

STRATEGIC ANALYSIS NOTEBOOKS SERIES

Venezuela:

Understanding political, external, and criminal actors in an authoritarian State

R. Evan Ellis



ABOUT THIS PUBLICATION:

This publication is possible thanks to a collaboration between the [Strategic Studies Institute - U.S. Army War College](#) (SSI) and the [Peruvian Army Center for Strategic Studies](#) (CEEEP).

January, 2022.

This article has been initially published by Small Wars Journal:

<https://smallwarsjournal.com/jrnl/art/venezuela-understanding-political-external-and-criminal-actors-authoritarian-state>



The ideas contained in this text are the sole responsibility of the author, without necessarily reflecting the thoughts of the CEEEP or the SSI.

Venezuela: Understanding political, external, and criminal actors in an authoritarian State

R. Evan Ellis

Introduction

The predictable triumph by Maduro loyalists in Venezuela's rigged November 2021 elections was a symbolic nail in the coffin for the attempt by the *de jure* government of Juan Guaido to restore the more liberal type of democracy previously prevailing in the country. Venezuela now seems to ever more resemble Cuba, with an authoritarian government in control for the long haul. Yet while Venezuela is unlikely to return to democratic governance anytime soon, parallels to Cuba conceal the complex dynamic between regime figures, external state actors, and criminal and terrorist groups that is shaping the country's future.

The following characterization relies heavily on interviews with multiple knowledgeable insiders, including current and former senior Venezuelan and Colombian officials, to paint a picture of regime dynamics which is arguably different than that commonly reported.

Context

Venezuela may be understood as a “hijacked democracy”—in which leaders initially elected by democratic mechanisms have subsequently altered those mechanisms in ways that are no longer consistent with traditional Western concepts of liberal democracy. Venezuela has come to be dominated by a complex set of internal and foreign actors with only partially and temporarily aligned interests. Some areas of Venezuela may be regarded as “alternatively governed” by various armed groups.¹ To this end, the dynamic in Venezuela is understandable within the context of what the literature terms a “narcostate” or “rentier state.”² The key domestic players are largely focused on survival and illicit earnings, each tied to different foreign actors pursuing their own strategic interests.

Venezuela's current situation is an artifact of three interrelated phenomenon, on top of the deeper economic and historically-rooted sociopolitical context shaping the trajectory of the Venezuelan state.³

First, its oil-based economy generated resources for those controlling the state, both democrats and authoritarians, to rule, while limiting the number of powerbases independent of the oil sector.

Second, the opportunity to divert rents from petroleum fostered endemic corruption and uneven economic performance, sows disillusionment among Venezuelans toward democracy and free markets. This phenomenon, the "resource curse"⁴ is not unique to Venezuela, but is taken to new extremes there, with the primacy of the oil sector and the degeneration of others. This structural phenomenon helped Hugo Chavez to capture power in 1998 by appealing to that disillusionment, and later supported acquiescence to his violations of the constitution and spirit of democracy as he captured and transformed state institutions.

Third, extra-hemispheric actors, particularly the People's Republic of China (PRC) and Russia, in pursuit of their own interests, provided resources to the regime in the form of oil purchases, loans, and some investment, helping to sustain Chavez' regime as it moved against the private sector and democratic institutions, as Western investors began to flee and/or seek redress in the courts, and as democratic neighbors and multilateral institutions began to react.

A key element of the Chavista model was its collaboration with an array of criminally-affiliated terrorist groups, including the National Liberation Army (ELN) and the Revolutionary Armed Forces of Colombia (FARC), as well as the Iran-affiliated Hezbollah,⁵ among others. Such relationships were generally mutually beneficial, with the Chavez regime providing *de facto* sanctuary and the opportunity to those groups to protect or generate resources, while they served strategic purposes within and outside Venezuela, including assisting the regime with territorial control, and the organization of illicit resources.

Such criminal entities have also come to interact with each other, and with civic and criminal groups within Venezuela, including the government-organized community action groups, *colectivos*, to criminal gangs such as the *pranes* and *sindicatos*, as well as local Venezuelan regional (REDI) and zonal (ZODI) military commands.

Despite the international focus on the political struggle in Caracas, power has devolved to the periphery, and stability has increasingly relied on the shared interest of those groups in the continuity of a weak corrupt state. The fear of key actors of what could replace the status quo compels each in the short term to keep the regime afloat, even while maneuvering to protect their interests if it does collapse.

Domestic political figures

At the apex of *Chavismo* is its titular head but not the real power, Nicholas Maduro. He is surrounded by an array of criminally-connected figures, each with different ties to select domestic institutions, foreign actors, and armed groups. Their interests are currently aligned with the survival of the current government, yet the disappearance of Maduro, or other fundamental changes to the status quo could change that, setting each actor against the other in a chaotic and likely violent struggle for self-preservation.

Within the Maduro family, the First Lady Cecilia Flores reportedly has significant influence and initiative on government initiatives. She (with her experience as Attorney General and President of the National Assembly), more than her less educated, less administratively experienced, more docile husband, is reportedly often the reliable interlocutor with key domestic and foreign players, and who shapes key decisions.⁶ Publicly, however, she has sought to reduce political statements and engagements that would showcase that influence.

