

The United States and Venezuela: A relationship of blunders

Adriana Boersner Herrera

*"Todo está chévere en Venezuela"*¹

Bill Clinton (October 13, 1997)

Since the arrival of Hugo Chávez to the presidency of Venezuela in 1999, the relationship between the United States (USA) and Venezuela has been tense or even, as some experts have called it, schizophrenic². After so many years of tensions, beyond a schizophrenic relationship, we are now witnessing a relationship of blunders and mistakes. Chávez, a charismatic and controversial leader, presented himself as a defender of socialism and Latin American interests against US hegemony on a global level. The Chávez government's foreign policy led to a series of disagreements with the US that deepened over time.

Currently, the US's approach to dealing with Nicolás Maduro and the Venezuelan political elite has not been entirely assertive as the Venezuelan government, far from democratizing, has done the opposite. The same goes for Venezuelan policy towards

1 Chévere is a Spanish word, typical of Venezuelan slang referring to something good. In that sense, Clinton meant "All is cool in Venezuela".

2 Carlos Romero, "Venezuela y Estados Unidos: ¿una relación esquizofrénica?" *Nueva Sociedad* 206 (2006): 78-93.

the US. Over the last twenty-five years, the Venezuelan foreign policy orientation has been anti-liberal and anti-American, trying to stop depending on the North and escape US hegemony. However, although Venezuela now certainly does not depend on the North, it does rely on other countries that have applied the same or worse conditions of dependency for Venezuela.

Antecedents

“Ayer vino el Diablo aquí, ayer estuvo el Diablo aquí, en este mismo lugar. Huele a azufre [...] el Señor Presidente de los Estados Unidos, a quien yo llamo «El Diablo», vino aquí hablando como dueño del mundo”³.

Hugo Chávez (September 20, 2006)

When Hugo Chávez assumed the presidency of Venezuela in 1999, the relationship between the US and Venezuela was relatively good and stable. Throughout the twentieth century, Venezuela was an ally of the northern country, particularly in the energy area. This relationship benefited not only political and diplomatic agreements but also commercial ones. During the first year of Hugo Chávez’s government, Chávez was received by Bill Clinton at the White House. In the Clinton-Chávez meeting, the commercial relationship was at the center of the discussion.

As Bill Clinton noted in 1999, Venezuela was very important to the United States as their main external source of energy⁴. Bill

3 Own translation: “The Devil came here yesterday; the Devil was here, in this very place. I smell sulfur [...] The President of the United States, whom I call The Devil, came here speaking as the owner of the world”.

4 U.S. Department of State Archive. 2001. “Press Briefing by Jim Dobbins, NSC Senior Director for Inter-American Affairs”. https://1997-2001.state.gov/regions/wha/990111_briefing.html

Clinton knew Venezuela and was already aware of the progress that had been achieved, but, above all, of the energy relevance that Venezuela represented for the US. Before this meeting with Chávez, in October 1997, Bill Clinton visited Caracas and praised Rafael Caldera's government for moving the country toward the world center of energy, democracy, and prosperity⁵. Clinton would affirm on this trip that everything was *chévere* in Caracas that everything was *chévere* in Venezuela. This was the last time that a US president visited Venezuelan territory⁶.

As the Chávez government progressed, the relationship deteriorated. Chávez began publicly criticizing US foreign policy and reaching out to other leaders in and outside the region who shared his views and worldview. This was particularly emphasized after the April 2002 coup. The bilateral relationship became increasingly tense, and Chávez began to have a more critical discourse against the US government. In response, Washington turned harsher towards the government in Caracas, openly accusing them of supporting terrorism and violating human rights. In 2006, the US Secretary of State accused the Venezuelan government of not cooperating with antiterrorist efforts.

