

U.S.-Cuba Trade and Economic Council, Inc.

New York, New York

Telephone (917) 453-6726 • E-mail: council@cubatrade.org

Internet: <http://www.cubatrade.org> • Twitter: @CubaCouncil Facebook:

www.facebook.com/uscubatradeandeconomiccouncil

LinkedIn: www.linkedin.com/company/u-s--cuba-trade-and-economic-council-inc-

The Unresolved Commercial, Economic And Political Issues In Venezuela Remain A Bilateral And Multilateral Contagion.

Until there is a resolution, or the perception of a resolution to Venezuela amongst impacted constituencies, challenging will be resolve by the Trump Administration to engage the Republic of Cuba in direct bilateral negotiations about the certified claims or any other issue of substance.

There are decisions which could be implemented in Venezuela and in the Republic of Cuba that might prompt a shift in the political compass (and calculus) of the Trump Administration from directionally limited to normal activity. For that to happen, the Trump Administration needs to be succinct in the logic and practicality of its strategy and its messaging.

The Trump Administration must provide assurances to Russia and China that monies owed to them by Venezuela will be repaid and that the Trump Administration will not seek to prohibit or deter companies from Russia and China from bidding on, implementing, and receiving payment from contracts in the future.

First, H.E. Juan Guaido, President of the National Assembly of Venezuela and self-declared Interim President of Venezuela, should be unequivocal in stating he will not become a presidential candidate when the next election is scheduled. By confirming that his role is solely guiding Venezuela to its next presidential election, he would assist, but not eliminate, perceptions that he is too influenced by and beholden to interests of the United States. His not seeking higher office removes an impediment to resolving the problems of Venezuela.

Interim-President Guaido has limited time within which to demonstrate a landscape of control of the government of Venezuela- especially relating to the provision of services and particularly with respect to the distribution of substantial quantities of United States Dollars and other currencies located outside of Venezuela which the Trump Administration and other governments have sequestered for his control and then use on behalf of the citizens of Venezuela. There may be a moment where citizens of Venezuela, despite support for Interim-President Guaido, decide that too many of their county's financial resources are inaccessible unless they support President Nicolas Maduro; and the international community generally has limited patience in maintaining potentially billions of United States dollars and other currencies in perpetuity for a Maduro-less or Maduro-light government of Venezuela.

Second, the Trump Administration has increased its usage of the phrasing "*recognizing the realities on the ground*" to discuss territorial issues. The reality on the ground in Venezuela is those serving in the armed forces of Venezuela will determine whether President Maduro departs, when he departs and how he departs. Unless there is an amnesty which includes departure from the country, if desired, and a guarantee that the United States and other countries will not pursue individuals for additional criminal or civil actions, challenging will be creating an atmosphere where members of the armed forces will support meaningful- and permanent change in Venezuela.

Third, President Maduro, should he decide to resign and remain in Venezuela or depart for another country, would require assurances that he and his family would not be pursued for criminal and

civil charges. Perhaps, an unsettling and unappetizing possibility, but lacking such “*not-go-to-jail cards and get-of-of-jail cards*” the process of crisis- and the pain inflicted upon the citizens of Venezuela will continue- as will a question for those opposing President Maduro: *What is most important- President Maduro becoming Mr. Maduro or holding President Maduro accountable when he becomes Mr. Maduro? There may not be a reasonable option to pursue both- there might be a forced choice. Is the goal solving the problem or maintaining the problem?*

Fourth, if President Maduro departs Venezuela and the Republic of Cuba agrees to provide him with temporary or permanent housing, what should be the conditions? Other countries who might host President Maduro include Russia, Turkey or one of the other thirteen members of the Vienna, Austria-based Organization of Petroleum Exporting Countries (OPEC).

The Republic of Cuba would want guarantees from the United States, Organization of American States (OAS), European Union (EU), United Nations (UN) and International Criminal Court (ICC) among others that Mr. Maduro would not be sought for extradition and the Republic of Cuba would not be penalized for providing housing to Mr. Maduro.

The United States would need to choose- the Trump Administration has defined President Maduro and what has happened within Venezuela as a [mostly] creation of the Republic of Cuba and has stated that if the Republic of Cuba withdrew its support (military and intelligence) for President Maduro, the problems of Venezuela would become those for Mr. Guaido (until a new president is elected) and supporters to repair.

Political realities are often not binary and are multi-dimensional and lacking zero-sum definitions. The Trump Administration will likely not inhabit the Venezuela it projects to seek in the short-term to medium-term unless there is an agreement with the Republic of Cuba- who will not agree to be blamed by the Trump Administration for what is happening in Venezuela while simultaneously being blamed if it takes a meaningful decision to change the equation to what is sought by the Trump Administration by providing safe harbor to Mr. Maduro. Such self-imposed constraints on the Trump Administration would be challenging and equally so for members of the United States Congress.

Fifth, if the Republic of Cuba were to agree to provide housing for Mr. Maduro, it would expectantly seek from the Trump Administration an agreement to reverse some decisions it has already taken or not implement what it has yet to do; perhaps including reinstatement to the OAS and lessening some international transaction restrictions.

There is also logic for the Republic of Cuba to seek nothing from the Trump Administration and extract global goodwill for solving a problem which, by doing so, will result in economic pain for the Republic of Cuba. The Republic of Cuba’s reliance on Venezuela has continued to decrease during the last four years; so, while painful, the Republic of Cuba could manage an elimination of its preferential commercial agreements. If the Trump Administration were to then implement additional measures, they would be perceived by other countries as punitive- and the Republic of Cuba would gain leverage in the global marketplace- and in some constituencies throughout the United States.

The primary question for the Trump Administration: President Maduro is willing to let his people suffer; is the Trump Administration willing to let his people suffer? President Maduro has now survived past the presented expectations of the Trump Administration, so the distance between the Trump Administration obtaining everything that it wants and what is likely available continues to increase- that’s a problem for the Trump Administration. **The likely predicted outcome for Venezuela will neither have a winner or a loser. With President Maduro’s absence, all stakeholders will continue to endure pain while gaining or regaining what they want.**