Nicholas Maduro is reportedly grooming his son Nicolasito to succeed him in power, including a role in the regime's 2021 negotiations with the opposition in Mexico, and his own radio show, although the level of acceptance of this by the rest of *Chavismo*, including the first lady (who is not Nicolasito's mother) is ambiguous at best.

Beyond the first family, Delcy Rodriguez and her brother Jorge are arguably the regime's key operational-level decisionmakers. They have played a key role in *Chavismo* since before Maduro came to power and their influence has reportedly increased in recent years.⁷

Delcy, in her current role as Vice President, oversees the administration's feared intelligence organ SEBIN, and retains relationships in the international realm from her prior role as Foreign Minister, including implementing relationships in the Arab world facilitated through the connections of Tarek el Aissami, among others.⁸

Jorge Rodriguez, currently President of Venezuela's National Assembly and former Minister of Communication, is the key interface with the domestic opposition, foreign democrats, armed groups, foreign friends like the Russians and Iranians. He is also currently Maduro's most likely successor.⁹ Through his background in psychology, he is reportedly effective in manipulating perceptions with those he interfaces with. One expert called him the "Rasputin" of the regime.¹⁰

Below these first-tier powerbrokers, Diosdado Cabello, nominal head of the Chavista party, PSUV, plays a more public, yet less important, role, denouncing and threatening enemies of the regime. His influence, including his founding role in the "Cartel of the Suns" narco-trafficking organization (including through military colleagues of his own class year) has become diluted as Jorge and Delcy Rodriguez and Tareck el Aissami have expanded their role in Venezuela's criminal enterprises, diluting the leading role of the Venezuelan military in them.¹¹ Cabello's power is also limited because he does not enjoy the full confidence of the Cubans, among other powerbrokers.¹²

Venezuela's police special forces (FAES), created in 2017, plays a central role in keeping Maduro in power through terrorizing those that threaten the regime.¹³ In the face of international human rights investigations, the FAES has been renamed the Special Operations and Tactics Unit (UOTE-PNB),¹⁴ in part responding to international pressure on human rights, most recently, a decision by the International Criminal Court to formally investigate crimes committed by the regime.¹⁵ FAES/UOTE is currently headed by former Colectivo leader Miguel Dominguez ("Miguelito") showing how the organization has partially institutionalized the violence of the *colectivos*.

Complementing FAES is SEBIN, the intelligence organization of *Chavismo*. Vice President Delcy Rodriguez, who oversees the organization, reportedly makes high-level choices for the organization, such as which high-level opposition figures are arrested.¹⁶ Below her, the titular head of SEBIN, Gustavo Gonzalez Lopez, understands that he serves at the pleasure of *Chavismo*. Aligned with Diosdado Cabello, Gonzalez was initially fired by Maduro as head of SEBIN in 2018, but later brought back to head the Presidential Guard in 2019, then restored to lead SEBIN after its head, Manuel Christopher Figuera, participated in the failed coup attempt against Maduro in April 2019.

Also important within the world of regime "enforcers" is Freddy Bernal, who has been with the regime since helping Hugo Chavez to lethally repress protesters in 2002. He later served as the political commissar of SEBIN. In addition, his former police

background afforded him a role with the FAES/UOTE. In 2021, he was made Governor of Tachira, a strategic position due to Tachira's border with Colombia, including the gateway Colombian city of Cúcuta, and its role as a historic center of opposition. Control of Tachira provides Bernal and the regime enormous opportunities for criminal revenue opportunities from taxing the flows of remittances and drugs which pass through it. In the process, the role will contribute to Bernal's wealth and likely expanded power within the regime in the coming years.¹⁷

Within the group of regime "enforcers," military counterintelligence (DGCIM), a bastion of Cuban influence in the government, is also important. It is headed by General Ivan Hernandez Dala, whose own reported role in human rights abuses and other crimes arguably cements his commitment to the regime's survival.

Another key regime figure is Tarek el Aissami, currently serving as Minister of Petroleum, and Minister of Industries and National Production. His Lebanese Druze-based commercial and criminal networks pre-date Hugo Chavez and make him a "bridge" among different criminally affiliated groups within *Chavismo*. He has held a broad range of portfolios within *Chavismo* over the years including security, immigration, petroleum, mining, and other economic portfolios. El Aissami reportedly orchestrated the opening of the Venezuelan economy to narcodollars to help stabilize the economy while also expanding options for laundering money. His work arguably plays an important role in keeping the regime financially solvent,¹⁸ although his influence was hurt by being sanctioned by the US in 2017 under the Kingpin act.¹⁹ With his Syrian Druze business connections, El Aissami has also been central to regime interactions with both Hezbollah and Iran.

As Minister of Petroleum, El Aissami likely played a key role in orchestrating Iran's role in temporarily rescuing Venezuelan oil production, including the September 2020 petroleum swap agreement,²⁰ and previous purchases of Iranian gasoline with Venezuelan gold and the transport by sanctioned Iranian carrier Mahan Air of Chinese components for repairing the Cardon refinery.²¹ El Aissami's influence may have been weakened by his poor health, however, leading to his temporary disappearance from the public spotlight.²²

For all of these elites, the previously noted ongoing investigation into human rights abuses by the International Criminal Court, formal US Justice Department charges,²³ US Treasury Department sanctions,²⁴ the detention of *Chavista* elites such as Cecilia Flores' sons, and the arrest or defection of high level players who have knowledge

about the criminal activities of others (including Hugo Carvajal, Manuel Cristopher Figuera and Diosdado Cabello bodyguard Leamsy Salazar), make it clear that the price of losing power is not only forfeiting their fortunes, but likely long prison terms.

