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The 2024 Process

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“2024” May Unlock A Solution For Venezuela

Need For Multilateral Quid Pro Quo

For Cuba- 25/25/25/25

Many Companies Have An Interest In Venezuela

Maduro Isn't Likely Going Unless Assassinated Or Four Governments Agree

Guaido Fatally Contaminated By Connectivity With Trump Administration

What Is The Realistic “Mission Set”

Adhering To Aspirational & Desired Instead Of Doable

The Process Will Not Be A Moment, It Will Be A Series Of Moments

The year 2018 may be the key to creating a pathway for the succession/transition in Venezuela sought by the Trump Administration with support by the other stakeholders.

An agreement is unlikely, a negotiation unsuccessful, if those participating believe they receive nothing in return for their cooperation. The Trump Administration is pursuing precisely that strategy.

The Trump Administration is not engaged in diplomacy. It is engaged in coercion, intimidation, quid-pro-quo, threats, and what some might consider bribery to achieve its objectives.

Nor is the Trump Administration directly and sustainably negotiating with the relevant parties (China, Iran, Republic of Cuba, Russia, Turkey) who the Trump Administration has portrayed as essential to any desired outcome for Venezuela.

President Trump did not anticipate the [Nicolas] Maduro Administration remaining in place through the end of the Trump Administration; that is what his staff said to him.

With oil becoming less of a valuable commodity due to the expansion of global sourcing and changes in use due to technological advances, if the United States brings the oil industry in Venezuela to zero production, thus zero revenue, with a result infrastructure disabled, damaged and destroyed, what then for the citizens of Venezuela? Absent revenues from oil, Venezuela cannot become self-sufficient. The Trump Administration's position suggests- *Venezuela need be destroyed for it to be rebuilt.*

Some countries identified as United States allies continue to lack in their cooperation, their embrace, of Trump Administration policies- and in instances deliberately lessen their assistance as pique towards The White House and particularly towards certain officials whom they believe are untrustworthy and incompetent and attempting to resurrect unproductive 20th century tactics.

Is the strategy of the Trump Administration to starve Venezuela of revenues from exports and constrict Venezuela sources for imports, then create a mechanism for United States-based companies and United States-based financial institutions to gain preference from decisions for exports, imports and direct foreign investment? This is the belief by the relevant parties and a reason for the resilience of the Maduro Administration.

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Facts-On-The-Ground

H.E. Hugo Rafael Chávez Frías was president of Venezuela from 1999 to 2013. He was first elected in 1998, re-elected in 2000, 2006 and 2012. He died in January 2013. Three six-year terms. The election in 2006 was certified as “*free and legitimate*” by the thirty-five member Washington DC-based Organization of American States (OAS) and the Atlanta, Georgia-based The Carter Center.

President Maduro was re-elected in 2018. The election result was and remains disputed and approximately sixty countries (of 193 member states of the United Nations) do not recognize his legitimacy. The President of the National Assembly of Venezuela, Mr. Juan Guaido, is recognized as Interim President by approximately sixty countries- and that number has not materially increased in nearing two years. Importantly for Venezuela, *China, Cuba, Iran, Russia, and Turkey* do not recognize Mr. Guaido. *The Interim President virtually leads the world’s richest-by-oil parallel government without a country to govern.*

From media reporting- how the now twenty-seven-member Brussels, Belgium-based European Union (EU) views Venezuela and Belarus:

31 January 2019- *“EU lawmakers voted 439 in favor to 104 against, with 88 abstentions, at a special session in Brussels to recognize Venezuelan congress head Guaido as interim leader.”*

Compared with...

17 September 2020- *“In an overwhelming show of support for pro-democracy protesters in Belarus, the EU assembly voted 574 to 37, with 82 abstentions, to reject the official results of an Aug. 9 presidential election that the West says was rigged.”*

25 January 2021- “European Union member states have abided by their Jan. 6 decision to no longer recognize Venezuelan opposition figure Juan Guaidó as the country’s interim president following the election of a new National Assembly. In a statement on Monday, EU states described Guaidó as a “**privileged interlocutor**” and called on the Venezuelan government to respect the rights of political opponents. Antony Blinken, Joe Biden’s nominee for secretary of state, told senators during his confirmation hearing that the United States would continue to recognize Guaidó as interim president.”

The non-diplomatic efforts (sanctions) by the United States have been effective and continue to constrict exports from Venezuela, imports to Venezuela and financial transactions involving Venezuela.

The United States continues to lead, often alone, efforts to marginalize and replace President Maduro; and a reported up to US\$30 billion (including a reported US\$6 billion+ in currency and gold bullion, and corporate (Houston, Texas-based Citgo Holding, Inc./Citgo Petroleum Corporation, etc.) in assets are nominally controlled by the Interim President.

In July 2020, a court in the United Kingdom declared that US\$1 billion to US\$1.8 billion in gold held by the Bank of England would be controlled by Mr. Guaido. In October 2020, the decision was reversed on appeal.

Approximately 99% of Venezuela export revenues are related to oil. OPEC, of which Venezuela is a member, predicts a decline over time in the use of oil. The result is a slow decapitation of oil

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production in Venezuela. Thus, the question: What will Venezuela have remaining from which to reconstitute its economy, regardless of who is president? And, importantly, who will want to invest in the sector knowing that the marketable output is expected to decrease?

