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## FEATURED Q&A

# Would Joe Biden Change U.S. Policy Toward Venezuela?



U.S. President Donald Trump and his challenger, former Vice President Joe Biden, pictured accepting the Democratic nomination for president Thursday night, have voiced support for tougher sanctions on Venezuela's government. // Photo: Biden Campaign.

**Q** The administration of U.S. President Donald Trump has increased sanctions on Venezuelan President Nicolás Maduro's government in recent years in an effort to pressure Maduro to step down. Former Vice President Joe Biden, who is seeking to unseat Trump in the November presidential election, has also voiced support for tougher Venezuela-related sanctions and, like the Trump administration, has expressed support for opposition leader Juan Guaidó, whom the United States recognizes as Venezuela's legitimate interim president. But, unlike Trump, Biden has said he will extend Temporary Protected Status, or TPS, to Venezuelans. If Biden is elected president, how would he change U.S. policy on Venezuela? How would Biden's actions on Venezuela affect the South American country and Maduro's hold on it? What influence would Kamala Harris, Biden's running mate, have on U.S. policy toward Venezuela as vice president?

**A** Juan S. Gonzalez, former U.S. deputy assistant secretary of state and former special advisor to Vice President Joe Biden: "Under Donald Trump, U.S. policy is skewed toward one purpose—re-election, no matter the cost. His demonization of immigrants, especially from Latin America and the Caribbean, is a dog whistle to a minority of Americans who fear their place in an increasingly diverse United States. Trump's embrace of autocrats, such as Vladimir Putin and Kim Jung Un, undermines America's credibility globally on matters of democracy. His disregard for the rule of law at home and in international relations is unraveling hard-fought gains America and its partners achieved over decades. There is no room for real strategy,

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## TODAY'S NEWS

### POLITICAL

## White House to Use Frozen Funds in Push to Oust Maduro

The administration of U.S. President Donald Trump plans to use \$300 million in frozen Venezuelan government funds in its effort to pressure President Nicolás Maduro to step down.

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### ECONOMIC

## Colombia Sold Two-Thirds of Gold Before High

Colombia's government sold two-thirds of its gold reserves in June, weeks before the metal reached a record high. The central bank sold the gold for about \$475 million.

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### POLITICAL

## Brazil Lawmakers Override Veto on Face Masks

Brazil's Congress mandated the use of face masks in schools, places of worship and businesses to prevent the spread of Covid-19, overriding a veto by President Jair Bolsonaro.

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Bolsonaro // File Photo: Brazilian Government.

## POLITICAL NEWS

## U.S. to Use \$300 Mn in Frozen Funds in Push to Oust Maduro

The administration of U.S. President Donald Trump is tapping into more than \$300 million in frozen Venezuelan government funds in its latest move to pressure President Nicolás Maduro to step down, The Washington Post reported Thursday. The Trump administration will not freely open the frozen funds to Venezuelan opposition leader and National Assembly President Juan Guaidó, whom the United States

“You have to be ... cursed to block an account that will help our doctors.”

— Juan Guaidó

and dozens of other countries recognize as the country's legitimate president. The White House plans to spend nearly \$20 million on pandemic relief supplies for the Andean nation, to be sent through international health organizations. In the next several weeks, 65,000 frontline health workers in Venezuela are set to begin receiving electronic payments of \$100 a month, a figure that is many times their average pay. However, the Venezuelan government has reportedly blocked the digital platform Airtm, through which Guaidó and the United States were planning to make the handouts, Infobae reported. Social media users Thursday night said the web page was not working. Guaidó criticized the alleged move, saying, “You have to be ... cursed to block an account that will help our doctors.” The opposition leader also said health workers can expect an email on Monday to then open electronic wallets on Airtm and receive the benefits, Infobae reported. The Trump administration is also seeking to use the frozen funds to pay as much as two years of back salary to federal legislators

whose salaries Maduro halted four years ago, The Washington Post reported. [Editor's note: See [Q&A](#) about Maduro's moves against the opposition in the July 20 Advisor.]