The Venezuelan military

During the past 20 years, and particularly following the failed 2002 ouster of Hugo Chavez, the Venezuelan military elite has become firmly tied to the survival of *Chavismo*. Contributing factors include the politicization of the military promotion system, strong indoctrination within the ranks, and being prioritized to receive large amounts of Russian and Chinese military equipment.

In addition, military leaders were put in charge of key economic sectors, affording substantial opportunities for graft and corruption. They were also allowed to assume a central role in narcotrafficking (the famous “Cartel of the Suns,”), as well as illegal mining and extortion and other illicit operations. Such illicit enrichment opportunities were facilitated by putting the military in charge of industries and geographic areas (the previously noted REDIs and ZODIs).

As a complement to such perks, the *Chavista* regime also acted to neutralize the ability of the military to act against the regime as a coherent institutional actor, albeit with the side effect of also impairing its capability as a fighting force.²⁵ The division of the country into REDIs and ZODIs, for example, helped to “break” the military chain of command, making it less certain that it could be reliably commanded from Caracas to act in a coordinated fashion against the government.

The regime also fundamentally altered the military’s doctrine, orienting it to act as a principally decentralized resistance force on the Cuban model,²⁶ as well as encouraging class warfare within its ranks. The regime also allowed extensive penetration of the military by Cuban intelligence officials, making coordination of a plot of any substantial size almost impossible to conceal.²⁷ The effectiveness of such penetration was highlighted by the detection and failure of the April 2019 attempt to overthrow the regime, even though it included the head of Venezuela’s intelligence agency, Manuel Cristopher Figuera.

The neutralization of the Venezuelan Armed Forces as an institutional threat to the leadership was also furthered through the proliferation of other armed entities in

the countries, including the nominally military Bolivarian National Guard (GNB), to armed community groups (*colectivos*), to militarily capable leftist insurgent groups, including the FARC and the ELN.

The position of the National Guard, under Major General Ricard Lopez Vargas, in formally controlling the Venezuelan border afforded it multiple lucrative opportunities to extract rents from illicit activities. This included taxing the smuggling of Colombian gas into Venezuela by the famed *pimpiñeros*,²⁸ as well as the GNB's cut from the movement of drugs from areas such as Norte de Santander in Colombia (especially Catatumbo) into neighboring Venezuelan states such as Tachira and Apure, from which they were flown out to the United States and Europe.

FARC

The FARC has long operated on the Venezuelan side of the border with Colombia. Its presence expanded in the early 2000s, due to both military pressure against it under the Colombian government of Alvaro Uribe, and a welcoming orientation toward it by Venezuelan leader Hugo Chavez, who saw the FARC as an ideological ally, a reliable instrument of internal control in the border region, and a buffer against any potential invasion of Venezuela from Colombia.²⁹

With the formal demobilization of the FARC under the 2016 Colombian peace accords, Venezuelan border states such as Tachira and Apure became even more important as a secure operating base for dissident FARC elements who rejected the accords and continued criminal operations. In addition, the FARC's formal abandonment of operations in Colombia made Venezuela more important as a repository for the arms and resources that they had hidden, including real estate.

After some jockeying for leadership, those affiliated with FARC dissident Gentil Duarte built the strongest presence in Venezuela. In 2019, however two key FARC leaders who had initially joined the 2016 accords, Ivan Marquez and Jesus Santrich, renounced them to form the "Segundo Marquetalia," with the mistaken impression that narco-affiliated dissidents such as Duarte would incorporate into their new organization.³⁰ In a series of conflicts that showcased the power and entrenchment of Duarte's organization in Venezuela, and the deteriorated capabilities of the Venezuelan military, Duarte's 10th Front humiliatingly defeated a Venezuelan elite military force sent against them, killing at least 20 Venezuelan soldiers.³¹ The incident

highlighted the effective expulsion of the Venezuelan armed forces from Apure, as well as its increasing inability to exercise territorial control in other states such as Amazonas and Zulia, as well.

Shortly thereafter, Jesus Santrich, who was reportedly under SEBIN protection,³² was killed in an operation, likely by either Duarte's faction or mercenaries not directly affiliated with the Colombian government, forcing Ivan Marquez to go into hiding³³ in December 2021.³⁴ In fact, Colombian military commander Luis Navarro Jimenez estimates that as of late 2021, there were 700 FARC dissidents in Venezuela, a rough tripling of their number from Colombian government estimates two years prior.³⁵ In December 2021, Maduro, effectively acknowledging that the forces he had tolerated in the country had gotten beyond his control, ordered the Armed Forces to rid the country of "irregular Colombian armed groups."³⁶

