debt, Venezuela's economic collapse could result in the world's largest default on external debt. Having reinforced their credits, loans, and investments in the country through debt-for-asset swaps, Moscow and Beijing will be there to pick up the pieces. Meanwhile, Iran and Cuba have established themselves on the ground to redefine the informational "ground truth." Collectively, these external influences are helping the Venezuelan regime create an international narrative that exacerbates the conflict and justifies increased foreign intervention.

U.S. response to date has focused largely on targeted sanctions of Venezuelan regime officials--including the president and vice president--and sources of oil industry financing, and working with a growing regional coalition to isolate the Maduro regime. Draft bills are also moving through the U.S. Congress to provide humanitarian aid to Venezuela. These responses have the potential to spiral out of control unless the U.S. has a sound strategy based on an accurate threat assessment and proper understanding of the situation. Below is commentary and analysis from SFS Executive Director Joseph Humire detailing the crisis and identifying the role of extra-regional actors in its development.

- On February 28th, Humire testified before the [House Foreign Affairs Subcommittee on the Western Hemisphere](#) where he outlined the [policy priorities](#) the Trump administration and Congress should focus on in Venezuela and Latin America writ large.
- On May 23rd, Humire warned against U.S. intervention in Venezuela in an article for [Breitbart](#).
- On July 13th, Humire spoke on [The John Batchelor Radio Show](#) about the situation on the ground and external influences in the country, drawing several parallels between Venezuela and Syria.
- On August 13th, Humire was quoted in Mary O'Grady's *Wall Street Journal* column entitled "[Imperialists invade Venezuela](#)," which described how Russia, Iran, Syria, and Hezbollah have infiltrated the country.
- On August 18th, Humire outlined Venezuela's ties to terrorism and Iran on [Secure Freedom Radio](#) and discussed whether the country is moving toward a "civil war."
- On August 23rd, Humire outlined how Iran, Syria, and Russia are fortifying the Maduro regime on [PanAm Podcast](#).
- Earlier this month, the *Military Review* published a comprehensive article entitled the "[The Collapse of Venezuela and its Impact on the Region](#)" by Dr. R. Evan Ellis of the Strategic Studies Institute, U.S. Army War College.



Humire on NTN24's [Poder Latino](#), debating the intention behind President Trump's statement on military options in Venezuela



Humire appears on [CNN en Español](#) to discuss President Trump's statements on U.S. Response to Venezuela

Foreign Intervention



The United States' lack of focus on our southern neighbors has enabled extra-regional actors to counter and offset U.S. regional presence and influence in the region for almost two decades. These actors have placed strategic military and intelligence assets in Venezuela, using the country's social unrest and political instability to undermine U.S. legitimacy. This effort is backed by a joint, intergovernmental, multinational alliance that is fortifying the Maduro regime through intelligence, cyber, technological and financial support, as well as military armament and advisors. This "Multipolar Force" consists principally of Iran, Cuba, Syria, and Russia, with shadow support from China.

Iran

In Public

Iran's relationship with Venezuela flourished during the regime of the late Hugo Chávez, particularly in military-to-military cooperation. Senior officials in the Islamic Republic, including the president and defense minister, have recently echoed their support for the Maduro regime in statements below:

- [On April 14th](#), the spokesperson for Iran's Ministry of Foreign Affairs, Bahram Qasemi, stated:
 - "The continuation of instability in Venezuela does not benefit anyone, but could only serve to heighten the pressure felt by citizens. The stability and security of Latin America, especially that of our friend Venezuela, is of great importance to Iran."
- [On April 26th](#), Iran's Defense Minister, Brigadier General Hossein Dehqan, met with Venezuela's Defense Minister, Vladimir Padrino López, on the sidelines of the Moscow International Security Conference to discuss furthering bilateral military relations.
- [On July 5th](#), Iranian President Hassan Rouhani sent a message to President Maduro expressing his desire to expand cooperation between the two countries.

In Venezuela

The Islamic Revolutionary Guard Corps (IRGC) has significant military-industrial cooperation with Venezuela through a maze of dual-use companies sanctioned for WMD proliferation. The base of these joint military projects is Maracay in the state of Aragua, home to Venezuela's military industry, CAVIM.