That same year, 2006, Chávez defined US President George W. Bush as '*El Diablo*' in his speech before the United Nations General Assembly, and he spoke about the threat US imperialism posed

5 Bill Clinton, "Remarks to the Citizens of Venezuela in Caracas". <https://www.govinfo.gov/content/pkg/PPP-1997-book2/pdf/PPP-1997-book2-doc-pg1345.pdf>

6 US Presidents who visited Venezuela: John F. Kennedy (January 1961), Jimmy Carter (March 1978), George H. W. Bush (December 1990), and Bill Clinton (October 1997). Richard Nixon visited Venezuela in 1958 when he was vice president.

to the world⁷. In 2007, the Venezuelan government nationalized several US companies, including the operations of the oil company ExxonMobil in the country. In 2008, the diplomatic relationship reached one of its most climactic points when Chávez expelled the US ambassador to Venezuela, Patrick Duddy⁸, and ordered the return of Bernardo Álvarez, the Venezuelan ambassador in Washington. Similarly, the US sanctioned two Venezuelan individuals for their connection to radical groups and other individuals and companies for their links to drug trafficking. In 2010, the Obama administration accused the Venezuelan government (and fourteen other Latin American governments) of not cooperating in the fight against drug trafficking.

In 2013, Hugo Chávez died and was succeeded by his then-vice president, Nicolás Maduro, who continued, for some time, his predecessor's foreign policy. That is, the hostile rhetoric was maintained. However, the US decided to implement more sanctions against the Venezuelan government. In December 2014, the Barack Obama administration accused the Maduro regime of human rights violations, corruption, and drug trafficking⁹.

7 Hugo Chávez, "Intervención del Presidente de la República Bolivariana de Venezuela, Hugo Chávez, en la LXI Asamblea General de la Organización de las Naciones Unidas." (2006, September 20). <https://repositorio.uasb.edu.ec/bitstream/10644/2055/1/CI-07-AR.pdf>

8 This action followed a dispute between the US and Bolivia. Chávez expressed his support for Bolivian President Evo Morales. Patrick Duddy returned to Venezuela as US Ambassador in mid-2009 under the Barack Obama Administration and ended his diplomatic mission a year later. Obama nominated Larry Palmer as his replacement, but Hugo Chávez refused to accept him as ambassador. See R.F.I. "Chavez rejects Palmer as US Ambassador". (2010, December 19). <https://www.rfi.fr/es/americas/20101219-chavez-rechaza-palmer-como-embajador-de-eeuu>

9 In 2023, Venezuela remains designated on the list of countries that have not collaborated in international efforts against drug trafficking. See: Insight Crime. "Venezuela's Cocaine Revolution". (2022, April). <https://insightcrime>.

It issued a new executive order declaring that the situation in Venezuela threatened US's national security and foreign policy¹⁰. From then on, stronger sanctions against the Venezuelan government were applied.

In 2019, the tension between the US and Venezuela reached another high point following several events, including the crisis with the interim presidency¹¹ when the American government recognized Juan Guaidó, and Venezuela's entry into humanitarian aid arranged by several countries. The US and other Latin American and European countries recognized Guaidó as the legitimate president, while the Nicolás Maduro regime and its allies, such as China, Cuba, Iran, Russia, and Turkey, considered it a coup attempt. Other events that will make the bilateral relationship even more complicated included the closure of the US embassy in Caracas¹² and the Venezuelan embassy in Washington; the so-called *Operación Libertad*, in which the opposition leader Leopoldo López was released from house arrest and the head of the Intelligence Service abandoned his position; and the so-called *Operación Gedeón* in which, according to the Maduro government, the Venezuelan armed forces neutralized an armed incursion into the country, Americans among them; finally, the arrest of Alex

org/wp-content/uploads/2022/05/Venezuelas-Cocaine-Revolution-InSight-Crime-Apr-2022.pdf; U.S Department of State. "International Narcotics Control Strategy Report." (2023, March). <https://insightcrime.org/wp-content/uploads/2023/03/INCSR-2023-Vol-1.pdf>

10 *Public Law* No: 113-278. "Venezuela Defense of Human Rights and Civil Society Act of 2014." <https://www.congress.gov/bill/113th-congress/senate-bill/2142>

11 Boersner, Adriana. "Venezuela 2019: A Tale of Two Presidents". *Revista de Ciencia Política* 40, no. 2 (2020): 539-565.

