

Washington rebuffs Maduro's bid for US-Venezuela rapprochement

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The Biden administration this week delivered a swift rejection of an appeal from Nicolas Maduro for the lifting of unilateral US sanctions and the pursuit of what Venezuela's president termed a "win-win" policy to benefit US transnational banks and oil corporations.

A State Department spokesman told the *Bloomberg* news agency that there would be no change in US policy as long as the Maduro government continued its "repression and corrupt practices" and until it negotiated a deal with the US puppet and self-proclaimed "interim president" Juan Guaidó to "restore democracy" and organize "free and fair elections."

It is worth noting that Washington has issued no such declarations demanding an end to "repression and corrupt practices" by the narco state headed by President Ivan Duque in neighboring Colombia as it murders, disappears and tortures protesters. Instead, it sent its top military commander in the region, US SOUTHCOM chief Adm. Craig Faller, to the country this week in a gesture of solidarity with Bogota's murderous military apparatus.

The Biden administration has kept in place both a "state of national emergency" initiated by the Obama administration in 2015, branding Venezuela "an unusual and extraordinary threat to the national security and foreign policy of the United States" and the escalating regime of "maximum pressure" sanctions imposed by the Trump administration beginning in 2017. These include a de facto blockade of Venezuela's oil exports and a ban on the country's access to US financial markets.

The US economic and financial blockade has dramatically deepened the worst depression in Venezuelan history, condemning millions of working people to poverty and hunger, while triggering a mass emigration of more than 5 million Venezuelans abroad.

The country's economy is estimated to have shrunk by 80 percent since 2012, while real wages of Venezuelan workers have been decimated by an inflation rate that is now averaging 25 percent a month. Oil production, the main source of the country's income, stands at 500,000 barrels a day, up slightly from the low of 310,000 last year, but a fraction of the 2.5 million barrels produced before the collapse of oil prices and the imposition of US sanctions.

The Biden administration, like its predecessor, is intent on

using hunger and disease as weapons in its campaign for regime change and the imposition of a reliable US puppet in Venezuela, the country with the largest oil reserves on the planet.

While Washington routinely claims that its illegal sanctions exempt humanitarian supplies, the reality is that the threat of secondary sanctions against financial institutions doing business with the Venezuelan government has made it virtually impossible to finance purchases of vitally needed food and medical supplies. A study done by the Center for Economic and Policy Research think tank in 2019 estimated 40,000 excess deaths as a result of the US sanctions regime, a toll that has no doubt escalated sharply since then.

The deadly impact of Washington's sanctions is now posed even more sharply by the increasing spread of the COVID-19 pandemic. According to government figures, Venezuela has suffered 265,000 COVID-19 cases and over 3,000 deaths, with the number of infections doubling since February, and the number of deaths doubling over the past three months.

Hospital records, however, indicate that the real numbers of infections and deaths are four times higher than the official figures, and the growing number of COVID-19 cases has brought the impoverished country's health care system to the brink of collapse.

"We are in the peak of the second wave right now and it has been 25 percent bigger and 40 percent longer than the first wave," Julio Castro, a Venezuelan doctor and expert in infectious diseases told *The BMJ* (formerly the *British Medical Journal*).

Only 0.5 percent of Venezuelans have been fully vaccinated, and just 1.5 percent have received a single dose so far.

The Venezuelan government protested earlier this month that its attempt to receive vaccines from the WHO-affiliated COVAX international vaccine program had been stymied after a last installment of a \$120 million payment to the agency had been blocked as a result of US sanctions.

"The financial system that also hides behind the US lobby, has the power to block resources that can be used to immunize the population of Venezuela," Venezuela's Vice President Delcy Rodriguez said.

The Maduro government had attempted to induce "interim

president” Guaidó to use some of Venezuela’s hundreds of millions of dollars in frozen overseas assets over which he has ostensible control to buy vaccines. However, the puppet, like his master, is apparently content to exploit COVID-19 deaths as one more weapon in the war for regime change. Having no significant base of support in Venezuela, and with his attempts at fomenting a military coup and organizing a mercenary invasion having ended in fiasco, his options are limited.