Iran's military buildup in Venezuela has long been a central point of SFS research:

- A 2012 *Washington Times* article by SFS Executive Director Joseph Humire, entitled "[Iranian weapons on America's doorstep](#)," details the potential covert, dual-use military cooperation between Iran and Venezuela.
- A 2015 *Fox News* article by award-winning Chief Intelligence correspondent Catherine Herridge, entitled "[New photos reveal expanding reach of Iran in Venezuela and other parts of Latin America](#)," highlights SFS research and continued cooperation between the two countries.
- For a detailed look at the military buildup of Iran in Venezuela, see [Iran's Strategic Penetration of Latin America](#), co-edited by Joseph Humire and Ilan Berman of the American Foreign Policy Council.

Why does this matter?

As subsequent sections of this SITREP will detail, Venezuela is on the verge of developing a mass refugee crisis that could spill throughout the Western Hemisphere. Tehran has already demonstrated its skill in performing intelligence preparation and spotting, assessing, and recruiting political activist leaders from refugee populations. The Iranian regime already has intelligence installations and a network infrastructure in place throughout Latin America, and is poised to take advantage of increased refugee outflows from Venezuela to neighboring countries to further export the Iranian Revolution to the Western Hemisphere.

Cuba

In Public

Cuba has arguably the closest public relationship with the Maduro regime and the most visible presence on the ground in Venezuela. Havana has remained active in Venezuela throughout the crisis, and pledges complete solidarity with Caracas, as demonstrated in statements below:

- During a speech [on July 26th](#) in Pinar del Rio, José Ramón Machado Ventura, a Cuban vice president and second secretary of the Communist Party, reiterated several times Cuba's "unmovable solidarity with the Venezuelan people," underlying the Castro regime's intention of doubling down its commitment to the Venezuelan government.
- [On July 31st](#), the Cuban Foreign Ministry reinforced this message through a press statement:
 - "We reiterate our unwavering solidarity with the people and the Bolivarian Chavista government, with the civic-military union lead by constitutional President Nicolás Maduro Moros."
- [On August 6th](#), Raúl Castro sent a letter of support to President Nicolás Maduro in the wake of the Constituent Assembly elections. Shortly after, Maduro made an unannounced [visit to Cuba](#) to pay homage to the late Fidel Castro.

In Venezuela

Cuba has modernized Venezuela's intelligence, immigration, and security services and reportedly embedded its elite special operations unit, the *Avispas Negras*, within the Venezuelan *Collectivos* to redefine the informational "ground truth." This heavy Cuban presence in Venezuela is noted by several sources:

- Two recent articles from Mary O'Grady's Americas column in the *Wall Street Journal*, "[How Cuba Runs Venezuela](#)" and "[Cuba's Proxy War in Venezuela](#)," detail the presence of Cuba's security apparatus in Venezuela.
- At a Senate hearing on July 19th, OAS Secretary General Luis Almagro stated that there are approximately 15,000 Cuban regime military and security forces who are acting "[like an occupation army](#)" in Venezuela.

Why does this matter?

The Cuban regime is known for its expertise in increasing social pressure to create civil conflict. Embedding specialized units within Venezuelan civilian militias enhances Havana's ability to manage results and escalate tensions. The Cuban G2 also excels at counterintelligence, and has supplemented and modernized Venezuelan intelligence services, enhancing Venezuela's capability to create and promote its "civil war" narrative while limiting the regime's risk of exposure.

Russia

In Public

A master of Information Warfare, Russia openly broadcasts its commitment to Venezuela and to the fair resolution of the crisis, by constitutional means. More discreetly, however, the Federation hints that it will protect its interests in Venezuela and provide support to the country as requested, as the two countries already have a strong, cooperative relationship.