12 In August 2019, the US Department of State opened the Venezuelan Affairs Unit at the US Embassy in Bogotá. Since then, the United States Mission in Venezuela has been located there.

Saab –an ally of the Maduro government– in 2020 in Cape Verde and his subsequent extradition to the US in 2021.

Currently, although Joe Biden's administration still does not recognize Nicolás Maduro as the legitimate president of Venezuela¹³, the US has had to negotiate with his government on various points of interest. For instance, since the start of Russia's second invasion of Ukraine in February 2022, on at least two occasions, official US government envoys have visited Caracas to discuss the release of Americans imprisoned in Venezuela, the reactivation of negotiations between the Maduro government and the Venezuelan opposition, and the possibility of reactivating the activities of American companies in the oil sector.

At the time of writing this article, diplomatic relations have not yet been reactivated, most of the economic sanctions against Venezuela remain, the US keeps Venezuela on the list of high-risk countries for travel¹⁴, and bilateral ties as well as knowledge on bilateral relations are maintained more through interest groups and non-profit organizations than at the intergovernmental level.

13 In January 2023, the United States stopped recognizing Juan Guaidó as the legitimate president of Venezuela. At the beginning of 2023, Nicolás Maduro expressed interest in reactivating talks with the United States and working on normalizing relations. See, U.S. Department of State. "Venezuela's Interim Government and the 2015 National Assembly." (2023, January 3). <https://www.state.gov/venezuelas-interim-government-and-the-2015-national-assembly/>; France24. "Venezuela Leader Says Willing to Work at Normalizing US Ties." (2023, January 02). <https://www.france24.com/en/live-news/20230102-venezuela-leader-says-willing-to-work-at-normalizing-us-ties>

14 Travel State Gov. "Venezuela Travel Advisory." (2023, January 12). <https://travel.state.gov/content/travel/en/traveladvisories/traveladvisories/venezuela-travel-advisory.html>

The consequences of this misshaped relationship

The relationship between the US and Venezuela has been inconvenient for both countries, more than either government is willing to admit. Although Venezuela has been more commercially and politically dependent on the US than vice versa, the tense relationship has not been wholly beneficial to Washington. The mistakes have been numerous and in various areas.

Commerce. The commercial relationship between the US and Venezuela has historically been focused on the purchase and sale of oil. Venezuela used to be one of the world's largest oil producers, and the US was one of its largest buyers and consumers. When Chávez set out to expropriate the US oil companies in Venezuelan territory, this not only impacted oil production but, naturally, the political and commercial relationship. The US saw this as a threat to its economic and geopolitical interests, which led to a cooling in the bilateral relationship. The most obvious consequence is that Venezuela isn't selling oil to a market that for many years was safe and promptly paid, and the US is not receiving oil from a geographically close supplier at a time when it has stopped receiving oil for the sanctions imposed on Russia due to the War in Ukraine.

Economic sanctions. In response to Chávez's position on US efforts to combat terrorism and the drug trade, George W. Bush imposed the first economic sanctions on Venezuela in 2006. On this occasion, the US prohibited any arms trade or transfer to Venezuela¹⁵. In 2008, the US Treasury Department sanctioned two

15 From that moment on, Venezuela has acquired military technology and weapons from other markets, mainly from Russia. Still, other countries continued to sell arms to Venezuela for a few years. Such was the case of China, Spain, and the United Kingdom.

individuals and two agencies for their involvement in supporting Hezbollah, the Lebanese radical group. When Barack Obama declared Venezuela an “unusual and extraordinary threat” to the national security of the United States, more sanctions were imposed, including a ban on the sale of military technology, suspension of entry into US territory for certain members of the Venezuelan government, freezing assets, imposing trade restrictions with Venezuela, and sanctions against individuals from the Venezuelan government involved in the violation of human rights.