ELN

The ELN, like the FARC, came to operate in the Colombia-Venezuela border region in 1973, following a campaign by the Colombian military, Operation Anori, that substantially displaced them from their original operating area in Antioquia.³⁷ As with the FARC, the Chavez regime initially welcomed the ELN in as an ally, as a buffer against a possible US invasion, and as a reliable source of governance over a portion of the border region. Under Maduro, the Venezuelan government increasingly brought the ELN into the Orinoco mining arc,³⁸ as an armed force which could help it organize illicit gold and coltan mining operations there and extract rents from them.³⁹ Through its military advance, including two high-profile massacres in Turameno,⁴⁰ the ELN displaced less reliable domestic criminal groups which had operated in the area including *sindicatos* and *pranes* (prison gangs).⁴¹

Fueled by the income from illicit activities in Venezuela's mining arc, the head of the ELN's Northeastern block, Pablito, the key ELN figure in Venezuela, expanded in wealth and power, earning a seat on the ELN leadership council, the *COCE*. Such ELN-supervised operations have also become an important source of revenue to the Maduro regime. As of late 2021 there were an estimated 1,200 ELN in Venezuela.⁴² Additionally, the ELN reportedly has interactions with other criminal networks, such as Hezbollah, in the course of criminal activities such as exporting Venezuelan gold, although it does not necessarily coordinate with Hezbollah operationally.⁴³

Although the ELN and the FARC have generally coexisted harmoniously in Venezuela, that may be changing. On January 2, 2022, 24 persons were killed in multiple locations from Tame, and Saravena, Colombia (in the border region), to Arauquita and Barrancas de Orinoco, Venezuela, reportedly in combat between the ELN and FARC dissidents from Gentil Duarte's organization.⁴⁴

External actors

External actors have played a key role in providing resources and support to the *Chavista* regime as it has consolidated its power. These roles have evolved over time and often complimented each other, without necessarily being specifically coordinated. While the modern history of Venezuela has long been dominated by foreign actors, including the Spanish as a colonial power, and the US through its oil companies and political interests, the current confluence of Cuba, Russia, Iran, and China reinforce the dynamics of criminality and the anti-Western character of the regime in ways not seen with foreign actors in prior periods.

Cuba

At the beginning of Hugo Chavez' presidency, and particularly following his temporary ouster from power in April 2002, Cuba's Fidel Castro became increasingly important as an ideological and strategic mentor to Chavez.⁴⁵ Cuban mentorship, intelligence and other support was crucial in helping Chavez navigate the gradual hijacking and transformation of Venezuela's initially democratic institutions. The Cubans reportedly have a strong position within Venezuelan counterintelligence (DGCIM), which they helped design.⁴⁶ Through the DGCIM and other roles embedded in the Venezuelan government, they have helped "coup-proof" the regime by permitting the identification and elimination of any sizeable plot against the regime, including, as noted previously, in April 2019.

Cuba has also played a role in the appointments and management of power between key actors within the *Chavista* hierarchy, including the selection of the relatively unsophisticated but staunch Cuba loyalist Nicolas Maduro to succeed Hugo Chavez.⁴⁷ Nonetheless, as the original close personal relationship between Hugo Chavez and Fidel and Raul Castro has given way to more impersonal albeit institutionalized ties, the intensity of the relationship may have waned.⁴⁸

Russia

Although Russians have played some mentorship role to both Hugo Chavez and Nicolas Maduro, some believe that influence is expanding, including relative to the Cubans, although still lacking the penetration of the regime and the linguistic and cultural familiarity with it the Cubans have.⁴⁹ As in other geopolitical contexts in 2008 and 2013–2014, Venezuela’s strategic value for Russia and its interest in engaging there is increasing as tensions with the US over the Ukraine heat up.⁵⁰

From the early years of *Chavismo*, Russia played a role in the oil sector that was comparable to that to the PRC, initially through five oil companies. With time, however, problems in the sector led the more commercially oriented companies Lukoil, TNK, and Gazprom to sell out to Rosneft, whose head, Igor Sechin, is a longtime intelligence community associate of Vladimir Putin. With Putin’s support and encouragement, Sechin built deep ties to the Chavez and later Maduro regime,⁵¹ making money even while he used his position to advocate for his vision of Venezuela as central to Russia’s opportunistic reassertion of significant presence in the Western hemisphere.⁵²

Rosneft found itself prejudiced by non-performance and non-payment of debt obligations by the Maduro regime and was forced to restructure its trading company after the US sanctioned Rosneft Trading for violating Venezuelan oil sanctions.⁵³ Nonetheless, despite reported behind-the-scenes exasperation,⁵⁴ the regime slowly repaid Rosneft. Although the latter is not currently investing more in the oil sector, Igor Sechin arguably continues to play an important role in the relationship, due to his knowledge, relationship with Putin, and connections in Venezuela.

In the domain of military engagement, Russian sales to Venezuela was good business for Russian arms export agency Rosboronexport and technology company Rostec, while helping the Chavez regime circumvent US and European blockages of arms and spare parts. During the Chavez era, Venezuela bought over \$11 billion in military goods from Russia,⁵⁵ including Sukhoi-30 fighters, Mi-35 attack helicopters, Mi-17 transport helicopters, BMP-3 and BTR armored vehicles and T-72 tanks, among other items. Although Venezuela’s deepening fiscal crisis limited Maduro’s ability to continue buying major weapon systems from Russia, the Putin government continued to actively maintain that equipment, upgrade Venezuela’s surface-to-air missile systems and other items, and engage in provocative military deployments to the country, including visits by warships, and nuclear-capable Tu-160 bombers.