- [On February 6th](#), Foreign Minister Sergey Lavrov stated:
 - "We reaffirm our solidarity with the friendly people of this country [Venezuela] our strong support for the government's course of action to prevent a destabilizing situation and establish a national dialogue"
 - Then added, "Our relations are on the rise, the presidents [of Russia and Venezuela] communicate regularly and confidentially; the high-level commission, which oversees the entire array of multifaceted trade, economic and investment cooperation between Russia and Venezuela, is working,"
- [On May 18th](#), Maria Zajarova, the spokesperson for the Russian Chancellery, stated:
 - "We will consider objectivity important, not the biased information, about what is occurring in Venezuela. To this end, the media plays an important role. They should not be transformed into a tool used to incite the conflict, nor used to drive the interests of the forces that wish to aggravate the situation for their own goals."
 - He then added that "Russia offers their help in the normalization of Venezuela's internal processes, we offer this cooperation at the level asked of us."
- [On July 10th](#), Vladimir Putin and Nicolás Maduro shared a phone conversation in which the Russian President highlighted the excellent relations between the two countries. Maduro said he expected to visit Russia soon to meet with President Putin to touch on energy, defense, and food issues.

In Venezuela

Russia has become Venezuela's largest supplier of military arms and armament, exporting approximately 75% of the Federation's total arms trade in the region to Venezuela. Russia has also invested heavily in Venezuela's resource-rich Orinoco region through various debt-for-asset exchanges, including acquiring a 49.9% stake in Citgo, Venezuela's main state-owned subsidiary in the U.S., which it gained as collateral from a loan to Venezuela made last year. Below are articles explaining Russia's involvement:

- The [Middle East Media Research Institute \(MEMRI\)](#) released a dispatch on May 2nd that summarizes Russia's current support for the Venezuelan regime.
- A July 30th article in the *National Interest* entitled "[How Russia Could Intervene in a Venezuelan Civil War](#)" sketches out options for Russia in a hypothetical Venezuelan "civil war," citing an influential [Russian journal](#) covering military affairs

- This July 20th Reuters article, entitled “[Russia, Venezuela discuss Citgo collateral deal to avoid U.S. sanctions](#),” reveals ongoing negotiations between the Federation’s state owned enterprise Rosneft and PDVSA that could lead to the Russians giving up their collateral stake in Citgo in exchange for greater shares and control of the oil fields in the *Faja Del Orinoco*.
Another *Reuters* article from May 22nd reports on Venezuela’s stockpile of [5,000 surface-to-air MANPADS missiles](#), obtained from Russia. It is the largest known stockpile in Latin America. CIA
- Director Mike Pompeo expressed concern for these stockpiles during a [congressional hearing](#) on “World Wide Threats” this past May.
Even further discussion on oil-for-arms deals between Russia and Venezuela can be found in another *Reuters* article, entitled “[La Venezuela de Putin](#).”

Why does this matter?

Russia has shown itself prepared to provide lethal aid to surrogate nations engaged in proxy wars, and has the logistic capability and the global diplomatic presence to do so. Increased Russian military or humanitarian support to Venezuela could instigate an escalation of force and further exacerbate the conflict, to the point that Russia could disrupt oil production and drive up prices in order to offset the inflation of the Ruble.

China

In Public

The Chinese government has not issued any major public statements demonstrating involvement or potential intervention in the Venezuela crisis, but the two countries are closely connected through various commercial and economic agreements. It is estimated that from 2007 to 2014, China lent Venezuela \$63 billion, which accounts for 53% of all its lending in Latin America. Much of this lending was done through an array of oil-for-loan deals that the People’s Republic leveraged through the acquisition of strategic assets and territory in Venezuela.

In Venezuela

China has reportedly reactivated a SIGINT facility in *La Orchilla*, an island 160 kilometers off the coast north of Caracas. This facility is allegedly meant to block U.S. technical collection methods on Venezuela and connect to Cuba’s Intel Department 11 (M-XI), managing its overseas technical collection. China’s presence in Venezuela can also be seen in several infrastructure projects and oil-for-loans schemes that have increased over time. Listed below are several articles detailing this:

- A *Reuters* article, published October 11th, 2010, notes a deal made between the two countries that gives [China a 25-year land grant](#) (with the potential to extend another 15) in the *Faja Del Orinoco*, Venezuela’s most profitable crude belt.
- A *Foreign Policy* article published on June 6th describes how “[Venezuela’s Road to Disaster is Littered with Chinese Cash](#),” as politicized loans left the country under a mountain of Chinese debt.
- On June 12th, the two countries signed a [contract worth \\$2.8 billion](#) to increase Venezuela’s production of oil. Ricardo Menéndez, Venezuela’s Vice President of Planning and Knowledge, stated this increase would come from the Orinoco Belt.
- On July 21st, the Venezuelan government held a plenary session for the National Council on a Productive Economy. During this session, hosted at PDVSA’s headquarters, [Vice President Tareck El Aissami read three new contracts the government had signed with China](#).

