

How Venezuela is overcoming the U.S. blockade

written by Roger D. Harris
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Photo: Bill Hackwell

The future of Venezuela's Bolivarian Revolution, a target of US imperial power since its inception in 1998, may be decided on July 28, the date of their presidential election.

Incumbent President Nicolás Maduro and seven other presidential candidates [pledged](#) to abide by the choice of the electorate. Edmundo González, promoted by the US, and another candidate have not signed the pledge, consistent with the far right only accepting [contest results](#) where they win. Likewise, a bipartisan and bicameral [resolution](#) was introduced on June 18 to the US Congress not to recognize a "fraudulent" Maduro victory.

This election is taking place in the context of US unilateral coercive measures. These so-called sanctions have amounted to an actual economic and financial blockade designed to cripple the economy and cause the people to renounce their government. Such outside interference by Washington is tantamount to [electoral blackmail](#).

Yet Carlos Ron, Venezuela's deputy minister of foreign affairs for North America, is confident that the government party will win. He spoke on June 25 at a webinar organized by the [Venezuela Solidarity Network](#).

Ron explained that the Venezuelan people and government have achieved remarkable progress, resisting Washington's "maximum pressure" campaign. A tanking economy has now been reversed. By the end of 2023, Venezuela had recorded 11 quarters of consecutive [growth](#) after years of economic contraction.

Instead of irrevocably crashing the economy, according to Ron, the US [hybrid warfare](#) against Venezuela exposed the US-backed opposition, who have called for sanctions against their own people and have even treasonously [endorsed](#) a US-backed military coup option.

Economist Yosmer Arellán, who is associated with the Central Bank of Venezuela and has collaborated with the UN Special Rapporteur on the impact of unilateral coercive measures, also addressed the webinar. Arellán spoke of the pain visited upon the Venezuelan people by the US sanctions.

The economist explained that the economy was further impacted by the [crash](#) in oil prices, beginning in 2014, as well as by [overcompliance](#) with the economic coercive measures by third-parties fearful of US reprisals. Then Covid hit. During the height of the pandemic, even though Venezuela had the hard currency, US sanctions [blocked](#) the financial transactions necessary to buy vaccines. He likened such measures to “bombs dropped on our society.”

In contrast, Venezuela’s economic situation is now looking comparatively bullish. On the same day as the webinar, President Maduro announced oil production had [recovered](#) to one million barrels a day. Earlier this month, the five millionth home was [delivered](#) as part of the Great Housing Mission social program.

Arellán described what he called the three-step “virtuous formula” for recovering the economy. This is a model, he added, for the some [one third of humanity](#) being punished by US unilateral coercive measures.

First came resistance in the face of the “extortion” of the unilateral coercive measures. Venezuela learned through trial and error how to do more with less. Out of necessity, the country began to wean itself from dependence on oil revenues which had fallen over 90%. Small and medium businesses were promoted. The private sector, despite being prone to oppose the socialist project, was also punished by the US measures. Today, big business is investing more in domestic productive capacity, according to Arellán.

Second was halting the economic freefall and achieving economic stability. Two areas in particular were key: rationalizing the [exchange rate](#) of the Venezuelan

bolivar in relation to the US dollar and taming runaway inflation. Monthly [inflation](#) got down to 1.2%, a previously unheard of low rate.

Third has been the recovery stage, transforming the economy from one dependent on oil revenues to buy foreign goods to one that is now over 90% [food sovereign](#). The economy is being diversified with the sober understanding that relief from the US imperialist hybrid war is unlikely in the near future.

Deputy Foreign Minister Carlos Ron further explained the political dimensions of the US sanctions, which were designed to reverse the sizable achievements of the Chávez years. The aim, he said, was to kill hope and blame socialism for the attacks of “predatory capitalism.” The Venezuelan state was robbed by the US and its allies: seizure of [overseas assets](#); dispossession of [CITGO](#), the state-owned oil subsidiary in the US; and confiscation of [gold reserves](#) held abroad.

The “perversity of sanctions,” according to Ron, is that they undermine the social functions of the state to support the welfare of the people. That is, they try to cripple the government in order to make socialism look bad.

Ron gave the example of the 16% malnutrition rate when Hugo Chávez was elected president in 1998. By 2011, the rate was reduced to only 3%. But with the US maximum pressure campaign, the rate shot up to 13% (still better than before the revolution but punishing nonetheless).

Venezuela experienced record out migration. This emigration was not due, as claimed by the US, to political persecution but was precipitated by worsening economic prospects caused primarily by the US politically-motivated sanctions. But now, Ron explained, citizens are [returning](#) to Venezuela and a new vice-ministry to assist their return has been created.

Washington tried to isolate Venezuela both financially and diplomatically. Four years

ago the US and some 50 of its allies recognized the parallel government of “interim president” Juan Guaidó, who had never even run for national office in Venezuela. Today only the US, Israel, and a few others still fail to recognize the elected government.

Meanwhile, Venezuela has forged significant new economic and political ties with Russia, China, Turkey, and Iran among others. Regional alliances with Cuba, Nicaragua, Bolivia, and some Caribbean states, such as [ALBA](#), have been strengthened. Close cooperative relations have been reinforced with friendly governments in [Brazil](#), [Mexico](#), and [Colombia](#), three of the four leading economies in Latin America. And Venezuela is [orienting](#) toward the Global South, with the possibility of joining the expanded BRICS+ alliance of emerging economies looking increasingly likely.

Indeed, far from being isolated, Ron noted, Venezuela has further integrated into an emerging multipolar world. Venezuela was just elected to a vice-presidency of the UN General Assembly.

Ron credited current successes to the political will of a strong and unwavering leadership under President Maduro, which he characterized as a “collective leadership” encompassing many actors. This was coupled with organized “people power.” Both, he emphasized, were needed. Venezuela, he concluded, demonstrated the people’s willingness to face challenges and a government that did not give up on the battle for socialism.

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Source: [Resumen](#)