## ECONOMIC NEWS

## Colombia Sold Two-Thirds of Gold Just Before Record High

Colombia's central bank, led by Juan José Echavarría, sold two-thirds of its gold reserves in just one month, weeks before investors looking for havens against the global economic crisis were about to boost the metal to a record high, Dinero reported Thursday. In June, the Andean nation sold 1.8 billion pesos (\$475



Echavarría // File Photo: Colombian Central Bank.

million) worth of gold, the central bank said on its website, a figure that represents 67 percent of its holdings as of the end of May, Bloomberg News reported. Investors have flocked to precious metals, including gold, this year as yields on other haven assets such as treasuries plunged to record lows. In June, when Colombia sold a portion of its reserves, the price of gold averaged \$1,736 per ounce. Earlier this month, the price jumped to an all-time high of \$2,075 per ounce, and it is currently trading at about \$1,940 per ounce, according to the report. Colombia's sale was based on “optimization exercises,” with the central bank monitoring interest rates and asset volatility to determine its international reserve portfolio holdings, the bank told Bloomberg News in response to emailed questions. Gold accounts for approximately 0.4 percent of Colombia's

## NEWS BRIEFS

## At Least 17 Killed When Boat Overturns off Coast of Haiti

At least 17 people, including two children, were killed after their boat overturned off the coast of Haiti, BBC News reported Thursday. The passengers on the boat lived on Tortuga Island and were returning from the main market in Saint-Louis-du-Nord. Some 30 people were believed to be on the boat, and at least nine people have so far been rescued.

## Brazilian Congress Overrides Bolsonaro's Veto on Face Masks

Brazil's Congress has overridden a presidential veto on the wearing of masks in schools, places of worship and businesses, delivering a blow to President Jair Bolsonaro, who had vetoed the bill saying it would lead to people being forced to wear masks inside their homes, BBC News reported Thursday. Lawmakers had approved a measure requiring masks in those enclosed spaces. The World Health Organization recommends masks as a measure to “suppress transmission and save lives.”

## Caribbean Depressions Expected to Become Tropical Storms Today

Two tropical depressions are expected to become tropical storms at opposite ends of the Caribbean today, with forecasts projecting potential tracks for both that could bring them toward the United States, possibly in the form of hurricanes, the Associated Press reported. The U.S. National Hurricane Center said Tropical Depression 13 was likely to become a tropical storm today as it advanced toward Puerto Rico, the Dominican Republic and Cuba. Tropical Depression 14 was forecast to slide past the coast of Honduras and then head northward toward Mexico's Yucatán Peninsula.

international reserves, well below Venezuela's 77 percent, Bolivia's 42 percent and Argentina's 9 percent, for example, Bloomberg News reported. [Editor's note: See [Q&A](#) on Colombia's economy in the June 17 issue of the Advisor.]

## BUSINESS NEWS

# Wirecard to Sell Brazil Operations: Administrator

Defunct Germany-based payment processor Wirecard has reached an agreement to sell its operations in Brazil, according to the company's insolvency administrator, Reuters reported today. Wirecard agreed to sell the operations in the South American country to a subsidiary of PagSeguro Digital for an undisclosed sum, the wire service reported. "Wirecard Brazil has an innovative and experienced team that has built powerful online payment solutions with more than 200,000 customers, including e-commerce platforms, marketplaces and virtual store platforms," PagSeguro said today in a statement. "In addition, their online solutions are available through application programming interfaces (APIs) and are integrated into more than 40 virtual store platform systems (e-commerce)." The deal marks Wirecard's first move to sell a global asset after the company collapsed earlier this year due to an accounting scandal, Reuters reported. The German company's plan to sell its operations in North America is also progressing, with a deal expected "shortly," according to the administrator. Wirecard also has an agreement in principle to sell some of its operations in Britain to Railsbank Technology, according to the administrator. Wirecard had been strengthening, but it disclosed a hole in its accounts of 1.9 billion euros (\$2.24 billion). Prosecutors in Germany suspect company executives of running a criminal racket to steal billions of euros from creditors through falsifying the company's accounts. [Editor's note: See [Q&A](#) on Brazil's payments sector in the July 2-15 issue of the Dialogue's biweekly Financial Services Advisor.]

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based on real American interests, in such an agenda. That is why the Trump administration's approach to Venezuela must be viewed entirely through the distorted prism of South Florida politics. His get-out-the-vote strategy for South Florida consists of tough talk and sanctions but lacks coherence. His refusal to grant Temporary Protected Status to Venezuelans, the continued deportation of hundreds of Venezuelans and the underwhelming response to the humanitarian situation make clear that this administration's approach is electoral and without regard to the suffering or the democratic aspirations of the Venezuelan people. As president, Joe Biden will stand with the Venezuelan people and for democracy by granting TPS to Venezuelans, marshaling a robust international response to the humanitarian crisis, targeting regime supporters involved in corruption and human rights abuses, wherever they go, recovering assets stolen from the Venezuelan people, leading international pressure for free and fair elections, and aiding the country's long-term recovery. While Joe Biden is someone who supports the use of multilateral sanctions to compel the Maduro regime to restore democratic freedoms to Venezuela, he rejects the Trump administration's failed approach of unilateral sanctions in lieu of a comprehensive multilateral policy approach to Venezuela."

