On Sunday, July 30, 2017, Venezuela’s increasingly authoritarian government became a dictatorship. All 545 handpicked candidates of President Nicolas Maduro’s ruling United Socialist Party of Venezuela (PSUV) were elected to a national constituent assembly in a highly fraudulent and violent vote. That day alone, Venezuelan security forces killed 16 protesters, bringing the four-month death toll of protestors to over 120.

Things look grim for Venezuela. The constituent assembly has been granted the authority to rewrite the constitution and remove from power the National Assembly and Attorney General’s office—the only institutions controlled by the political opposition. Reforming other government agencies falls under their authority as well. The U.S. should interpret this move as a direct challenge to its interests. In comparison to the other parts of the world, the relative security, stability, and prosperity in the Western Hemisphere largely stems from the regional consensus on the protection of democracy and human rights.

Allowing Venezuela to continue down this path is not an option for the U.S. and regional democrats. In response to these abuses, the U.S. should hold the Maduro regime accountable for its human rights violations, build an international coalition of partners for unified action, and outline concrete steps Venezuela must meet in order to reduce escalating U.S. action.

A Series of Crises

In less than two decades, now-deceased President Hugo Chavez and his handpicked successor, Nicolas Maduro, have ruined Venezuela. Their socialist, authoritarian rule has destroyed the world’s most oil-rich nation and allowed government corruption to flourish. As a result, Venezuela is in the midst of a profound humanitarian crisis the government refuses to recognize. Severe shortages of food and medicine have left millions of Venezuelans without adequate nutrition or health care.1

Widespread discontent with the PSUV gave the opposition coalition, the Democratic Unity Roundtable (MUD), majority control of the National Assembly in late 2015. In March 2017, Maduro’s loyalists on the Supreme Court stripped the National Assembly of its legislative power in order to grant Russia’s state-owned oil company, Rosneft, a 49.9 percent collateral lien on Citgo, the U.S. subsidiary of Venezuela's state oil company PDVSA.2 This action sparked a constitutional crisis and led to massive demonstrations. International organizations such as the Organization of American States (OAS) labeled this a “self-coup” and the Trump Administration responded by enacting targeted sanctions against eight members of the court, including the chief justice.3

Daily Protests

Since this constitutional crisis in late March, daily anti-government protests have been taking place throughout Venezuela. Nearly five months
later, more than 120 people have been killed by the government’s security forces. Facing an uncertain future and a low 15 percent approval rating, Maduro announced his intention to rewrite Venezuela’s constitution and replace the opposition-controlled National Assembly with a constituent assembly of PSUV loyalists. The U.S. government and others throughout the region condemned the unlawful plans. In the days leading to the July 30 election, the U.S. levied targeted sanctions against 13 current and former government officials for orchestrating the illegal vote, its associated violence, repression, and corruption. Colombia, Mexico, and Panama implemented similar sanctions.

Following the election of the 545 handpicked PSUV candidates, Venezuela became a dictatorship. The constituent assembly is set to rewrite Venezuela’s constitution, expulse the opposition from the National Assembly, and consolidate the executive branch power. Aside from the illegal power grab, the July 30 elections were highly fraudulent. The OAS Secretary General claims that the Venezuelan government’s manipulation of the vote is the largest electoral fraud in Latin America’s history. Less than one day after the election of the new constituent assembly, President Trump froze Maduro’s assets under U.S. jurisdiction and barred him from entry into the U.S. Eleven governments in Latin America, along with the European parliament, refuse to accept the legitimacy of the constituent assembly. The Venezuelan government responded by re-arresting and imprisoning two leading opposition figures, Antonio Ledezma and Leopoldo Lopez.

A Robust Policy Needed
Left unaddressed, the deteriorating situation in Venezuela will have far-reaching implications for its people, the region, and U.S. interests. Maduro’s unwillingness to address the humanitarian crisis is already having a regional spillover effect. Moreover, regional criminal organizations such as Colombia’s FARC are sure to exploit the power vacuum. The situation would undermine the United States’ largest foreign aid investment, “Plan Colombia,” valued at more than $10 billion.

The stabilizing regional norms of democratic governance, protection of human rights, and support for free trade are also threatened by the continuation of Maduro’s current form of governance. U.S. policy should be grounded on support for the Venezuelan people’s expressed desire to return to a system of democratic governance. To do so, the U.S. must continue applying pressure and holding the Venezuelan government accountable. Coordination with regional partners is necessary. U.S. policymakers must:

- **Outline concrete steps the Maduro regime must meet in order to reduce escalating U.S. actions.** Benchmarks should include, but not be limited to, the withdrawal of the current constituent assembly, the unconditional release of all political prisoners, and an end to violence against demonstrators.

- **Mandate strong standards for any dialogue with the Maduro regime.** Under the Obama Administration, dialogues were used by the Venezuelan government to buy time and repress the

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opposition. The Trump Administration cannot fall prey to his predecessor’s mistakes. Strict criteria, such as fair mediation and protection of the opposition, must be demanded.

- Develop a comprehensive sanctions regime targeting Venezuelan government officials. The U.S. must hold current and former government officials accountable for Venezuela’s loss of democracy and ongoing corruption and violent repression. Expand the list of government officials against whom targeted sanctions should be imposed to the recently elected constituent assembly.

- Build a coalition of international partners for reciprocal sanctions. To date, 40 countries have refused to recognize the current constituent assembly as a legitimate component of the government. Recent reciprocal sanctions by Colombia, Mexico, and Panama demonstrate an unprecedented willingness by the region to address the Venezuelan crisis. The U.S. must seize this momentum.

- Urge the U.S. Department of the Treasury to publicize the dollar amount of seized Venezuelan government assets. Pursuant to the U.S. Foreign Narcotics Kingpin Designation Act,8 drug trafficker and Venezuelan Vice President Tareck El Aissami was sanctioned in early 2017. The value of his seized assets has recently been reported at half a billion dollars.9 Unless releasing such information jeopardizes intelligence sources and methods, these numbers should be made public knowledge.

- Conduct a detailed assessment on how an oil embargo against Venezuela would impact the U.S. economy, and develop a contingency plan to mitigate the impact if such sanctions become necessary. The U.S. imports 8 percent of its oil consumption from Venezuela, and U.S. refineries process an average of 700,000 barrels of Venezuelan oil daily. Prior to any final decision being reached on implementing an oil embargo, the Departments of Energy, Treasury, and Commerce should submit a report to Congress detailing how an embargo would affect the U.S. energy market.

Venezuela’s Freedom Is an International Responsibility

Maduro’s alarming power grab has turned Venezuela into a dictatorship. For far too long, the country has been run by a criminal mafia seeking to only enrich themselves at the expense of the Venezuelan people. U.S. leadership is needed to reverse Venezuela’s imminent collapse.

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