With the arrival of President Donald Trump to power in 2017, the economic sanctions against Venezuela intensified. Trump imposed more sanctions on the Venezuelan oil industry and expanded the list of those sanctioned (by now, over 300 individuals and companies)¹⁶. All these sanctions also affected US companies that did business with Venezuela. Although the sanctions have been a problem for the Maduro government, he has managed to expand his internal and international networks to ensure they do not jeopardize his survival in power. Alliances with other authoritarian governments, selling oil to historically non-traditional markets like India, diversifying its business allies, exploiting illegal mining¹⁷ and drug smuggling economies, money laundering, and other strategies have become vital for the Venezuelan political elite to continue to capitalize¹⁸. Addressing

16 Congressional Research Service. “Venezuela: Overview of U.S. Sanctions”. (November 2022). <https://crsreports.congress.gov/product/pdf/IF/IF10715>

17 Insight Crime. “Beneath The Surface of Illegal Gold Mining in The Amazon.” (2022, November 8). <https://insightcrime.org/investigations/beneath-surface-illegal-gold-mining-amazon/>

18 Adriana Boersner, “The Menu of Strategies Used by Maduro to Mitigate The Effects of Sanctions”. *Foro Cubano* 3(23). <https://www.programacuba.com/the-menu-of-strategies-used-by-madu>

all these fronts, mainly through sanctions, has been an impossible task.

More autocratic cooperation. Although international alliances with China, Cuba, India, Iran, Turkey, and Russia have allowed the Maduro government to resolve certain areas impacted by economic sanctions and consolidate its authoritarian power, it is also true that the Venezuelan government is more dependent on these other governments. Likewise, it must fight for the Asian market, which Russia is also trying hard to enter due to sanctions. This autocratic international cooperation that Maduro has reinforced and the presence of autocracies such as China and Russia in Latin America pose a problem for the US, as referred to in the national security strategy document of October 2022¹⁹.

More polarization. The polarization in the US regarding the issue of Venezuela divides Democrats and Republicans (as well as strategic companies) as to how to manage the international relationship. Not everyone in Congress supports the sanctions against Venezuela since it is perceived as a strategy that has failed to achieve the desired changes. For example, in 2020, Democratic candidates for the presidential elections²⁰ had contrasting views on the Venezuela case, and in 2022, several Democratic legislators asked Biden to lift sanctions against Venezuela and

19 *The White House*. "National Security Strategy". (2022, October). <https://www.whitehouse.gov/wp-content/uploads/2022/10/Biden-Harris-Administrations-National-Security-Strategy-10.2022.pdf>

20 Holly K. Sonneland, "EE.UU. 2020: Las Posiciones de los Candidatos Demócratas sobre Venezuela". *Americas Society/Council of The Americas*. (2020, June 2). <https://www.as-coa.org/articles/eeuu-2020-las-posiciones-de-los-candidatos-democratas-sobre-venezuela>

talk with Maduro²¹. Similarly, the Republican sector has used the Venezuelan case (and Venezuelans) as an electoral campaign and political strategy²². For example, recently, the former president and presidential candidate for the 2024 elections, Donald Trump, gave a speech in North Carolina in which he mentioned Venezuela²³. He exposed his one interest concerning his policy towards Venezuela: oil. Likewise, the existing polarization about Venezuela, beyond Venezuelan domestic politics, has to do with those who are for and against the US sanctions and the policies implemented by Trump and Biden concerning Venezuela.

The ones in the middle. Venezuelans are the ones that have been most impacted by the sanctions and the breakdown of bilateral relations. According to recent data, there are more than 7.3 million Venezuelan refugees and/or migrants worldwide, mostly in the Latin American region²⁴. Although there are various estimates, approximately over 600,000 Venezuelans are in the US. This migration has forced the US government to rethink its immigration system and create various initiatives to ensure that Venezuelan migrants who are already in the US can remain legally and that those who aren't can legally enter the country.