From Reuters (United Kingdom) on 9 October 2020: *“Oil use will rise to 107.2 million barrels per day (bpd) in 2030 from 90.7 million bpd in 2020, OPEC said, 1.1 million bpd below its 2030 forecast last year and over 10 million bpd below its 2007 prediction of 2030 demand. “Global oil demand will grow at relatively healthy rates during the first part of the forecast period before demand plateaus during the second half,” said the report, which looks at the 2019-2045 timespan. “Future demand will likely remain persistently below past projections due to the lingering effects of the COVID-19-related shutdowns and their impact on the global economy and consumer behaviour.” While oil use to fuel cars, trucks and industry will rebound as economies recover, OPEC voiced concern future growth may be partly offset by factors like a post-pandemic shift to homeworking and teleconferencing over commuting, as well as efficiency improvements and a shift to electric cars.”*

Regime Change

“*Regime Change*” is defined in the political lexicon as **a**) change in personnel or **b**) change in behavior of personnel. With Venezuela, the political question is whether “a” is the sole option or if “b” accomplished without “a.” One may be more desirable but may less be doable. These are the dynamics facing China, Republic of Cuba, Iran, Russia, Turkey, United States, and Venezuela.

With the Trump Administration having created and implemented operational plans to use the United States Navy, United States Coast Guard and third parties to interdict commercial vessels traveling to Venezuela and traveling from Venezuela transporting products (oil, fuel, etc.) owned by China, Republic of Cuba, Iran, Russia and Turkey- have such seizures altered the paradigm? The result has been defiance rather than acquiescence by those impacted.

Trump Administration Statements Square With Realities?

From a 16 September 2020 briefing with The Honorable Elliott Abrams, United States Special Representatives for Iran, and Venezuela:

Question: *I just have a question about Venezuela. The U.S. has said it's willing to negotiate with Maduro, his exit. Does the fact that the UN believes he has committed crimes against humanity makes this hypothetical negotiations less likely?*

Mr. Abrams: *I think it's a – this UN report is a reminder of the nature of this regime. That's why the United States introduced a few months ago our framework for a democratic transition, because we believed – and still do – that you need to get a transitional government in Venezuela that can hold a free election. If you look at this UN report and the nature of the crimes that it attributes to Maduro and the Maduro regime, you would really have to ask yourself, what is the chance that Maduro and his regime are actually going to hold a free election? Our conclusion was that there was no chance, which is why we said there needs to be a transitional government for the purpose of holding – in six months, nine months, whatever, twelve months – a really free and fair presidential election. We've also, in the – we've said that to many, many governments around the world, and it's one of the reasons why we think that the notion that there will be a free election on December 6th really defies both logic and everything we know about the nature of this regime. The problem is that some people seem to think that the – time is the issue. So, okay, not December*

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6th, maybe postpone three months, and then we can organize a free election. We do not believe that it will be possible to organize free elections under this regime.

At a drug interdiction briefing on 10 July 2020, in Doral, Florida, President Trump responded to Mario Diaz-Balart (R- Florida 25th), a member of the United States House of Representatives, “*Cuba, Venezuela we have it very well under control.*”

Uninterrupted through the Trump Administration, President Maduro remains in control of Venezuela, Interim President Juan Guaido remains marginalized, and President Miguel Diaz-Canel remains in control of the Republic of Cuba. Countries including China, Iran, Russia, and Turkey continue to support and trade with the Republic of Cuba and Venezuela. What, specifically, does the United States have “*very well under control*” in the Republic of Cuba and Venezuela?

In May 2020, a heavily-armed group whose members included two United States citizens and organized by a United States resident of Canadian descent, were arrested in Venezuela after arriving from Colombia; the reported goal was to capture President Maduro.

From President Trump: “*I just got information- nothing to do with our government,*” and “*I just got information on that. So, well, we’ll find out. We just heard about it. But whatever it is, we’ll let you know. But it has nothing to do with our government.*”

From a press conference with Mike Pompeo, United States Secretary of State: Question- *Meanwhile, the Maduro regime still insinuating that we are actively sending people there to try to unseat him – physically do so – and they have a couple of our American citizens detained. They claim they’re down there trying to make trouble for Maduro. I know you’ve officially said that’s not the case, but it wouldn’t hurt your feelings to see him ousted.*

Secretary Pompeo- *So no, we have been very clear: Maduro must go. This effort that we’ve seen the stories on these last few days was not an American effort, but we do believe that Maduro must go. He’s indicted on narco-trafficking charges here in the United States. This is a fellow who has wreaked enormous havoc in Venezuela. We’ve now had six million Venezuelans have to leave their country. What a calamity this socialism has brought to a once-rich nation. We want to try and restore that democracy for the Venezuelan people. It’s certainly important for them, but that will increase security for America as well.*

Other exchanges with Secretary Pompeo: “*Well, the short answer to that is this was not an American effort. This wasn’t something that we directed or guided. I know Maduro’s trying to spin it that way. That’s the story he wants to tell to the Venezuelan people. Again, Maduro as victim is not the right story to come out of this. It won’t surprise me if when we get to the end of this we learn that the regime knew about this for a significant amount of time and has used this opportunity to create disinformation and an opportunity. But the American people can be sure the United States didn’t lead this effort. We desperately want to return Venezuela to its democracy and let it flourish in a way that we know that it can. It has enormous resources. Our mission set is clear. President Trump’s given real guidance to put pressure on Maduro so that he and the Cubans will leave, and when we get that, we’ll restore democracy there. It wasn’t us who conducted this little activity a few days ago now.*”

“*There was no U.S. government direct involvement in this operation,*” and “*[If] we’d have been involved, it would have gone differently.*”

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Asked by a reporter as to who may have bankrolled the operation, Secretary Pompeo responded, “We’re not prepared to share any more information about what we know took place.”