The response of the Venezuelan government to the country’s increasingly desperate crisis has been to plead for a rapprochement with US imperialism and to accommodate its policies to the interests of both foreign capital and the national bourgeoisie.

This reactionary strategy found its most naked expression in an interview Maduro granted earlier this month to *Bloomberg* at the Miraflores presidential palace in Caracas. He insisted that his aim was to “regularize” US-Venezuelan relations in order to pave the way for an influx of foreign direct investment.

“Venezuela is going to become the land of opportunity,” he said. “I invite US investors, don’t get left behind.” He went on to state that foreign capital was aware of the potential for profit. “The financial sector, the bondholders, with whom we had an impeccable relationship know it is possible to invest in Venezuela and have a ‘win-win.’ The petroleum sector, which has invested in Venezuela and still maintains investments, knows it.”

While Maduro has made various gestures of accommodation toward US imperialism—releasing six CITGO executives, including five Americans, from prison to house arrest and giving the right-wing opposition five seats on the national Election Board—he acknowledged that from Biden, “There has not been any signal. Nothing.”

He went on to complain that the sanctions were “irrational.” He told *Bloomberg*: “If Venezuela cannot produce petroleum and sell it, cannot produce and sell its gold, cannot produce its bauxite and sell it, cannot produce iron, etcetera, and cannot earn revenue in the international market, where is it going to be able to get what it needs to pay holders of Venezuelan debt?”

That paying off bondholders and foreign bankers is the driving motivation for lifting sanctions is telling in a country plagued by blackouts, water shortages, breakdowns of every essential service and with two-thirds of the population living in poverty.

Within Venezuela, the Maduro government has introduced what amounts to an IMF-style “structural adjustment program” that includes slashing of state subsidies, scrapping price controls, eliminating import restrictions and effectively dollarizing the economy.

According to government documents cited by *Bloomberg*, private companies accounted for 92 percent of imports of food and raw materials in 2020, compared to just 25 percent a year earlier, a graphic indication of the government ceding control to big business interests.

Meanwhile, the Maduro government has pushed through a series of legislative packages designed to attract foreign direct investment and pave the way for the privatization of public enterprises, up to and including the state-owned oil corporation PDVSA. An “Anti-blockade Law” enacted last year offering tax and labor incentives to “stimulate and favor” the private sector, has been followed by a Law on Foreign Investments and now a Law on Special Economic Zones, which is being rubber-stamped by the National Assembly

The aim of these laws is to auction off Venezuela’s resources to foreign transnationals that are being invited in to exploit the country and its workforce with a host of incentives including a 10-year moratorium on taxes, suspension of import-export duties, guaranteed repatriation of invested capital and a pledge that foreign companies will be fully compensated for any losses incurred as a result of government actions.

The measures are supported by Maduro’s two key constituencies, the military command and the so-called *boliburguesia*, the layer of capitalists which has enriched itself off of speculation and corrupt ties to the state, even as the rest of the population has faced immiseration. These layers are anxious to solidify their control and expand their wealth through reforging ties to US imperialism.

Social inequality has risen to unprecedented levels, with the Venezuelan Central Bank reporting that in 2017, just 18 percent of the gross domestic product went to the country’s 13 million workers, while fully half was directly pocketed by its capitalists. This yawning divide has only widened since. The result has been a growth of popular protests and class struggle, which the government has met with repression and arrests.

The right-wing evolution of the Maduro government has put paid to the illusions promoted by the pseudo-left in the “21st Century Socialism,” touted first by Hugo Chávez, along with similar nationalist and “anti-imperialist” pretensions of other representatives of the so-called Pink Tide in Latin America.

The bitter experience of the working class in Venezuela, Brazil, Ecuador and elsewhere on the continent has demonstrated that it is impossible to combat imperialist aggression and capitalist exploitation outside of the politically independent mobilization of the working class against all sections of the bourgeoisie on the basis of a program of socialist internationalism.



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