More recently, Russia has increased its role in the Venezuelan interior through special training battalions contracted from the Russia-affiliated Wagner Group, who train Venezuelans in the interior, in conjunction with Russian radars and electronic warfare equipment. At the same time, some of the same Wagner group personnel also provide security to Russian organizations mining gold, diamonds and coltan.⁵⁶

Iran

Iran, like Russia, has played an important role in supporting the Venezuelan regime, albeit more through petroleum and technical collaboration than through loans or trade. Iran's strong relationship with the regime blossomed under Hugo Chavez and his Iranian counterpart Mahmoud Ahmadinejad, who visited Venezuela eight times. Under Ahmadinejad's successor Hasan Rouhani, and in the context of the Iran nuclear deal with the US and the West (JCPOA), Iran lowered its profile but reportedly continued cooperation in economic-technical, personnel and other areas.

With the 2019 termination of the JCPOA and a more confrontational relationship with the US, the Iranian regime of Ebrahim Raisi has increased collaboration with Venezuela in defiance of US sanctions. Such collaboration includes the previously noted logistics flights in May 2020 by Iran's sanctioned Mahan Air, bringing in Chinese refinery parts, in exchange for Venezuelan gold, to help the Maduro regime restore the operational capacity of its critical Cardon refinery to address the regime's critical gasoline shortages. Iranian help also includes gasoline, military drones, and since September 2021, swaps of Venezuelan crude oil for refined Iranian petroleum products. Iranian technicians have also reportedly worked continually in the country to help restore the country's oil infrastructure.⁵⁷ The totality of such Iranian support helped Venezuela to overcome the fuel shortages and the crisis of production it was experiencing in 2020 to almost double its oil production to 845,000 barrels per day by the end of 2021,⁵⁸ despite continuing sanctions.

As noted previously, on the Venezuelan side, Tarek El Aissami has reportedly been one of the key actors in these dealings, arguably contributing to his power. The relationship could be expanded when Maduro travels to Iran, as expected in early 2022.⁵⁹

China

The principal contribution of the PRC to the Venezuelan regime has been as a supplier of resources, investing in and operating Venezuela's oil fields, and using the proceeds from its extraction of Venezuela's oil to finance a range of China-worked infrastructure projects in the country (often left incomplete), the construction of information architectures and population control systems, and providing appliances and other goods on credit, helping the regime partially satisfy its support base among the country's poor.

In the security domain, the PRC has become an important supplier of military goods on credit to Venezuela, including K-8 fighters, Y-8 and Y-12 transport aircraft, JYL-1 and JY-27A radars,⁶⁰ VN-1 and other armored vehicles for the National Guard and Naval Infantry. The PRC role as a weapons supplier became particularly important when international oil prices dropped, decreasing both the regime's resources, and Russia's ability to provide goods on credit.⁶¹

The PRC has further played a role in helping the Maduro administration control its population, including support for the architecting of its internet, the "Fatherland Identity Card," and riot control vehicles such as those used to repress protests in 2017, and to exclude *de jure* President Juan Guaido from the Presidential Palace. It has reportedly helped the Venezuelan government to construct command centers for the monitoring of the country for protest activity.⁶²

While PRC-based companies, like most others, have been prejudiced by high levels of corruption and insecurity in Venezuela, and while the regime's difficulties have contributed to nonperformance of contracts and otherwise tarnished the reputation of Chinese companies, the PRC has been more effective than other actors in structuring contracts to ensure that its companies were paid, including through contracts securing repayment through deliveries of Venezuelan oil the extraction of which was substantially under Chinese control. Indeed, the PRC continued to receive payments from the Maduro regime, even while it was defaulting on other contractors, legal judgements, and even sovereign debt obligations to virtually everyone else, including the Russians.

By contrast to Russia and Iran, the PRC's economic and financial interdependency with the West and the exposure of its internationally-operating companies to US sanctions has generally led China to avoid interactions with the regime that might

provoke the US, including high-profile military deployments or support for its more aggressive rhetoric.

In 2020, with the Venezuelan economy in crisis and sanctions and other pressure on the regime from the US, the PRC maintained a low profile in the country, although its “wolf warrior” ambassador in Caracas, Li Baorong, has been a vocal advocate for *Chavismo*.⁶³ Although not considered knowledgeable about the region, his political ties in Beijing are an indication the PRC continues to value the relationship. Similarly, the October 2020 assignment of longtime Celia Flores colleague and Delcy Rodriguez mentee Felix Placencia as Venezuela’s ambassador to China, and his subsequent naming in August 2021 as Venezuela’s Foreign Minister, shows that the PRC continues to have direct high-level access to the Chavista leadership. On the other side, the collapse of the foreign policy team of *de jure* Venezuelan president Juan Guaido, including the December 2021 resignation of his Foreign Minister Julio Borges, effectively eliminated PRC high-level PRC ties with Guaido.⁶⁴

Despite the lack of new Chinese loans to Venezuela, 91% of oil shipments in 2021 went to the PRC.⁶⁵ By late 2021, with Maduro’s victory in December 2020 Congressional and November 2021 regional elections, and with a crumbling political opposition, China National Petroleum Corporation (CNPC) began sending people to Venezuela to restore oil production.⁶⁶

In its cautious re-engagement, the PRC will likely use its influence to structure deals in ways that give added security to its loans and operations and broader access to Venezuela’s resources, while subtly attempting to moderate Maduro’s rhetoric and actions so that they do not prejudice their own reputation or operations in the country.