Who Floats?

The Trump Administration seeks a very public sinking of the Maduro Administration in Caracas and equally public capsizing of the Diaz-Canel Administration in Havana.

Whether those maritime events happen concurrently or sequentially matters little to Washington DC. The result is, however, consequential to the 28.4 million citizens of Venezuela and the 11.3 million citizens of the Republic of Cuba and impacts the millions of Venezuelans who are [temporarily] residing in Brazil, Colombia, Peru and other countries.

A more rationale and practical maritime endeavor might be “*destabilize*” or more balanced, “*recalibrate*” the Republic of Cuba through an agreed upon systematic and transparent lessening of its relationship with Venezuela, principally through a structured and transparent decrease in oil exports from Venezuela rather than a policy of “*cold turkey*” whereby the boat that is the Republic of Cuba capsizes with 11.3 million potential passengers ninety-three (93) miles south of Key West, Florida.

There is a prospect, though remote, of a 21st Century version of 15 April 1980 to 31 October 1980 *Mariel boatlift* when approximately 125,000 Republic of Cuba nationals arrived at the shores of South Florida. In 2020, that number could be 250,000 or more. Those optics are unattractive.

Economists in the Republic of Cuba appreciate that the subsidized oil imports, payments for healthcare sector workers, and other entanglements are unnatural and need be diminished for the Republic of Cuba to re-embrace its once substantial commercial, economic and political sectors.

The goal of the Trump Administration suggests a zero level of exports from Venezuela, whether those be to the Republic of Cuba or any other country. As a result, Washington hopes, the Maduro Administration and the Diaz-Canel Administration will sue for peace.

Although the Republic of Cuba currently obtains approximately 50% of its energy requirements from Venezuela, absent of imports from Venezuela would not result in a collapse of the government of the Republic of Cuba. There would be quite painful required adjustments, as in 1991 when its financial and commercial preferential support ceased from the U.S.S.R. and then Russian Federation. In the short to medium-term, the Republic of Cuba is quite likely to receive support from China, Iran, Russia, and Turkey among other countries. That support would over time have conditions requiring commercial, economic, and political reform in the Republic of Cuba. Needing revenue, there is also the specter of the Republic of Cuba leasing land and ports to China and Russia for military installations.

A True “Framework”

The United States Department of State maintains the primary impediment to a Maduro-less Venezuela is the support the Maduro Administration receives from the Republic of Cuba.

Given the importance of Venezuela to the Republic of Cuba, any valid framework for change in Venezuela must be less aspirational and more practical.

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Yet, the Trump Administration's 31 March 2020 "*Framework for a Peaceful Democratic Transition in Venezuela*" fails to include how to purposefully restructuring of what the Republic of Cuba wants most to preserve from Venezuela- a continuation of cashflow from healthcare workers under contract in Venezuela and a continuation of below-market, long-term financed oil imports from Venezuela under provisions of an agreement signed in 2000.

On the one hand, the Trump Administration sounds the general alarm that the role of the Republic of Cuba is central to a resolution of the issue; yet the document ignores realism for an operational plan for the Republic of Cuba to "*get out.*"

It's also unwise to acknowledge that the presence of the Republic of Cuba in Venezuela is not only serving Havana's interests, but supporting the interests of China, Russia, Iran and Turkey- whose collective affinity for the status quo is quite stubborn.

The United States Department of Justice (**DOJ**) has indicted President Nicolas Maduro and others within the leadership of the Maduro Administration. The United States Department of State has sanctioned President Maduro, members of his family and others within leadership of the Maduro Administration. Has the Trump Administration offered a deal to the government of the Republic of Cuba? The Republic of Cuba withdraws support for President Maduro and the Trump Administration returns United States-Republic of Cuba commercial, economic, and political relations to where they existed at 11:59 am on 20 January 2017. No, it has not.

That dialogue is now more challenging since the Republic of Cuba knows some officials within the Trump Administration are salivating at the prospect of adding Venezuela and returning the Republic of Cuba to the State Sponsors of Terrorism List.

The Trump Administration's position about the presence in Venezuela by the Republic of Cuba: *You shouldn't have been there in the first place, so we're expectantly not providing you with going-away gifts.*

Cuba Needs The Oil

For the Republic of Cuba, oil received from Venezuela is its economic equivalent of crack- approximately 50% of its daily requirements; and as an addict, there is little incentive to enter recovery as long as its dealer continues providing its fix. Due to United States sanctions upon Venezuela exporting its oil to other countries, oil is flowing the Republic of Cuba as a gift, rather than as a commercial export with an expectation of repayment.

There remains also that pesky reality (for the Diaz-Canel Administration)- the Republic of Cuba depends upon the oil from Venezuela to insulate itself from making commercial, economic and political changes it needs to make, but does not want to make.

If Venezuela were to cease payment to the Republic of Cuba for healthcare workers and if Venezuela no longer provided to the Republic of Cuba subsidized (and recently no cost) oil, no longer provide loans and grants, the Republic of Cuba would be required to change in ways it has steadfastly avoided on a voluntary basis.