21 Letter to President Joe Biden, led by representatives Raúl Grijalva (D-Ariz.) and Jesús García (D-Ill) (May 2022). <https://grijalva.house.gov/wp-content/uploads/2022/05/Venezuela-Letter-Grijalva-Garcia.pdf>

22 Max Greenwood, "GOP Turns Venezuela into Florida Attack Line". *The Hill*. (2019). <https://thehill.com/homenews/campaign/433777-gop-turns-venezuela-into-florida-attack-line/>; Nick Mordowanec, "GOP Accused of Using Venezuelans as Pawns Despite Vocal Support", *Newsweek* (2022). <https://www.newsweek.com/gop-accused-using-venezuelans-pawns-despite-vocal-support-1743436>

23 Donald Trump, "Donald Trump delivers a speech in North Carolina". *Sky News*. (2023). <https://www.youtube.com/watch?v=sAOsUf44iSI>

24 R4V. "Refugiados y Migrantes de Venezuela." (2023). <https://www.r4v.info/es/refugiadosymigrantes>

However, many Venezuelans continue on their way to escape their country, even at the risk of death along the road²⁵. At the same time, the sanctions and the breakdown of bilateral relations have impacted the Venezuelan population in other areas, such as importing essential food, mobilizing funds, donations to non-governmental organizations, traveling to and from Venezuela, having access to consular services, considerably negative effects on the country's economy²⁶ and on the social conditions²⁷ of the Venezuelan population.

Why does all this matter?

Understanding that this relationship is in a status of failure is important for several reasons. The first one is that the approach and the menu of strategies that the US has implemented to encourage political changes and greater democracy in Venezuela have not generated the desired effects. The sanctions were designed to financially constrain Nicolás Maduro's government and force it to change its authoritarian policies. That clearly has not been achieved. It is important then to rethink whether economic sanctions, for example, are still relevant in their current format as a strategy to deal with relations with Venezuela.

25 Julie Turkewitz, "Necesito un Futuro Para Mis Hijos", *The New York Times*. (2022, October 7). <https://www.nytimes.com/es/2022/10/07/espanol/darien-venezolanos.html>

26 Manuel Sutherland, "El Impacto y La Naturaleza Real de Las Sanciones Económicas Impuestas Sobre Venezuela". *Provea*. (2019). <https://provea.org/publicaciones/investigaciones/investigacion-especial-impacto-y-naturaleza-real-de-las-sanciones-economicas-impuestas-a-venezuela/>

27 Maryhen Jimenez, "The Weakening of Civil Society in Venezuela-An Unintended Consequence of Economic Sanctions?" *Foro Cubano* 3(23) (2020). <https://www.programacuba.com/the-weakening-civil-society-in-vene>

Secondly, this bilateral relationship cannot be seen separate from the regional context. It should not be forgotten that the Latin American political tableau has changed in 2022-2023, with which Maduro could resume regional support (e.g., Brazil, Colombia, Honduras) and emerge from isolation from countries that had previously criticized Maduro or imposed sanctions (e.g., Bolsonaro in Brazil or Duque in Colombia). Depending on negotiations in Latin America and the political support that Maduro can obtain in the region, the US-Venezuela relationship could improve or worsen in the coming months and years.

Thirdly, the US and Venezuela share important and complementary trade ties. Given the undergoing War in Ukraine, both countries have been impacted (of course, not to the same extent) by the breakdown of the bilateral relationship. On the one hand, the US decided to sanction Russian oil and start looking for alternative sources to buy oil. While it is true that some countries in Latin America have increased their oil production, and others have offered to supply some of the oil that the US does not buy from Russia, Washington has been unable to find a solid supplier in Latin America to meet their needs. On the other hand, Venezuela is not immune to sanctions against Russia. Venezuela must now compete with Russia in the international oil market because both countries are selling to the same consumers. Likewise, Venezuela has been indirectly sanctioned by not being able to access the accounts and money it has in Russian banks.

Finally, as long as there is polarization on the issue of Venezuela or the US sanctions, this will continue to be used as a political campaign and a basis for action, which, in the short and long term, will not help the bilateral relationship. As long as politicians and interest groups in both countries continue to see the relationship as a zero-sum game, the responses and policies

will continue to be misguided and aimed only at benefiting particular interests.