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Washington.. We Have A Problem

The short: The Trump Administration wants the Maduro Administration to leave. H.E. Nicolas Maduro, President of the Bolivarian Republic of Venezuela wants to stay. The governments of the Russian Federation and People's Republic of China believe that the repayments of what could be approaching US\$100 billion might be best served by President Maduro remaining in office. The Republic of Cuba wants the Chavez Administration (1999-2013) to return.

If the Trump Administration provided assurances that the commercial interests of each country, which are not the same with respect to what they have received and what they want would be guaranteed, they each might support the removal of President Maduro and his exile to the Republic of Cuba.

European Union (EU)-member countries and some in The Americas are advocating an *eight-day* deadline for new elections to be scheduled in Venezuela. The Trump Administration suggests that new elections are a condition; however, it does not want only new elections- it wants President Maduro gone and whether in a vertical or horizontal position is of little consequence. *This is ugly and will get uglier.*

Terrified & The “C” Word

The Republic of Cuba, Russian Federation, and People's Republic of China are terrified by the statement of The Honorable Mike Pompeo, United States Secretary of State, at the United Nations on 26 January 2019: *“We hope that every nation will join us in recognizing interim president Juan Guaido. We hope too that each of those nations will ensure that they disconnect their financial systems from the Maduro regime and allow the assets that belong to the Venezuelan people to go to the rightful governors of that state.”* The United States could use the Office of Foreign Assets Control (OFAC) to subjugate Venezuelan assets in the United States, thus preventing asset transfers. The Trump Administration would need tread carefully as the Russian Federation and People's Republic of China could implement retaliatory actions in their territories against the private sector assets of United States companies.

Think 1964 in Brazil, 1973 in Chile, and multiple times from 1930 to 1976 in Argentina. In the case of Venezuela in 2019, there may be conflict between military personnel loyal to the Maduro Administration, those loyal of the sovereignty of Venezuela, and those influenced by the Republic of Cuba, Russian Federation and People's Republic of China. Factions seeking leverage, and thus the capitulation of other factions. The Trump Administration will do everything- above and below the fold, to avoid culpability for what media and governments would define as a coup.

The question that may be unknown now is what each faction would want once they secure control of the population of Venezuela- and would they immediately close borders with Brazil and Colombia as a means to stabilize the country and stabilize their neighbors whose assistance any new government in Venezuela will require to survive and to prosper.

Few Options For Cuba

The Republic of Cuba would have few options but to support a transition from the Maduro Administration to the Guaido Administration if their commercial interests were assured to continue or, at minimum, decrease on a timetable that would be least disruptive to the Republic of Cuba. The promising scenario for the Republic of Cuba is the commercial and economic relationship with Venezuela has been declining at an ever-increasing rate during the last five years, so the prospective pain, and there would be pain, could be manageable if the Republic of Cuba continued to establish a commercial, economic and political infrastructure, albeit one that it does not want and one that it does not desperately wants to avoid.

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The Trump Administration, with the support of Members of the United States Congress, would prefer that a Gaudio Administration sever immediately commercial and economic support provided to the Republic of Cuba and Nicaragua. And, to make public, in the same way that the Bolsonaro Administration has in Brazil, the inter-workings of twenty years of transactions- beginning with the Chavez Administration in 1999. Quite likely document-shredding has well-progressed in Caracas and in Havana.

The New 70-Year-Old

The Honorable Rex Tillerson, United States Secretary of State from 1 February 2017 to 31 March 2018, reportedly wanted The Honorable **Elliott Abrams** to be Deputy Secretary of State; reportedly, the Trump Administration opposed the selection due to comments by Mr. Abrams deemed critical of The Honorable Donald Trump, President of the United States.

Secretary Pompeo, United States Secretary of State since 26 April 2018, requested and received authorization from the Trump Administration for Mr. Abrams to manage issues relating to Venezuela- and seek the removal of President Maduro.

Mr. Abrams will be joining a **National Security Council** staff whose focus towards Venezuela, the Republic of Cuba and Nicaragua will be perhaps the most visceral and probing and unilateral and multilateral thus far in the twenty-first century.

Members of the United States Congress, while warning that the Trump Administration must avoid a perception (or reality) of blame for the demise of the Maduro Administration, particularly if there are widespread retributions in the form of murder and execution, will generally support the Trump Administration- and if there are forced changes to the commercial, economic and political infrastructures in the Republic of Cuba and in Nicaragua, that will be perceived as a bonus worth celebrating.

The global political pendulum continues to swing- and the Trump Administration, while vilified abroad for unilateral actions, is finding support amongst those who were critical.

If changes in Venezuela are swift and clean, then the Trump Administration will have and will aggressively use any political currency to seek changes to the Republic of Cuba and to Nicaragua.

Cuba Has A Moment

The Republic of Cuba is in a strengthened position to agree to a public-private mediation proposal [LINK] currently under review by the Trump Administration to resolve the 5,913 certified claims (valued at US\$1.9 billion) by United States nationals against the Republic of Cuba. Two of the certified claimants represent approximately 24% of the total owed; thirty represent approximately 56% of the total. That's a group that can fit on one aircraft, in one meeting room and participate in one conference call. The certified claimants want a deal; the Trump Administration wants a deal; members of the United States Congress want a deal. And, EU-members, Japan, Canada, and others want the Republic of Cuba to rid itself of the issue so that the Republic of Cuba marketplace becomes overtly and substantially attractive rather than potentially menacing. The issue of the certified claims is not going to vanish; it's lasted sixty years. The Diaz-Canel Administration, as a uniquely transitional portal from one century to another, can and should agree to mediation.

The Trump Administration is planning to authorize some lawsuits to be filed in United States Federal Courts against companies and perhaps governments (think locations of embassies and consulates and residences for diplomats) who are using assets in the Republic of Cuba that were expropriated without compensation from their owners. Unknown is whether the authorization will permit only those who are certified claimants, those who are not certified claimants, or a combination of each class. Title III of the Libertad Act of 1996 will be implemented in March 2019; the only question is to what extent- and whether the predictions of court-filing calamity will be realized and EU and World Trade Organization (WTO) retribution will materialize. All actors will be determining whether the Republic of Cuba worth the effort.

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

Although the Trump Administration is advocating for free and fair elections, which President Maduro could presumably win, the goal is, in the words of Secretary Pompeo, “*to help the Venezuelan people fully restore democracy and prosperity to their country.*” The Trump Administration wants to avoid Gaza Strip of January 2006 (Bush Administration) and Egypt of June 2012 (Obama Administration) where there was recognition that elections were generally clean of issues- but in each instance, the preferred candidates of the United States were defeated.

There is a problem.