President Trump could offer assistance to China, Republic of Cuba, Iran, Russia and Turkey, but delivering upon any offer could be challenging as much of what Presidents Xi, Diaz-Canel, Rouhani, Putin and Erdogan want requires changes to statutes- and the United States Congress, particularly in an election year, would unlikely be supportive. However, there are some quid-pro-

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quos that President Trump could offer absent of support from Capitol Hill: lower tariffs, military cooperation, change/removal of regulations and sanctions, bilateral meetings.

China, Iran, Russia, and Turkey will not replace what Venezuela provides to the Republic of Cuba and the Republic of Cuba appreciates that reality.

Seeking to maintain support for the Republic of Cuba, the countries China, Iran, Russia and Turkey thus far find that support easier to support through a combination of financial instruments focused upon Venezuela and the Republic of Cuba, rather than replace directly the largess of Venezuela's below-market petroleum product support and other financial support to the Republic of Cuba.

China, Iran, Russia, and Turkey do want the Republic of Cuba to remain somewhat as it is politically, principally as a distraction and aggravation for whomever occupies the Oval Office; however, Beijing, Tehran, Moscow and Ankara prefer the Republic of Cuba embrace policies enabling the country to pay what it owes when it owes it. Those governments, and their respective taxpayers are far less tolerant with far-flung vanity projects.

Thus, in the interest of Russia, China, Iran and Turkey to obtain a formalized glidepath for the Republic of Cuba during which it can adjust its commercial, economic and political infrastructure so as to purchase its energy requirements in the global marketplace at market-based pricing. Note that Vietnam retains a governing Communist Party as does China, so managing an economy and being a Communist are not necessarily incompatible, though may be unwelcome.

The Trump Administration is correct that the Republic of Cuba must continue to diversify petroleum and natural gas sourcing- both below-market-rate and market-rate. Current two-decade low global oil prices should assist with that transition to renewable energy sources.

The Trump Production

With the presidential election in the United States nearing, the Trump Administration believes that Venezuela and Republic of Cuba will await the election results rather than engage prior to 3 November 2020. President Trump has indicated that countries including China, Republic of Cuba, Iran, North Korea, Russia and Turkey will upon his re-election quickly negotiate issues as they will neither want nor will be able to endure another four years of the Trump Administration.

The Trump Administration anticipates that by closing all export avenues for oil from Venezuela, the governments of China, Republic of Cuba, Iran, Russia and Turkey will withdraw their collective support for President Maduro and the military in Venezuela will remove President Maduro from his offices in Caracas. And, as executive producer of the event, the Trump Administration demands the global community know and acknowledge precisely who choreographed the made-for-television, Facebook, and Twitter production.

The Trump Administration is counting upon enough in numbers of citizens of Venezuela to focus their ire towards President Maduro as the primary reason for their plight rather than focusing their ire towards Mr. Juan Guaido, Speaker of the National Assembly of Venezuela and Interim President of Venezuela, as a vessel of the United States and, specifically of the Trump Administration. That has not happened as planned.

The goal of the Trump Administration is economic deprivation to a level where enough, though not necessarily a majority, of the population in Caracas marches to the presidential palace. Senior military officers then provide alternatives for President Maduro- resign, arrest, suicide, or

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execution. These same officers might, regardless of promises made to third parties, require the departure of real and/or perceived ideological vessels of the United States- Juan Guaido among them, so Venezuela may have a “*clean restart*.” For the Republic of Cuba, this series of events would be its climbing *Mount Everest* moment- seeking to preserve its subsidized commercial relationship with Venezuela.

The removal process preferred by the Trump Administration is on an aircraft to anywhere; but there is a robust constituency at 1600 Pennsylvania Avenue NW and in Foggy Bottom who would prefer President Maduro suffer the same demise trajectory as H.E. Salvador Allende, President of Chile, on 11 September 1973.

From Wikipedia: “... *the military moved to oust Allende in a coup d'état supported by the United States Central Intelligence Agency (CIA). As troops surrounded La Moneda Palace, he gave his last speech vowing not to resign. Later that day, Allende committed suicide with an AK-47 rifle gifted to him by Fidel Castro, according to an investigation conducted by a Chilean court with the assistance of international experts in 2011. Following Allende's death, General Augusto Pinochet refused to return authority to a civilian government, and Chile was later ruled by a military junta that was in power up until 1990, ending more than four decades of uninterrupted democratic governance. The military junta that took over dissolved the Congress of Chile, suspended the Constitution, and began a persecution of alleged dissidents, in which at least 3,095 civilians disappeared or were killed.*” A post-Maduro Venezuela is unlikely to immediately become a Jeffersonian Democracy.

The Realities

Risk for United States is President Maduro remains through 2020 and into a second term of President Trump or the first term of the Biden Administration.

For President Trump, it is something he started. Accepting beliefs from his staff that Interim President Guaido would be inaugurated soon as President. Nearing two years later there remains an Interim President Guaido who does not control the mechanisms of Venezuela, a citizenry of Venezuela who continue to suffer, the United States and other countries continue to seize assets of Venezuela, and President Maduro remains ensconced in the Miraflores Palace. For the next United States president on 20 January 2021, another issue about which he will have four years to manage.