Conclusions

The confluence of actors interested in Venezuela’s continuation as a weakly governed, anti-US criminal enterprise and sanctuary from Western justice does not mean that Nicolas Maduro determines the direction of the country, nor that the current temporary equilibrium will endure. Indeed, the concept of Venezuela’s “weak governance” is paradoxical, but critical to understand its dynamic: As illustrated by escalating violence in states such as Apure in late 2021 and early 2022, the regime’s dependence on criminal enterprises franchised to a range of groups, and foreign actors, the ability of the formal government to control the national territory or the

generation of revenue critical to its survival anywhere was limited, yet the interest in the multitude of actors protected by, or profiting from, that status quo was so powerful, that it made a peaceful transition to a functional, non-criminally governed Venezuela highly unlikely.

Despite such a counterintuitive situation, the departure of Maduro, the escalation of fighting in Venezuela, or other developments could disturb the delicate balance that leads the regime's self-interested actors to struggle to keep the status quo from collapsing, rather than turning on each other, precipitating a potentially rapid, violent collapse. Once the equilibrium is broken, the actors described in this work may act in extreme ways, because the consequences for many of them are existential, including criminal prosecution and loss of fortune. For the FARC and ELN, risks include losing their Venezuelan sanctuary, cached arms and resources. For Cuba, the nation's economic lifeline is at stake.

Beyond Caracas, the violent struggle unleashed by the collapse of *Chavismo* would also likely facilitate a rush of military personnel to abscond with arms, selling them to the black market or terrorist groups as their ticket out of the morass. That violent disintegration and economic collapse will likely also unleash a humanitarian crisis that will dwarf that which has already displaced seven million citizens. The effects will likely spill over borders to Colombia, Guyana, the Caribbean and possibly Brazil, with ripple effects throughout the region.

Such dynamics will demand a US or multilateral response. With Russia and China on the UN security council having stakes in the outcome, a United Nations solution is unrealistic. With the Organization of American States (OAS) polarized by the region's unprecedented shift to the left (including recent elections in Argentina, Bolivia, Peru, Honduras, Chile, the increasing leftward orientation of the AMLO regime in Mexico, and the formal "re-election" of the Sandinistas in Nicaragua), a meaningful response by the Interamerican system is equally unlikely, meaning that a coalition of the willing and the threatened, including Colombia, Brazil, and the United States, may become the best among undesirable options.

It is admirable for the United States to plan for the restoration of a government that more closely corresponds to Western concepts of liberal democracy in Venezuela, as it has done particularly under the Trump and Biden administrations, to include thinking, through the practical considerations of rebuilding Venezuela in a post-Maduro era.⁶⁷ Similarly, it is wise for the US to think about the continuation of the status quo, if it

cannot achieve the restoration of the liberal democratic order that it has sought to do. As this article has argued, however, it is more likely that neither of these scenarios is realistic. Rather, if the collapse of the equilibrium described in this paper brings about violence and political and social disorder, the impact of such development on refugees, criminal dynamics, and the stability of Venezuela's neighbors mean that the US is well advised to plan for how to respond to that eventuality as well.

Acknowledgements:

The views expressed herein do not necessarily represent the position of the Peruvian Army Center for Strategic Studies, the Peruvian government, the U.S. Army War College or the U.S. government. The author would like to thank David Smolansky, Parsifal d'Sola, Pedro Burelli, John Marulanda, Doug Farah, Joseph Humire, and Steve Salisbury, among others, for their inputs and important insights to this work.

ABOUT THE AUTHOR:



Dr. Evan Ellis is a research professor of Latin American Studies at the U.S. Army War College Strategic Studies Institute, with a focus on the region's relationships with China and other non-Western Hemisphere actors, as well as transnational organized crime and populism in the region.

Dr. Ellis has published over 300 works, including the 2009 book *China in Latin America: The Whats and Wherefores*, the 2013 book *The Strategic Dimension of Chinese Engagement with Latin America*, the 2014 book *China on the Ground in Latin America*, and the 2018 book *Transnational Organized Crime in Latin America and the Caribbean*. He is currently under contract for his 5th book, *China Engages Latin America: Distorting Development and Democracy?*