Why does this matter?

China is expert at economic warfare. The country owns a considerable amount of Venezuelan debt, which can easily be leveraged and manipulated to indirectly weaken China’s adversaries. An example of this is China’s cooperation with Russia and Iran in creating a well-developed exploitation, storage, and transport mechanism for heavy crude from the Orinoco basin to the Paraguana peninsula, ensuring production and securing rights to the land and its resources. A “civil war” in Venezuela could push out other foreign investors, including the U.S., making Venezuela a single-exporter of heavy crude to China through Russian and Iranian refineries.

Military Propaganda for "Civil War"

On January 13-14, 2017, Venezuela executed the largest military exercise in its history with the participation of defense attachés from 27 nations and military advisors from Cuba, Iran, and Russia. The exercise, entitled **Zamora 200 1-2017**, was an “Anti-Imperialist Integral Action Civil-Military Exercise” made up of 580,000 participants conducting various military drills and maneuvers throughout the country. On the surface, Zamora 200 is a war-gaming exercise designed to plan for a contingency of the Colombian Army amassing along the Venezuelan border, augmented by U.S. air and naval assets combined with Special Forces working with an internal counter-revolutionary force in Venezuela. This scenario is identified as the highest "threat" to the national security of the Bolivarian Republic.



Beneath the surface, the Zamora 200 civil-military exercise has the signature of a sophisticated information operation to construct an international narrative around the potential for a “civil war,” justifying increased military mobilization throughout the country, strengthening of countrywide surveillance and intelligence systems, and consolidating the Venezuelan regime.

Military exercises are common as contingency planning for potential threats. However, they are also commonly used as pretext for increased military mobilization and strategic messaging to internal and external audiences. Parallels between rehearsed situations within the Zamora 200 civil-military exercise in January and the actions of the Maduro regime in months that followed suggest that Zamora 200 (now Plan Zamora) was a propaganda tool designed to support the regime's “civil war” narrative and justify the use of military force amidst a economic and humanitarian crisis. The regime's goal is to provoke the opposition into protesting and inciting a military “rebellion,” effectively starting a “civil war.” Listed below are some recent examples of how Venezuelan government actions were used to trigger unrest and instability:

- On March 29th, President Maduro dissolved the [National Assembly](#), remarking, “They're giving me and authorizing me enabling special powers that stem out of the state of emergency clauses in our constitution. This is an order by the Supreme Court. It's a historic ruling.” This quickly prompted regional outcry and mass protests throughout the country to the regime's benefit.
- The most likely catalyst for a “civil war” is a constitutional crisis over the creation of a legislative super-body that will dissolve state institutions. The Constituent Assembly could serve as this catalyst.
- The [Constituent Assembly](#) elections on July 30th further divided the country into three factions: (1) regime loyalists; (2) political opposition; and (3) regime defectors who could serve as a counter-revolutionary force and shadow government as outlined in Plan Zamora. The presence of competing factions is beneficial to the regime's push for a “civil war.”
- On August 2nd, the [CEO of SMARTMATIC](#), a Venezuelan-owned electronic voting company, held a press conference to denounce fraud in the Constituent Assembly vote. SMARTMATIC is a well-known *Chavista*-controlled company, accused of tampering with previous elections in Venezuela on behalf of the regime. Thus, the company's recent claim of fraud against the Venezuelan regime is likely a ploy by the regime itself to further build up the narrative of a constitutional crisis.
- [On August 7th](#), 20 armed anti-government rebels attacked a military base in Valencia. This raid produced a crowd of hundreds of Venezuelans protesting in support of this quelled rebel uprising, which is exactly what the regime wanted.