Although there is individual EU-member consensus that the 2018 presidential election results in Venezuela were problematic and probably thus invalid, there is no consensus by the EU as to what to do about Venezuela.

Some of the opposition to a consensus by the EU stems from historical issues for countries (Spain for example) and particularly amongst countries in The Americas to removing by force or coercion a government, particularly when the [re]moving “*company*” is owned, operated and marketed by the government of the United States.

There is also some *schadenfreude* to how some members of the EU and, perhaps, the EU itself, view Venezuela from afar- the Trump Administration created opportunities to resolve it, but unless the resolution causes pain, is highly and visibly zero-sum, it will not be accepted by the Trump Administration- and, even if accepted, might be subject to change.

And there is visceral reaction from other countries to almost anything said or done by the Trump Administration: Whatever it is it is bad and likely to get worse; lets lead from behind, far behind.

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Linkages & Circumference

There are challenges to resolve issues relating to Venezuela principally because of the linkages of protagonists and antagonists to issues not relating to Venezuela, so every decision about Venezuela can depend upon a decision about an unrelated issue in another country.

Want assistance with Venezuela? Do this in Syria. Want assistance with Venezuela? Do this in Russia and don't do that in Iran. Want assistance with Venezuela? Do this in Russia and don't do that in the Republic of Cuba, but do this in Turkey, but not that in China.

Increasing the circumference of the circle defined as countries having substantive commercial, economic and political relationships with the Maduro Administration will make easier for one country to lessen its presence or depart and another country to replace it- which marginalizes the impact upon Venezuela.

The known circle of countries integral for the Maduro Administration to maintain control of Venezuela includes **China, Republic of Cuba, Iran, Russia, and Turkey.**

On 13 August 2020, Admiral Craig S. Faller, Commander, United States Southern Command reported that “*Russia is center of gravity*” to maintaining the Maduro Administration. And that exports of gold from Venezuela to Brazil and Colombia and Nicaragua were important sources of revenues for the Maduro Administration.

The Trump Administration added a second-tier circle of integral countries: **India, Italy, Spain, United Arab Emirates (UAE)** and ironically the **United States** (continued warning to companies).

The commonality among the integral countries is President Trump proclaims strong, robust, great personal relationships with, absent two (unfortunately an important two), each head of state and head of government. That *should* bode well for negotiation rather than necessitating the use of sanctions.

Like his predecessors (remember President Obama remarking on 26 March 2012 to Dmitry Medvedev, President of the Russian Federation- “*After my [re]election I'll have more flexibility*”), President Trump conveys privately to relevant heads of state and heads of government that he will be a *Dealmaker-In-Chief 2.0* during a second term irrespective of constraints from the United States Congress or from those throughout his administration.

Some governments are comfortable with maintaining today opposition to the Trump Administration and then doing so with greater confidence should there be a second term. If President Trump is defeated, then while the issues would remain, the new personalities in charge might make smoother the resolution.

Had it not been for an absence of trust by President Maduro, President Putin, President Diaz-Canel, President Xi, President Rouhani, and President Erdogan with President Trump, Secretary of State Mike Pompeo, Special Envoy of the United States Department of State Elliot Abrams, and Senior Director- Western Hemisphere Affairs for the National Security Council Mauricio Claver-Carone, not unreasonably to posit that a transition agreement would have been in place, President Maduro and his family may have departed for another country, or President Maduro may have resigned.

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The Companies

Will the Trump Administration sanction the third-largest company in Spain which has 25% of its shareholders in the United States? Will the government of Spain retreat from supporting a company with hundreds of thousands of shareholders who include individuals, pension funds, financial institutions, unions... and all of whom are voters?

The problem for the Trump Administration is being viewed as transactional rather than strategic. So, when the Trump Administration offers a government something of immediate value, the value immediately diminishes upon presentation- similar to purchasing a vehicle; once the front tires pass the threshold of the lot, the vehicle has begun to lose value- and will continue to do so. The Trump has amassed little in the way of global good will.

