
The Economic Crisis in Venezuela

Introduction

Venezuela served as a major economic power for many years. It was one of the largest producers of oil in the world and it was the country's largest export. Under President Hugo Chávez, the country entered an economic crisis. Before President Chávez died in 2013, he appointed Nicolás Maduro as interim, or temporary, president. Under Maduro, Venezuela has entered worsening crisis and poverty. In 2018, Maduro entered his second term, but the validity of the election has been questioned. In response, opposition leader Juan Guaidó declared himself interim president in January of 2019, in an attempt to provide relief for impoverished citizens. Venezuela is torn between two presidents amidst a long standing social and economic crisis.

Maduro's Responsibility For the Crisis

Venezuela was, at one point, one of the richest countries in South America. It is now amidst a severe economic crisis. According to "Venezuela: How a rich country collapsed," Venezuela suffers from a twenty-five percent unemployment rate and inflation of 2000 percent. Its currency, the Bolívar, is rapidly decreasing in value and resources have become scarce to a fatal level. Some of the economic downfall has been attributed to President Nicolás Maduro. He has been accused of overspending on welfare programs and neglecting other important issues. Additionally, Maduro has blocked humanitarian aid from entering Venezuela, even though millions are starving. The policies that Maduro is known for stem from former President Chávez for whom he was vice president. Although the country democratically elects leaders, many people have accused them of being dictators and rigging the elections. Much like Chávez, Maduro leans towards isolationism, refusing aid from other countries, cutting off international trade, and forcing international diplomats out of Venezuela. Nicolás Maduro has pushed towards hegemony and seems to fear other countries conspiring to interfere in Venezuelan affairs. He has accused the United States of trying to overthrow him. His paranoia and fear of international intervention is responsible for the crumbling economy and lack of resources.

Mass Emigration

As a result of the crisis in Venezuela, there has been a mass emigration of citizens seeking resources and jobs in surrounding countries. Three million people have left Venezuela in the last 20 years ("The Crisis next Door"). The mass emigration of Venezuelans under the rule of Maduro and his predecessor Chávez is referred to as the Bolivarian Diaspora. It is the largest refugee crisis in the Americas and affects not only Venezuela, but its neighboring countries. Millions of Venezuelans are starving and poverty-stricken. The average Venezuelan in poverty has lost nineteen pounds, due to famine ("Venezuela: How a rich country collapsed"). People are fleeing in hopes of finding resources, jobs, and education in neighboring countries. Many Venezuelan migrants have gone to Colombia, Brazil, and Argentina. These countries have not been entirely welcoming to the large number of Venezuelans piling up at their borders. It is difficult for the neighboring countries to have the resources and space to accommodate such a

massive amount of refugees. The issue of whether or not they should be required to house their starving neighbors has come up, but it is hard to regulate the movement of so many people. Especially in the instability, it is increasingly difficult for Venezuelans to apply for passports, so many are selling all their possessions and fleeing the country illegally, with no other options.

Juan Guaidó

In response to the shortcomings of Chávez's presidency, many oppositionist groups have formed. The President of the National Assembly of Venezuela, Juan Guaidó, has been a prominent figure in speaking out against Chávez. In January of 2019, only months after Chávez was reelected, Guaidó declared himself interim president of Venezuela. The constitution allows the President of the National Assembly to do this in times of crisis or when, "there is a vacuum of power." Guaidó has been backed by a number of countries including, the United States, Canada, and much of South America. These countries have formally recognized Guaidó as the president, nullifying the 2018 election, in which, Maduro won by a small margin and refused to recount votes. There are many implications that come with Guaidó taking power. If he does officially become president, he will be able to reallocate resources, allow for humanitarian aid, and repair relations with countries that Maduro severed ties with. Guaidó may be able to improve the economy and solve the issues of famine created by the trade blockades. Many are hopeful Guaidó will be able to restore international trade and return Venezuela back to its status as a major economic power. This will benefit the citizens with job opportunities and a move towards economic stability.

Presidential Crisis

Venezuela, following an economic crisis, is suffering a presidential crisis. Many people condemn the actions of President Nicolás Maduro and the ideals formed during his predecessor, Hugo Chávez's, presidency. In response to detrimental isolationism, oppositionist groups have tried to overthrow what was a democracy turned dictatorship. Juan Guaidó, the President of the National Assembly has the power to declare himself president due to terms in the Venezuelan constitution and is attempting to end the poverty and socioeconomic depression that has long been ignored by President Maduro. Guaidó is backed by the support of many neighboring countries, as well as the U.S. and other global powers. He has plans to restore international trade and allow humanitarian aid in Venezuela to reduce poverty and famine left behind from the former presidency.