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Position Paper

Seventeen years ago, Venezuela was brought together by the promise of “nationalism, social welfare programs, and opposition to neoliberalism.” As the dawn of 1999 approached, Bolivarian ideals were adopted, and policies such as Plan Bolívar 2000 were put into action. Yet in 2016, Venezuela is home to the most violent city in the world, and is divided by one of the largest economic contractions to ever face South America. The opposition, also known as, The Democratic Unity Roundtable believes that the current situation in Venezuela can no longer be tolerated. Solutions must be found.

I. Topic One: Safety and Security in Venezuela

The question plaguing The Bolivarian republic of Venezuela is whether the government should tackle the roots of violence in Venezuela or create law and order within the society. The Democratic Unity Roundtable firmly believes that in order to reach success, a joint venture approach must be taken.

It is vital that there is an improved level of respect towards law enforcers, as well as adequate resources provided so that citizens do not have to resort to violence and theft to acquire basic necessities. Currently, 50% of the Caracas population lives in houses with low quality materials and have little to no access to public services. Crime and violence in the state has arisen due to the lack of basic human resources, the present culture of lawlessness, and the corrupt nature of the ruling government.

The Democratic Unity Roundtable believes that to address the climbing crime rates, it is also important to address the habit of disrespect for most basic laws, which is apparent in the transit, shoplifting, and manner in which the population and authorities respond to laws. Opposition firmly believes that the crack down on arrests and restoring order must be completed in a non-offensive manner. A united front between the government, police officials, and citizens will iron out the wrinkles in the socioeconomic classes. While the United Socialist Party of Venezuela may approach this using the fear tactic, it is much more effective to address the issue with diplomacy. Police officers need to be trained in acting for the people, rather for the money. An example of their unprecedented behavior is in the imprisonment of López, leader of the Opposition. The brutality and irrationality that the police force uses when addressing citizens is detrimental to the unity of the country. More money needs to be funneled into this issue, so that police have the funds to intervene in violence and halt crime.

Yet, the police forces can only do so much. The culture of unlawfulness must be tackled at its knees, which is ingrained deep into societal norms. As always, education will be the answer. The Democratic Unity Roundtable proposes that a course on justice and peace be instituted into Venezuela's grade three, and grade nine. The teaching of these morals would happen during primary school when children are at an impressionable age, and later in grade 9, when teenagers have a greater awareness around society. It is a cycle of violence that must be erased, and the most successful way will be to change the thinking and mindsets of Venezuelan children. It must be understood that if the government agrees to cooperate in a peaceful way, as must the people.

However, the scarce funds and piles of debt that loom over the economy prevent the government from investing in peacekeeping and education. Opposition believes that to tackle this issue, the private sector must be grown and developed, which will result in a more prosperous and stable economy. Private sectors promote economic growth, and reduce poverty by building private enterprises. Contrary to businesses in the public sector, strengthening the private sector will secure higher incomes for the poor, due to the higher rate of employment. There are three ways in which the private sector can be developed. Business environment reform works with stakeholders and the government to begin reforms. In addition, understanding how the poor interact with the markets allows countries to create large scale, sustainable impact by focusing on overall markets. Furthermore, Venezuela should adopt public-private partnerships, leveraging the development impact of companies' core business activities.

II. Topic Two: Venezuela's Economic Crisis

Venezuela suffers from what many call 'the oil curse.' In the past, the existence and prosperity of Venezuela has relied solely on the revenue generated from extensive oil exports. It is a petroleum-based economy, and for years, this attracted hoards of foreign investors. The popular Chávez government used oil revenues to pay for social welfare benefits, such as food, healthcare, and housing. The oil income is the government's source of foreign currency, which is then distributed to domestic oil producers through the exchange market. Unfortunately, the country now faces a freighting economic crisis, as oil prices plummet at an alarming rate. In fact, from 2014-2015, Venezuelan oil prices dropped 50%. The Washington Post reported that the "Highly unpopular socialist government of Nicolas Maduro announced electricity rationing due to drought and collapsing world oil prices." So to be blunt, when the oil prices drop, the economy drops. This catalyzes the decrease in primary sector development and increases unemployment, which increased to 7.30% in April from 7.10% in March. Furthermore, the dutch disease has an obvious link to Maduro's foreign relations, a scary reality considering the decline in oil opulence.