Companies targeted by the Trump Administration have included: India-based **Reliance Industries** (2019 revenues approximately US\$90 billion); Russia-based **Rosneft Oil Company** (2019 revenues approximately US\$113 billion; United Kingdom-based BP has a 19.75% shareholding); Spain-based **Repsol S.A.** (2019 revenues approximately US\$57 billion), which New York, New York-based **Blackrock, Inc.** (2019 assets under management approximately US\$7.4 trillion) has a shareholding of approximately 5% and approximately 25% of all shareholders in Repsol are United States-based; Beijing, China-based **China National Petroleum Corporation** (2019 revenues approximately US\$330 billion); Beijing, China-based **PetroChina Company** (2019 revenues approximately US\$350 billion); Shanghai, China-based Shanghai Saint Logistics Ltd.; Italy-based **Eni S.p.A.** (2019 revenues approximately US\$85 billion); Bangkok, Thailand-based **TIPCO Asphalt PCL** (2019 revenues approximately US\$1.2 billion) within which a subsidiary of Paris, France-based **Bouygues** (2019 revenues approximately US\$40 billion) subsidiary, Paris, France-based Colas S.A. (2019 revenues approximately US\$16 billion) is the largest shareholder with 31%); Stockholm, Sweden-based **Nynas AB** (2019 revenues approximately US\$2 billion); Mexico City, Mexico-based **Libre Abordo S.A. De C.V.** (2019 revenues approximately US\$200 million) and an affiliated entity, Mexico-based **Schlager Business Group** reported an agreement to purchase crude oil from Venezuela in exchange for food products and vehicles; Guadalajara, Mexico-based **Grupo Jomadi Logistics & Cargo S.A. De C.V.**; Valletta, Malta-based **Elemento Ltd**; Geneva, Switzerland-based **Swissoil Trading SA** (a subsidiary of Geneva, Switzerland-based Klesch Group (2019 revenues approximately US\$3.3 billion)); Iran-based **Khatam al-Anbiya Construction Headquarters** reported to be assisting with energy infrastructure in Venezuela; Singapore-based **Trafigura Group Pte. Ltd.** (2019 revenues approximately US\$86 billion) which suspended trading with Venezuela in 2019, but continues a presence in the Republic of Cuba; Mumbai, India-based **Nayara Energy Limited** (2019 revenues approximately US\$164 billion). Trafigura Group owns 25% shareholding in Nayara Energy Limited and Rosneft has a 49% shareholding; and United States-based **Baker Hughes Company** (2019 revenues approximately US\$23 billion), **Chevron Corporation** (2019 revenues approximately US\$147 billion), **Halliburton Company** (2019 revenues approximately US\$22 billion), **Schlumberger** (2019 revenues approximately US\$33 billion), and **Weatherford International** (2019 revenues approximately US\$5.4 billion). In 2014, Weatherford pleaded guilty and was fined by the OFAC for exporting oil equipment through third countries to the Republic of Cuba.

Both Reliance Industries and Nayara Energy Limited are reported to be reducing their Venezuela-related transactions.

Companies targeted engaging in gold transactions include: United Arab Emirates-based **Noor Capital PSC** (2020 capital reported US\$100 million), Turkey-based **Ciner Group**, Turkey-based

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Ahlatci Metal Company, Turkey-based **Sardes Kiyetli Mandele**, and Turkey-based **Istanbul Gold Refinery (IGR)**.

United States-based companies have continued to operate in Venezuela within provisions of licenses issued by the Office of Foreign Assets Control (OFAC) of the United States Department of the Treasury. However, on 21 April 2020 the OFAC issued a directive for each United States-based company to wind down operations by 1 December 2020. On 17 November 2020, the OFAC extended the deadline to 3 June 2021 for Halliburton Company, Schlumberger, Baker Hughes Company, Weatherford International, and Chevron Corporation.

The argument for maintaining United States-based oil field services company operations in Venezuela is the strategic importance of preserving the value of the oil fields as revenues from oil exports account for nearly ninety percent of the gross domestic product (GNP) of Venezuela.

With India, Italy and Spain pressured to not purchase oil from Venezuela, those three countries may import oil from Iran and/or Russia; so, a question for the Trump Administration is to whom is it less adverse to providing revenue- Iran, Russia or Venezuela?

As the distance expands between when the United States demands that President Maduro depart and no departure is believed to be forthcoming, there becomes an institutionalization of the problem, a perception of intractiveness, and less interest by the relevant state actors in pursuing an outcome. The status quo becomes foundational.

China, Cuba, India, Italy, Iran, Russia, Spain, Thailand, Turkey, United Arab Emirates, United States and Venezuela each have commercial, economic, and political bilateral relationships with one another. Thus, there are interlocking relationships that need be adequately addressed for each government to agree to support any resolution to the problems in Venezuela.

The Political Mathematical Equation

The Trump Administration wants President *Maduro to go* and Interim President *Guaido to stay*.

The Diaz-Canel Administration, Putin Administration, Erdogan Administration, Xi Administration, Modi Administration, Rouhani Administration, and, somewhat Sanchez Administration, want President Maduro to stay- not because they enjoy President Maduro's company, rather primarily because of process- and because of a historical bias against the United States for what is perceived by many countries to be wielding blunt force first and then seeking assistance when it doesn't work.

The Trump Administration continues to sanction government officials, individuals, private companies, and government-controlled companies throughout the world to displace President Maduro.

When heads of state and heads of government hear that the United States has issued another sanction, the eye-rolling faux-response is similar to words from the 1942 motion picture *Casablanca*- Captain Renault: "*I'm shocked, shocked...*"

The global perception is Venezuela is a United States problem which the United States assisted to create, and the United States does not know how to solve.

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Why 2024?

There is one fact agreed upon by parties who will determine the outcomes in Venezuela- the president of Venezuela serves a six-year term, and the next scheduled election is in 2024. Let us use that platform from which to create a construct.

Absent approval from the principal state actors- Bolivarian Republic of Venezuela (Maduro Administration), People's Republic of China, Republic of Cuba, Republic of Turkey, Russian Federation, Spanish Republic and the organized opposition within (not outside) the Bolivarian Republic of Venezuela, any succession/transition script with easily identifiable fingerprints of the United States may expectantly continue to be moribund.

While the input by out-of-country opposition, exiles (forced or voluntary) are important components for resolving in-country conflicts, their views are not, nor should be sacrosanct. Washington DC and Miami, Florida, are littered with failed strategies for “*taking-back*” countries in The Americas with the Republic of Cuba perhaps the singular most profound (and prolific) example of failure.

Interim President Guaido (according to the Trump Administration recognized as such by approximately sixty countries- and that number has not increased) has been in that position for more nearing two years.

President Maduro has been in office since 2013 and was elected to his first full-term on 22 May 2018. The results of that election are disputed by governments and government entities. The original date for the election was December 2018.