Humanitarian Crisis

The deteriorating humanitarian situation in Venezuela only contributes to political unrest, propelling the country further into a downward spiral. In the past few months, the country's economic collapse has led to shortages on numerous basic goods, sparking ongoing protests that highlight the lack of resources felt by majority of the population. *Reuters* reports that [inflation in Venezuela](#) has hit a skyrocketed 248.6% in just the first seven months of this year, while the [International Monetary Fund \(IMF\)](#) states that overall inflation has reached 720.5% and is projected to reach 2,068.5% in 2018--the highest inflation in the world.

- SFS Senior Fellow Fernando Menéndez wrote an article on May 5th in [China-US Focus](#) explaining how the rapid deterioration in Venezuela has repercussions in China.
- Executive Director Joseph Humire joined [CGTV](#) on May 9th to discuss the political and economic crisis in the country.
- Menéndez joined [CGTV](#) on May 17th to further explain the economic crisis, noting that the food and medicine shortages can be measured through staggering statistics of weight loss and increased illness amongst the population.
- A consortium of Venezuelan universities and NGOs called Encovi [produced a study](#) (in Spanish) that reports the food shortage's effect on the country's health. It stated that among those surveyed, 72% of Venezuelans have lost 19 pounds in the last year.
- A 2016 report from [Human Rights Watch](#) states that 87% of those interviewed "had difficulty purchasing food and 12% were eating two or fewer meals a day," a testament to the economic hardship in the country.

Congressional Response

There are at least six (6) legislative actions on Venezuela in the U.S. Congress, including four (4) bills and two (2) resolutions. So far, all have been introduced in their respective chambers; only S.Res.35 has passed the Senate. The bills are equally bipartisan, with three (3) sponsored by a Republican and three (3), a Democrat. The bills are also similar in nature, with a humanitarian response as a consistent theme in all of them except for S.1519, which appropriates defense spending for the 2018 fiscal year. Senator Ted Cruz (R-TX) is credited with adding a vital amendment in the markup process to S.1519, directing the Secretary of Defense to report on military and intelligence cooperation between Venezuela, Cuba, Iran, Russia, and foreign terrorist organizations by April 2018.

Bill Title	What is it?	Who sponsors it?	Where is it?
S.1018- Venezuela Humanitarian Assistance and Defense of Democratic Governance Act of 2017	A bill that proposes a budget of \$20 million in 2018 to work through Venezuelan NGOs, strengthen OAS, and sanction individuals for corruption	Benjamin L Cardin (D-MD)	Referred to Committee on Foreign Affairs on May 3
S.Res.35	A resolution expressing concern over the situation in Venezuela. Urges Venezuela to release political prisoners and respect democratic processes	Benjamin L Cardin (D-MD)	Passed in Senate on February 28
H.R.2658- Venezuela Humanitarian Assistance and Defense of Democratic Governance Act of 2017	Mirrors S.1018 and adds a section to report on Russian activities in Venezuela	Eliot L Engel (D- NY)	Referred to House Judiciary on May 25
H.R.2161- Venezuelan Refugee Assistance Act	Bill that proposes giving permanent resident status to Venezuelan natives under four (4) new conditions	Caros Curbelo (R- FL)	Referred to House subcommittee on Immigration and Border Control on May 3
H.Res.259	Urges Venezuela to follow democratic processes and asks OAS to consider suspending Venezuela	Ron DeSantis (R- FL)	Introduced in the House on April 6

S.1519	National Defense Authorization Act that sets out plan for defense spending in 2018 fiscal year	John McCain (R-AZ)	Introduced to the Senate Committee on Armed Services on July 10
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These legislative bills are currently being debated in committees, as members of Congress continue to release statements on the situation in the country. Below is a list of statements that reflect the growing geopolitical importance of Venezuela and how external influences (the Multipolar Force) are manipulating the circumstances on the ground.



Senator Ted Cruz (R-TX) gave [this statement](#) on August 2nd during a floor speech:

"Venezuela — once one of the most richly resourced countries in Latin America — is being dismantled by Nicolás Maduro and his flailing Chavista regime. It is a human tragedy, impacting more than 30 million people who are literally witnessing society collapse around them."

