

Barbados: there is no more time to lose

Antonio De La Cruz

Executive Director

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Uncertainty frames the negotiation between Juan Guaidó and Nicolás Maduro. The statements before each new meeting suggest the end of the dialogue. Last week, Maduro proposed a continuous dialogue, "it can last months and years in order to overcome any situation" to solve the country's problems. In his role as "good cop", he repeats the strategy of the dialogues that occurred in 2014 and 2016-2017, wait-see, accompanied by the state-corporate crime. This action allowed him to show resilience to the non-violent protests of democratic forces in 2014, and to avoid the presidential recall referendum in 2016. Maduro seeks to do the same in 2019.

However, the nature of the governance crisis is different in 2019. It went from being a complicated situation to a complex one. Today, Jose 'Pepe' Mujica et al. consider Maduro's regime a dictatorship. Michel Bachelet denounces and documented the grave violations of economic, social, civil, political, and cultural rights in Venezuela. More than 50 democratic countries regard Maduro, an usurper of the Venezuelan presidency.

So, on this occasion, the peaceful, political, and democratic solution as a result of the negotiation in Barbados must be robust. The roadmap for restoring democracy, drawn up and agreed by Guaidó and Maduro must have guarantors as the United States, China, Russia, and the European Union.

For this, the democratic forces must prepare to predict and take precautions before any different strategy employed by Maduro, such as wait-see, or the parliamentary election. The United Socialist Party of Venezuela (PSUV acronym in Spanish) is in pre-election mode. It is registering its militants and is touring the country.

Likewise, Guaidó must form alliances with the entire anti-Maduro political spectrum because the formation of this coalition changes the balance of power at the negotiating table and in the international support. The argument of the division of the opposition forces will cease to be an excuse for some sectors that claim: a new government does not guarantee political stability in Venezuela.

Creative thinking is another factor that Guaido must take into account to be able to agree in Barbados on the celebration of the presidential election with transitional justice.

Also, Guaidó must continue to show courage. In this sense, he must assume the leadership of the Oslo mechanism, without fear of losing part of his political capital. Because Maduro has taken the initiative so far, introducing noise at the Barbados negotiating table by leading Venezuelans to experience a déjà vu of the dialogs in 2014, 2016, 2017.

Meanwhile, last Monday, the United States protected the assets of the Venezuelan State in the United States with the executive order 13692; mainly Citgo's refinery for getting the money of

the Canadian company Crystallex, to settle the payment for the compensation of 1.4 billion dollars.

So, no creditor can coercively take Citgo's facilities for non-payment due to a lawsuit against the Republic, using the argument of Venezuela's alter ego. Hence, the interim government of Venezuela will be able to initiate the renegotiation of the external debt with the holders of the sovereign and corporate bonds without the risk of losing Citgo, for now.

However, Venezuelan debt holding funds are in a grey zone because they face a dilemma. To sell the bonds at any price, or keep them at risk of moving away from the JP Morgan Emerging Market Bond Index, when the investment bank eliminated the Venezuelan bonds of its EMBI, last week.

This situation generates interest in the capital market agents who want to know the status of the exit to the political crisis in the Bolivarian country. Due to the fact that Venezuelan bondholders have at risk 60 million dollars in a portfolio and 15 billion dollars in service of the Venezuelan external debt.

Therefore, Guaidó should leverage on Wall Street, The City, Luxembourg, and others, to execute his agenda with the governments of the Western Hemisphere. At the same time, this would allow him to prevent the holders of the Venezuelan debt from becoming vulture funds.

All these elements are present in Barbados, generating uncertainty to reach a peaceful, political, and democratic solution to the crisis in Venezuela because any variation will time out the dialogue. Only the capacity of adaptation, change, and creativity of democratic forces can overcome Maduro's strategy of buying some time. There is no more time to lose.