The relevant state actors and non-state actors know the Trump Administration will implement commercial, economic, and political sanctions- some of which President Trump may oppose or be unenthusiastic to enforce. More significant, however, is the abject absence of any confidence by the relevant state actors and non-state actors that the Trump Administration has the talent, capability, and interest to resolve (negotiate) issues absent of the singular use of and preference for coercion, force and sanctions.

The presidents of China, India, Italy, Russia, Spain, Turkey and United Arab Emirates with whom President Trump continually reaffirms a constructive, if not robust personal chemistry, relationship, can collectively assist President Trump with managing the “*Venezuela Problem*” and, as a result, removing it from the to-do list maintained by the Trump Administration.

The 2024 Process

President Maduro agrees not to run again. He completes his term; retires; is granted immunity and may remain in Venezuela or depart to another country. He and members of his family may not serve in government for a period of ten years. He and his family must declare all assets and liabilities prior to 2024. All governments would agree to seize and return to the Central Bank of Venezuela all assets associated with the Maduro family which are not deemed to be legitimately earned.

President Maduro agrees to immediately provide support for and accept recommendations of representatives from the World Bank, International Monetary Fund (**IMF**) and private sector global capital markets to create a known-to-all structured process to implement and monitor projects with a goal of completion by 2024.

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If President Maduro and his family depart Venezuela, they will not be subject to extradition for crimes committed while he was in office. This is perhaps the most indigestible for many, but absent such an agreement, why would any country accept him and his family? The accepting country would likely be subject to threat of sanctions by the United States, United Nations or European Union, so any incentive would be illusory. For example, if President Maduro and his family departed for the Republic of Cuba, why would President Diaz-Canel risk being heralded by the Trump Administration upon the arrival of the Maduro family and four hours later be threatened with [additional] sanctions for not extraditing now Mr. Maduro to the United States to face indictment for crimes against humanity, money laundering, drug trafficking, murder, etc.? The answer to that question- there are no assurances that any government or government entity could provide or would provide to the Republic of Cuba. Basically, the governments who matter to create the foundation for a resolution in Venezuela have no confidence that the Trump Administration will keep its word; tell the truth. The United States Department of Justice has indicted President Nicolas Maduro and others within the leadership of the Maduro Administration; that means if he and his family and others seek refuge outside of Venezuela, the country would need to agree not to extradite anyone to the United States.

Interim President Guaido agrees not to run. He will not be a candidate in 2024 for president. A mistake for him not to say so in 2019. By not doing so, he reinforced the perception that he was guided by and beholden to the Trump Administration. He focuses upon his mission- prepare the country to vote in 2024.

Presidents Diaz-Canel, Rouhani, Putin, Erdogan and Xi may not want President Maduro, but they do not want Interim President Guaido. The Trump Administration needs to be prepared to sacrifice Mr. Guaido's future aspirations to get an agreement with China, Cuba, Russia, and Turkey.

Subsidized oil exports from Venezuela to the Republic of Cuba decrease by 25% each year until eliminated in 2024. Another mistake by Interim President Guaido- in 2019 he stated that he would immediately cease subsidized oil exports from Venezuela to the Republic of Cuba which have been in place since 2000. Not challenging to determine the reaction of President Diaz-Canel in Havana when hearing the statement- support the Maduro Administration.

By decreasing the level of subsidies/discounts provided to the Republic of Cuba by 20% annually, the Republic of Cuba has an ability to restructure its energy portfolio while maintaining payment schedules. During this four-year period, the provisions of the bilateral agreement signed in 2000 would remain operational.

Russia, China, India, Turkey EU-member countries are likely to provide just enough commercial (including potential use of a Special Purpose Vehicle payment platform), economic and political support to permit the Republic of Cuba to function, though not prosper.

The Trump Administration has rescinded, altered, and added new regulations and policies relating to the Republic of Cuba. Usually, the publicly shared reasoning has connectivity to the commercial, economic, and political relationship between the Republic of Cuba and Venezuela. Thus, for the Republic of Cuba to assist the United States with the removal of the Maduro Administration, there must be incentives, quid-pro-quo: Will the Trump Administration re-instate cruise ship operations; again permit United States air carriers to service cities other than Havana; end limits upon remittances; re-authorize non-United States U-Turn financial transactions; reduce the content levels subject to restrictions?

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There will continue to be the commercial, economic and political realities enveloping issues relating to Venezuela and the Republic of Cuba: While the Diaz-Canel Administration was applauded by the United Kingdom for assisting with the repatriation of its citizens from a cruise ship during the March 2020 COVID-19 global health crisis, when the United States links United Kingdom Policies towards the Republic of Cuba with negotiating a bilateral trade agreement, the goodwill earned by the Republic of Cuba will be swiftly traded away.

Cuba measurables: If Diaz-Canel Administration ceases support for Maduro Administration, what, if anything will the Trump Administration provide to the Republic of Cuba? Reinstate all commercial flight activity? Restore cruise line operations? Return to no limits upon remittances?

What precisely do Secretary Pompeo, Messrs. Elliot Abrams and Mauricio Claver-Carone, and Senators Marco Rubio and Rick Scott want the Republic of Cuba to do with respect to Venezuela and what will they offer, offer to remove, or threaten to do absent the Republic of Cuba doing what they want it to do?