Endnotes

- 1 Anne L. Clunan and Harold A. Trinkunas, eds. [Ungoverned Spaces: Alternatives to State Authority in an Era of Softened Sovereignty](#). Stanford: Stanford University Press, 2010.
- 2 For an excellent collection of the literature in this area, see [The Rise of the Narcostate](#), John P. Sullivan and Robert J. Bunker, Eds. Bloomington: Xlibris, 2018.
- 3 Venezuela's disadvantaged position within the Spanish colonial system, the role of caudillos and oil in shaping its modern development, its relationship with the US and international oil companies, and the legacies of persistent corruption and inequality are all relevant for understanding the trajectory of Venezuela's current dilemma, but for the purpose of clarity in analyzing the current Venezuelan situation, such important historically rooted economic and sociopolitical context is beyond the scope of the present work.
- 4 See for example, Michael L. Ross, "The Political Economy of the Resource Curse." *World Politics*. 51 (2): 297–322, <https://www.jstor.org/stable/25054077>.
- 5 Colin P. Clarke, "Hezbollah Is in Venezuela to Stay." *Foreign Policy*. 9 February 2019, <https://foreignpolicy.com/2019/02/09/hezbollah-is-in-venezuela-to-stay/>.
- 6 Interview with one of eight current and former senior Venezuelan and Colombian officials consulted for this work, December 2021–January 2022. Similar questions were asked to each of those interviewed, so that in most cases, at least two and sometimes three different persons with ongoing high-level contacts in Venezuela verified the same information. The specific persons tied to each data item are not specified here, to protect them as sources.
- 7 Ibid.
- 8 Ibid.
- 9 Ibid.
- 10 Ibid.
- 11 Ibid.
- 12 Ibid.
- 13 "Venezuela: Extrajudicial Killings in Poor Areas." Human Rights Watch. 18 September 2019, <https://www.hrw.org/news/2019/09/18/venezuela-extrajudicial-killings-poor-areas>.
- 14 Op. cit. Interview at Note 6.
- 15 "Venezuela: ICC Investigation Opens." Human Rights Watch. 3 November 2020, <https://www.hrw.org/news/2021/11/03/venezuela-icc-investigation-opens#>.
- 16 Op. cit. Interview at Note 6.
- 17 Ibid.
- 18 Ibid.
- 19 "Treasury Sanctions Prominent Venezuelan Drug Trafficker Tareck El Aissami and His Primary Frontman Samark Lopez Bello." US Treasury Department. 13 February 2017, <https://www.treasury.gov/press-center/press-releases/Pages/as0005.aspx>.

20 Deisy Buitrago, Marianna Parraga, and Matt Spetalnick, “Iran and Venezuela strike oil export deal.” Reuters. 25 September 2021, <https://www.reuters.com/business/energy/exclusive-under-us-sanctions-iran-venezuela-strike-oil-export-deal-sources-2021-09-25/>.

21 Hassan Mahmoudi, “Iran: Trading Oil Refinery’s Equipment For Venezuela’s Gold – OpEd.” Eurasia Review. 4 May 2020, <https://www.eurasiareview.com/04052020-iran-trading-oil-refinerys-equipment-for-venezuelas-gold-oped/>.

22 Op. cit. Interview at Note 6.

23 “Nicolás Maduro Moros and 14 Current and Former Venezuelan Officials Charged with Narco-Terrorism, Corruption, Drug Trafficking and Other Criminal Charges.” US Department of Justice. 26 March 2020, <https://www.justice.gov/opa/pr/nicol-s-maduro-moros-and-14-current-and-former-venezuelan-officials-charged-narco-terrorism>.

24 “Specially Designated Nationals and Blocked Persons List.” US Treasury Department. Office of Foreign Assets Control. 30 December 2021, <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>.

25 See R. Evan Ellis, “Venezuela: Pandemic and Foreign Intervention in a Collapsing Narcostate.” Center for Strategic and International Studies. 5 October 2020, <https://www.csis.org/analysis/venezuela-pandemic-and-foreign-intervention-collapsing-narcostate>.

26 John Sweeney, “Venezuela – Chavez’s Bolivarian Military Machine: A Cuban Model For Internal Repression.” VCrisis. 6 September 2005, <http://www.vcrisis.com/index.php?content=letters/200509260542>.

27 Brian Ellsworth and Mayera Armas, “The Maduro mystery: Why the armed forces still stand by Venezuela’s beleaguered president.” Reuters. 28 July 2019, <https://www.reuters.com/investigates/special-report/venezuela-military/>.

28 “Pimpineros, el nuevo oficio que surgió en la Venezuela en crisis,” El Nacional. 18 January 2020, <https://www.elnacional.com/venezuela/pimpineros-el-nuevo-oficio-que-surgio-en-la-venezuela-en-crisis/>.

29 “Country Reports on Terrorism 2019: Venezuela.” US State Department. 2019, <https://www.state.gov/reports/country-reports-on-terrorism-2019/venezuela/>.

30 “The Tipping Point: Iván Márquez Deserts the Peace Process,” InsightCrime, 11 November 2019, <https://insightcrime.org/investigations/ex-farc-mafia-marquez-deserts-peace-process/>.

31 “The Battle for Apure: Chavismo and the ex-FARC.” InsightCrime. October 2021, <https://insightcrime.org/wp-content/uploads/2021/10/The-Battle-for-Apure-Chavismo-and-the-ex-FARC-InSight-Crime.pdf>.

32 Op. cit. Interview at Note 6.

33 While some suggest he fled to Cuba, the absence of reports of him being in the country, and his failure to “flee” when under pressure on other occasions makes such rumors unlikely.

34 “Iván Márquez habría escapado a Cuba tras muerte de sus lugartenientes,” El Tiempo, 12 December 2021, <https://www.eltiempo.com/mundo/latinoamerica/dossier-venezuela-ivan-marquez-habria-escapado-a-cuba-638490>.