"Maduro's actions must not continue unchallenged. I support the Treasury Department's sanctions against senior Venezuelan officials, including Maduro, placing him in the ignominious company of Kim Jong-un and Robert Mugabe. We must keep the pressure on, and continue to isolate and delegitimize Maduro's regime. For behind Maduro can be found China, with its billions in infrastructure investment, and Russia, with its growing control over Venezuela's energy sector, and Iran, whose Hezbollah proxy launders money with Maduro's acquiescence."



Senator Marco Rubio (R-FL) issued the [following statement](#) on September 20, 2016, after a visit to Cuba and Venezuela by Iran's President Rouhani:

"The Iran-Cuba-Venezuela axis is a dangerously toxic mix of three regimes led by despots who sponsor terrorism, violate human rights, censor the internet, kidnap innocent American citizens for ransom, and routinely violate and aid in the evasion of international weapons sanctions. Iran is the world's foremost state sponsor of terrorism, and I can assure the public that its 'president' is not visiting Cuba to enjoy apartheid beaches, drink mojitos or take in 'people-to-people exchange' salsa lessons. The fact that Nicolás Maduro would take the time to host Rouhani, as the Venezuelan people lack necessities like medicine and food and the country disintegrates around him, says a lot about his misguided priorities and intentions."

U.S. Sanctions

The United States Department of Treasury's Office of Foreign Assets Control (OFAC) sanctioned 32 officials in the Venezuelan government in 2017. U.S. sanctions on the Venezuelan government began in 2008 and have accelerated since 2015, after President Obama announced a new executive order, "Blocking Property and Suspending Entry of Certain Persons Contributing to the Situation in Venezuela." This EO provided the Treasury Department enhanced authority to target officials in the Venezuelan regime.

[In 2008](#), Hugo Carvajal, then Director of Venezuelan Military Intelligence, along with the former Interior Minister Ramón Rodríguez and Henry de Jesús Rangel, Director of DISIP, were sanctioned by OFAC. These sanctions illuminated the increasing role of the Venezuelan military in drug trafficking. [In 2011](#), additional Venezuelan military and intelligence officers were added to the Treasury's sanctions list for drug trafficking, including Major Cliver Alcalá, and SEBIN officer Ramón Madriz.

That same year, the U.S. State Department imposed limited sanctions on PDVSA for its financial dealings with Iran. These sanctions were subsequently lifted with the passing of Iran's nuclear deal two years ago. In 2013, the State Department re-imposed nonproliferation sanctions on Venezuela's military industry, CAVIM, for bilateral cooperation with sanctioned Iranian entities, which have since expired as of December 19, 2016. This year's OFAC sanctions regarding Venezuela from this year are as follows:

- [On February 13th](#), Venezuelan Vice President Tareck El Aissami was designated a narcotics trafficker along with 13 companies owned or controlled by one of his frontman, Samark José López Bello, who was also designated for providing material and financial support.
- [On May 18th](#), eight (8) members of Venezuela's Supreme Court of Justice were sanctioned, including its President, Maikel José Moreno Pérez.
- [On June 26th](#), 13 senior government officials, military officers, and heads of state-owned entities were sanctioned, most notably, the former Vice President Elías Jaua, Interior Minister Nestor Luís Reverol Torres, the Ombudsman Tarek William Saab, and former Minister of Penitentiary Service, Iris Varela. The current and former Vice Presidents of Finance for PDVSA were also sanctioned.
- [On July 31st](#), President Nicolás Maduro was sanctioned, placing him in the company of an exclusive list of dictators sanctioned by the USG such as Robert Mugabe of Zimbabwe, Kim Jong-un of North Korea, and Bashar al-Assad of Syria.
- The most recent round of OFAC sanctions on Venezuela officials was designated [on August 9th](#) against another eight (8) officials, focusing on members of the new Constituent Assembly such as Erika del Valle Fariás Peña, who leads the electoral structure and mechanics for the Constituent Command Zamora 200, and Adán Chávez, the brother of the late president Hugo Chávez.
- On August 24th, President Trump issued an [Executive Order](#) prohibiting dealings in new debt issued by the Venezuelan government and PdVSA.