A three-pronged approach must be taken to reduce the economic uncertainty that currency plagues Venezuela. First of all, it would be ignorant to dismiss the undeniably rich assets, which Venezuela can reap from the oil market. The trouble is, the nation loses billions every year due to illegal trade deals being signed, such as the \$300 billion being

investigated this year. The Democratic Unity Roundtable believes that all oil trade agreements must be reexamined and altered to reflect the current downwards trajectory of Venezuela's economy. All oil export deals must be cleansed of any untruthfulness, bribery, or illegality. Any current and future agreements that have traces of corruption are to be treated as null and void. The renegotiation and new agreements will be entered on fair market terms, and in a transparent manner. This approach will ensure that the Venezuelan government is receiving appropriate revenues for their exported goods, and is no longer cheated by foreign nations engaging in international trade. The Bolivarian Republic of Venezuela can no longer afford to lose large sums of money, considering the piles of debt surrounding the government. Receiving adequate profits from the selling of Venezuela's natural resources will allow the government to invest it into important humanitarian projects. Furthermore, the shift to transparency will result in Venezuelan citizens being more involved in governmental happenings and will reduce the high levels of speculation that amount from the Venezuelan people.

We can turn to countries such as Canada for a lesson in the harms of over dependence on oil. The Bank of Canada's governor Stephan Poloz stated, "The drop in oil has delivered a \$50 billion cut to Canada's national income." Venezuela, a country that depends on oil for 95% of its oil revenue, needs to diversify in order to stabilize. The Opposition party strongly supports the expansion of Venezuela's primary and manufacturing sector. Growth and higher investment into agriculture will allow the country to kill two birds with one stone. First of all, the pressure on the success of the oil economy is alleviated; the nation will no longer solely rely on constant stability in this market. Secondly, the government will be able to distribute the food produced to the large populations of hungry and malnourished citizens. In combination with agricultural intensification, the manufacturing sector based out of Ciudad Guayana, which produces commodities such as steel, aluminum, cement, needs to be built up. Venezuela has the ability to enhance their attractiveness to foreign investors by distancing themselves from their previously oil dominated economy. Diplomats and businesses are staying far away, as it is irrational to invest in a nation whose economic stability is solely dependent on the wealth of their oil. Adopting a more flexible and diverse approach when considering which areas of the economy to tap into will strengthen all areas of the nation.

III. Topic Three: Social Division & Venezuelan Politics

The Maduro government is attempting to carry forward the socialist ideals which Hugo Chávez implemented into Venezuela starting in 1999. However, citizens simply are not buying it. They want change. A poll conducted in May of this year, suggested Maduro has a mere 25% of the public in his corner. In fact, he won the 2013 election by an extremely slim margin. The Opposition party is thrilled to hold a majority over the United Socialist Party in the National Assembly, as of December 2015. Voted in by the citizens, our 112 seats represent a shift in ideals- no longer do the people wish for a Bolivarian revolution. The Democratic Round Table plans to liberalize the country's centrally planned economy. The free reign that Maduro has over the country is startling; he recently signed a decree to free central banks from legislative oversight, which allows them to withhold inflation and growth data. There is no evidence that checks and

balances are in place, resulting in a lack of union between the executive, legislative, judicial, electoral and citizen branches. How are citizens meant to feel that their ideas are acknowledged if their Bolivars are being thrown out the window without their knowledge? The anger felt from the public is not 'uncalled' for, but rather needed.

However, while Opposition does not see eye to eye on many policies and actions that the United Socialist Party of Venezuela stands for, it is essential that the government move away from division and towards creating real change. The Wall Street Journal wrote that, "Activists on both sides of the parties are now realizing the need for peace in a country suffering from the world's second highest murder rate." A referendum must occur, in order to unite the two political parties, creating a judiciary, which will honour the views of all people. Venezuela must turn to success stories such as Chile, who is in the middle of smoothly transitioning from a dictatorship to a social democracy. They have institutionalized parties and social movements, making incremental progress daily. With so much violence and division amongst the Venezuelan people, the nation can no longer afford to have political tension within the ruling bodies.

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