35 “How Many Colombian Fighters are Really Inside Venezuela?” Insight Crime. October 5, 2021,

<https://insightcrime.org/news/how-many-colombian-fighter-really-inside-venezuela/>.

36 “2022 Venezuela debe ser un territorio libre de Tancol”: Nicolás Maduro.” Kien y Ke. 30 December 2021, <https://www.kienyke.com/mundo/nicolas-maduro-venezuela-libre-de-tancol>.

37 Evan Ellis, “The Reinforcing Activities of the ELN (National Liberation Army) in Colombia and Venezuela.” Journal of the Americas, 2nd Edition, 2021, [https://www.airuniversity.af.edu/Portals/10/JOTA/Journals/Volume%203%20Issue%202/05_Ellis_eng%20\(2\).pdf](https://www.airuniversity.af.edu/Portals/10/JOTA/Journals/Volume%203%20Issue%202/05_Ellis_eng%20(2).pdf).

38 Op. cit., “Country Reports” at note 29.

39 “Confirmed presence of ELN Guerrillas in Bolivar State, Venezuela.” SOS Orinoco. 18 May 2018, <https://sosorinoco.org/en/facts/sovereignty-issues/confirmed-presence-of-eln-guerrillas-in-bolivar-state-venezuela/>.

40 Jim Wyss, “Nuevo video muestra masacre de grupo indígena por fuerzas venezolanas.” El Nuevo Herald. 12 July 2019, <https://www.elnuevoherald.com/noticias/america-latina/venezuela-es/article232607427.html>.

41 Op. cit. Interview at Note 6.

42 “How Many Colombian Fighters are Really Inside Venezuela?” Insight Crime. 5 October 2021, <https://insightcrime.org/news/how-many-colombian-fighter-really-inside-venezuela/>.

43 Op. cit. Interview at Note 6.

44 “Anuncios Autoridades confirman 24 muertos por choques entre el ELN y FARC.” 2021 Live. 3 January 2022, <https://2001online.com/internacionales/autoridades-confirman-24-muertos-por-choques-entre-el-eln-y-farc/>.

45 Op. cit. Interview at Note 6.

46 Ibid.

47 Ibid.

48 Ibid.

49 Ibid.

50 Ibid.

51 Joshua Goodman and Daria Litvinova, “Ending Putin’s support of Venezuela no easy feat for US.” ABC News. 19 February 2020, <https://abcnews.go.com/International/wireStory/ending-putins-support-venezuela-easy-feat-us-69062897>.

52 Op. cit. Interview at Note 6.

53 Vladimir Isachenkov and Joshua Goodman, “Rosneft hands Venezuelan oil business to Russian state firm.” AP News. 28 March 2020, <https://apnews.com/article/igor-sechin-moscow-venezuela-virus-outbreak-russia-7d15631558f3caca5c0fe80eef2cdf23>.

54 Op. cit. Interview at Note 6.

55 “Russian Missiles in Venezuela Heighten US Tensions,” Voice of America, 19 April 2019, <https://www.voanews.com/a/russian-missiles-in-venezuela-heighten-us-tensions/4896279.html>.

56 Op. cit. Interview at Note 6.

57 Ibid.

58 “How Venezuela this year almost doubled its oil output.” Al Jazeera. 27 December 2021, <https://www.aljazeera.com/economy/2021/12/27/how-venezuela-this-year-almost-doubled-its-oil-output>.

59 “Venezuelan leader announces trip to Iran sometime next year.” Mercopress. 28 December 2021. <https://en.mercopress.com/2021/12/28/venezuelan-leader-announces-trip-to-iran-sometime-next-year>.

60 “Venezuela recibe radares chinos de largo alcance.” Infodefensa. 27 September 2019, <https://www.infodefensa.com/latam/2019/09/27/noticia-venezuela-recibe-radareschinos-largo-alcance.html>.

61 R. Evan Ellis, “Chinese Security Engagement in Latin America.” Center for Strategic and International Studies. November 2020, <https://www.csis.org/analysis/chinese-security-engagement-latin-america>.

62 Op. cit. Interview at Note 6.

63 Jean Freddy Gutiérrez, “China’s tweeting ambassador inches closer to Venezuela.” Dialogo Chino. 11 August 2020. <https://dialogochino.net/en/trade-investment/36666-chinas-tweeting-ambassador-inches-closer-to-venezuela/#:~:text=Li%20has%20been%20China%E2%80%99s%20representative%20in%20Venezuela%20since,years.%20The%20Ambassador%20also%20collaborates%20with%20traditional%20media>.

64 Op. cit. Interview at Note 6.

65 “China y Cuba, los destinos preferidos de las exportaciones de Pdvsa en diciembre.” La Patilla. 26 December 2021, <https://www.lapatilla.com/2021/12/26/china-cuba-pdvsa/>.

66 Irina Slav, “China’s CNPC Looks To Revive Oil Projects In Venezuela.” Oil Price. 2 September 2021, <https://oilprice.com/Energy/Crude-Oil/Chinas-CNPC-Looks-To-Revive-Oil-Projects-In-Venezuela.html>.

67 “The Day After in Venezuela.” Council on Foreign Relations. September 2020, <https://www.cfr.org/report/day-after-venezuela>.



Strategic Analysis Notebooks Series - January, 2022