SFS testimony supports some of the USG sanctions, but emphasizes that they should be reinforced by a comprehensive, multi-dimensional, whole-of-government strategy. Sanctions in and of themselves are not sufficient to deal with the crisis in Venezuela and could have significant blowback if they are not leveraged through multi-lateral actions.

- Joseph Humire, Executive Director of SFS, appeared on [CNN en Español](#) on February 13th to discuss the OFAC designation of Venezuelan Vice President Tareck El Aissami.
- Humire appeared again on [CNN en Español](#) on July 20th to discuss sanctions as strategy. He noted that sanctions are a starting point to advance U.S. interests in the country, but should be used alongside clear goals and a sound strategy that serves U.S. national security interests in Venezuela and the Western Hemisphere writ large.
- SFS Senior Fellow J.D. Gordon echoed this message on [Fox Business](#) on July 30th, stating that sanctions are a good start, but other regional actors need to follow suit.

[Several experts](#) propagate the dangers in sanctioning Venezuela's oil industry and [five \(5\) Republican senators](#) have directly expressed to President Trump that sanctioning the Venezuelan oil industry could potentially push the country closer to China and Russia, two of the largest creditors of Venezuelan external debt.

SFS Perspective

The Trump administration and U.S. Congress must weigh the costs and benefits of any action (including sanctions and humanitarian assistance) against the Venezuelan government's plans to catalyze a "civil war." China, Russia, Iran, and Cuba, who participated in Venezuela's largest civil-military exercise (Zamora 200), are helping the regime establish an international narrative around the crisis to provoke U.S. intervention. Any intervention on behalf of the United States or its allies will be leveraged to justify increased foreign involvement by this Multipolar Force. U.S. sanctions against the Maduro regime, while having a positive effect in showing solidarity with the Venezuelan people, can have the unintended consequence of strengthening the regime's narrative that the country is under attack from external actors waging economic warfare against the state. U.S. sanctions targeting the Venezuelan oil sector would also bolster this narrative. Likewise, Colombia's ongoing discussions to join NATO reinforce the Venezuelan's regime's claim of foreign intervention, and provide Russia a pretext to increase its involvement in the conflict.



Establishing a counter-narrative to the one propagated by the Maduro regime and its external allies is key to curbing the regime's efforts. For this counter-narrative to be effective, the Trump administration must work closely with regional allies, particularly in Argentina, Brazil, and Peru. The latter has already shown the political will and regional leadership to speak out publicly against the repressive regime in Venezuela. Recognizing the potential for internal violence and the rising possibility of a mass refugee crisis, [Peru's President Pedro Pablo Kuczynski](#) remarked on June 12th that: "If nothing is done, we are going to end up with a sea full of blood." President Kuczynski's statement was followed by Peru's expulsion of the Venezuelan ambassador in Lima on August 11th and a statement from the [Peruvian Foreign Minister, Ricardo Luna](#), who said: "Our fear is that you really have a low-intensity civil war, which would produce a humanitarian crisis of great proportions." Luna continued, "it's not necessarily going to happen, and it's not easy to compare it to major crises such as the one we have in Syria. But it is a large country. It's a complex situation. It's something that's been building in time."

Earlier this month, four other countries took a stand by leading a charge to [suspend Venezuela from Mercosur](#). The region, however, is far from unified. [President Evo Morales of Bolivia](#) congratulated Venezuela for its Constituent Assembly the day after its election, noting that "profound transformations" will stem from this showing of democratic participation. Other leaders from ALBA nations, as well as El Salvador and the Dominican Republic, expressed similar approvals of the Venezuelan government's handling of the crisis. Maduro held another [major military exercise](#) this past weekend as the Venezuela crisis continues to unfold, placing U.S. legitimacy in the region at risk.

SFS will continue to follow and report on the crisis in Venezuela with detailed research and analysis. You can follow our reporting on [Facebook](#) or via [Twitter](#), or by visiting our [website](#).

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