The government of the Republic of Cuba rationally sought assurances for the following scenario: If now former President Maduro and his family departed for the Republic of Cuba what guarantee would the Republic of Cuba have that it would be heralded by the Trump Administration upon the arrival of the Maduro family, but hours be subject to threats of [additional] sanctions for not immediately extraditing Mr. Maduro to the United States to face indictment for crimes against humanity.

Return of refugees. Priority afforded to those from Venezuela residing in Colombia (more than 1.8 million representing approximately 3% of population) followed by those residing in Peru (900,000), Ecuador (400,000), Chile (400,000), Brazil (264,000) and in the United States. There are reported more than five million refugees and migrants who have departed Venezuela for other countries during the last five years. Estimates project an additional two million will depart Venezuela by the end of 2020.

Colombia foreign minister and the recirculation of a problem: In September 2019, during the United Nations General Assembly in New York City, then Minister of Foreign Affairs Carlos Holmes Trujillo shared that the problems in Venezuela had resulted in nearing two million of refugees entering Colombia with results including increased crime, depressing wages, stresses upon healthcare, social support and educational systems, and increasing unemployment. He forcefully said that the international community had provided less than one percent of promised assistance to Colombia. Next, he vigorously advocated for the international community to increase commercial, economic, and political sanctions on Venezuela.

Which begs the question: If increasing sanctions on Venezuela will expectantly result in more refugees into Colombia, and Colombia knows those refugees will contribute to instability, and Colombia has reasonable expectation that if previously-promised assistance was not delivered then newly-promised assistance will likely not be delivered. Why then would Colombia advocate for increasing sanctions on Venezuela? How does this solve the problem?

There remains limited financial support by the United States, European Union and others for Colombia and other nations impacted by refugees/migrants from Venezuela (and similarly Syria) primarily because when issue is “*man-made*” as with Venezuela (and again Syria), there is less global empathy to assist than when there is a “*natural disaster*” such as drought, famine, disease, environmental.

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What also lessens the global focus upon Venezuela is the lack of impact upon refugees and migrants in a similar manner as those from Syria who are simultaneously enduring a military conflict. There are not encampments with hundreds of thousands of men, women and children living in tents and lacking what are considered basic necessities.

The United States makes available all sequestered funds for use to purchase imports; the National Assembly will vote on what to purchase and the Maduro Administration will permit unfettered arrival and distribution. The Trump Administration will transfer all funds to a single bank account from which the National Assembly will disburse to purchase imports.

The Maduro Administration may continue mining gold using environmentally-sustainable methods and with monitoring by a non-governmental organization (NGO), but will not export any gold. The gold will be stored at the Central Bank of Venezuela and used to rebuild the national reserves.

Energy companies who had their interests expropriated by the government of Venezuela, but have not received compensation, will have their interests returned or may continue to pursue restitution through the courts.

All sanctions impacting the maintenance of oil fields and production will be removed. This has significance because for oil fields to remain productive, and for the environment to remain protected, maintenance is essential. A Special Master would be appointed to work with management of PDVSA to prioritize tasks.

Bond holders would continue to advance their interests in courts, but would be encouraged to delay actions that would disrupt initial maintenance activities.

There will continue to be no imports or purchases of military equipment. Based upon reporting, Venezuela has a robust inventory of equipment.

The governments of China, Russia, Turkey, and others will present a ledger with proof of all monies owed to them by the government of Venezuela. Unless these countries know that their financial interests will be satisfied, there is no incentive for them to meaningfully alter the status quo where they continue to receive funds, although with additional effort and on a less than normal schedule.

Terminology Is Important

Important to also appreciate that there remain stark, deep, and nearly, but not quite insurmountable-agreement as to definitions of terms. What words mean. Jeffersonian democracy is not what the 193 members of the United Nations embrace. Much care will need be given to the definitions of “free,” “fair,” “election,” “power,” “efforts,” “consultation,” “vote,” and “immunity” among many other words. The National Assembly, led by Speaker Guaido, would focus upon preparing the country to vote in 2024.

With the United States recognizing “*realities on the ground*” relating to territorial control and absorption by the State of Israel (Golan Heights in Syria; Occupied Territories), Russian Federation (Crimea in Ukraine; Abkhazia and Ossetia in Georgia), Iraq (Kurdistan) and in Syria (President Assad remains in office), President Trump will re-engage and when United States statutes and regulations attempt to interrupt those efforts, he will use executive authority to engage with Russia.

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Important to remember the results of “*free and legitimate*” election in Gaza where Hezbollah won in 2008 and the “*free and legitimate*” election in Egypt where the Muslim Brotherhood candidate won. The United States need be prepared for a “free and legitimate” election in 2024 in Venezuela to be won by a candidate and supported by a legislature who’s interests may not align with those of whomever occupies the Oval Office.

Schedule For Implementation

Month One: Meeting in Moscow- Foreign Ministers of Venezuela, Cuba, Russia, China, Turkey, and Spain.

Month Two: Meeting in Moscow- Foreign Ministers of Brazil, Colombia and Peru meeting with Foreign Ministers of Russia, Cuba, and Venezuela.

Month Three: Meeting in Caracas- Foreign Ministers of Venezuela, Cuba, Russia, China, Turkey, and Spain.

Month Four: Meeting in Moscow- Presidents of Venezuela, Cuba, Russia, China, Turkey, and Prime Minister of Spain.