**A** **Diego Arria, member of the Advisor board, director of the Columbus Group and former permanent representative of Venezuela to the United Nations:** "To provide some context: No previous U.S. president has been more committed and helpful in the efforts to rescue our freedom than Trump, and so far, U.S. policy toward Venezuela has been bipartisan, and I trust it will continue to be regardless of the electoral outcome. However, Biden's comments to go back to Obama's openings toward Cuba is of real concern to us, because Cuba is the real dominant power of Venezuela. It controls

its intelligence services, security and even military forces, as well as foreign policy, so it should be clear to all that opening doors to Cuba would mean closing doors for freedom in Venezuela. It is true that providing Temporary Protected Status for the Venezuelan

**“No previous U.S. president has been more committed and helpful in the efforts to rescue our freedom than Trump...”**

— Diego Arria

diaspora is very important, but not more so than to continue exercising maximum pressure to remove Maduro's narco-tyranny, a real threat not limited to destroying Venezuela, but also the whole region, including the United States. Somehow, Maduro and his band of thugs, as well as its 'allies'—China, Russia, Iran, Turkey and Cuba—are rooting for Biden, convinced that were he to win, it would guarantee Maduro's permanence in power. Somehow such hope is shared by other radical forces looking to change the political situation in countries such as Brazil, Colombia and Chile. For the first time, a U.S. presidential election could have real consequences in our region."

**A** **Ray Walser, retired foreign service officer and professor at Seton Hall University's School of Diplomacy and International Relations:** "The 2020 Democratic platform soundly rejects President Trump's 'failed Venezuela policy,' which it blames for entrenching the 'dictatorial regime' of Nicolás Maduro and 'exacerbating a human rights and humanitarian crisis.' This said, it is unclear, given the intransigence of the Maduro regime, what constructive steps a Biden-Harris administration can take to deal effectively with the ongoing crisis. Fresh

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emphasis would likely be placed on working with the Lima Group and others to isolate Maduro and address a severe humanitarian and refugee crisis. The Biden team appears to favor multilateral sanctions as opposed to unilateral U.S. sanctions. If no viable democratic alternative emerges, support for interim President Juan Guaidó will continue. Matters will become more complicated with the Dec. 6 National Assembly elections in Venezuela, an electoral process in which Guaidó has announced the opposition will not participate. The new administration might explore capitalizing on better ties with Cuba to perhaps leverage Maduro's removal and an acceptable transition in Venezuela. As to the role of a Vice President Harris, one might expect considerable engagement. A Biden-Harris approach will focus on bringing to the front a team of veteran diplomats, more consistent messaging, engaging the full range of resources of the State Department and focusing aggressively on humanitarian issues. Yet, as Nov. 3 approaches, the Biden-Harris campaign will also need to be mindful of strong opposition to Cuban and Venezuelan authoritarianism in critical Florida and elsewhere. A commitment to TPS for Venezuelans would be a step in that direction."

**A** **Laura Carlsen, director of the Americas program of the Center for Economic and Policy Research (CEPR):** "There are many ways in which Biden and Trump align on Venezuela policy, particularly on the unethical assumption of a U.S. government role in regime change. Both are also in favor of intervening in Venezuelan internal politics. However, Biden and Harris have expressed a commitment to human rights and peaceful transition, and with progressive forces in the Democratic Party exercising pressure, they will be far less likely to initiate military

actions, coups or assassination attempts that would violate international law and erode U.S. leadership. The current strategy is in crisis with the failure of sanctions, the collapse of Guaidó's bid for power and the need to prioritize responses to the pandemic, so a Biden presidency will have ample opportunity for a reset. Biden supports

“There are many ways in which Biden and Trump align on Venezuela policy...”

— Laura Carlsen

multilateral sanctions and measures, as opposed to Trump's unilateral approach—an important distinction. Both he and Harris have emphasized alliance-building in their Venezuela policy. This could lead to a review of current sanctions, since European allies have rejected any sanctions that increase massive human suffering in the global and worsening humanitarian crisis due to Covid-19 and its economic consequences. Although he has been skeptical of dialogue, as president, Biden also would be obliged to listen to calls for dialogue and U.N. involvement supported by regional powerhouses Mexico and Argentina. Dialogue continues to be essential to reconciliation, peace and rebuilding democratic institutions in the country. It is unlikely that Harris will be the point person in the hemisphere that Biden was under Obama given her lack of foreign policy experience and her importance in leading on pressing domestic issues such as racial and gender justice."

*The Advisor welcomes comments on its Q&A section. Readers can write editor Gene Kuleta at [gkuleta@thedialogue.org](mailto:gkuleta@thedialogue.org).*

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