

PS&S Roundtable Survey Report

By Michael Rowan 21 May 2014

INTRODUCTION

In the PRESSURE SANCTIONS & STRATEGY Roundtable of May 17th at Florida International University in Miami, twenty-one of the participants handed in filled-out questionnaires, most with detailed hand-written comments on them. The rest of the questionnaires were taken by participants in their Folders. Several told me they would send them to me with commentary in English or Spanish at a later date.

In survey terminology, this is a large interactive focus group of experts on a subject. It is not representative of any group other than itself but because they are experts that has content significance.

I have hand-tabulated the results, analyzed the commentary, and written up a survey report below, which is being published in *VenEconomy Monthly* magazine later in May. VenEconomy is a Spanish/English subscription economic magazine for business and investors with about 15,000 subscribers both electronic and print distribution. The electronic distribution is seen by Venezuelan and Latin American media.

The PS&S Roundtable Survey Report follows.

CAN VENEZUELA UNIFY IN THE FACE OF SO MANY CRISES?

A slight glimmer of hope broke through the clouds in Miami on the 17th of May. Whether it gains momentum remains to be seen.

On Saturday May 17th I moderated a Roundtable discussion of over fifty Venezuelan-American community leaders at Florida International University in Miami entitled PRESSURE, SANCTIONS AND STRATEGY, the object of which was to explore how US sanctions might pressure the Maduro regime to engage in a meaningful dialogue exploring a common solution to the many crises in Venezuela, ostensibly a long shot.

The meeting was sponsored by the Center for Security Policy of Washington and the *Foro de Promocion Democratica Continental* and the Inter-American Institute for Democracy, both of Miami.

About 80 thought leaders attended the meeting including those associated with political parties (MUD, Primero Justicia, AD, Copei, etc.); organizations (SOS Venezuela, Sumate, Grupociencia, AMAVEX, Grupo Petroleos, Justice for Venezuela, etc.); and

from the sectors of oil, finance, corporations, education, health and law; plus media (independent journalists, Miami Diario, Telemundo, El Nuevo Herald, Pan Am Post, Latin American Herald Tribune, News Max, etc.).

In the first hour the Roundtable guests heard by video or message from Center for Policy CEO Frank Gaffney (who served at high levels in President Reagan's Pentagon), US Senators Marco Rubio (R-FL) and Bill Nelson (D-FL); the two Congresswomen who initiated the idea of the meeting (Rep. Ileana Ros-Lehtinen, R-FL, chair emeritus of House Foreign Affairs Committee, and Rep. Debbie Wasserman Schultz, D-FL, who represents Weston (or, "Weston-zuela" as she says) and also chairs the Democratic Party nationally); a video from the Argentine Congresswoman Cornelia Schmidt; and in person Rep. Mario Diaz Ballart, R-FL; and then power point presentations by Michael Rowan, Luis Fleischman and Russ Dallen.

After these presentations 50 Roundtable guests spoke passionately about their involvement in a strategy to apply pressure and sanctions on Venezuelan officials engaged in the excessive use of force, about which they were virtually unanimous. (Two bipartisan bills have passed in US House and Senate committees and will be going to the floor in the coming weeks).

Roundtable guests also filled out a questionnaire that explored their views to five fundamental issues that were raised in the first hour presentations. The findings of this Roundtable survey are indicated below. These findings represent the views of the individuals and organizations that showed up for the Roundtable and cannot be projected into the Venezuelan population in the US or Venezuela. Nevertheless they are provocative.

The five AGREE or DISAGREE questions were presented on paper with ample space for commentary of which there was a lot. Below I have analyzed the responses *in italics*. I encourage the reader to answer the questions in your own mind before reading the results.

DO YOU AGREE OR DISAGREE THAT:

1

There is *no* military, violent solution to the current crisis. Violence only generates more violence in return. So the path to pursue is one of rebuilding trust, institutions, the rule of law and democracy, no matter how difficult the task.

43% Agree 14%Disagree 38% Unsure

This is a difficult question. A plurality of 43% agrees, meaning they would re-engage to rebuild the democracy, although most have been badly burned by the regime's broken promises.

Another 38% are unsure – and confused -- because they don't believe it's possible to rebuild until the Maduro regime resigns – yet they don't think Maduro or Cabello ever will voluntarily resign.

And 14% disagree outright. They believe there is a military and violent solution to the crisis, although everyone recognizes that the power, weapons and money are all against them.

In my view, among the active military there might be a preference for Cabello over Maduro but not an Independent – someone outside the loyalist group -- over Maduro. Whether circumstances could get the military to reconsider this view is not known. (Why I use the word Independent, not opposition, is explained below).

2

Venezuela has a history of democracy and a culture of individualism that fundamentally *unites* the population. The class warfare, polarization and conflict generated since 1998 were fabricated in order to fool people and get power. So a government for *all* Venezuelans remains a very powerful proposition.

71% Agree 0% Disagree 24% Unsure

Big data from TV behavior (over 25 million people for several hours per day for many years) show that 9 of 10 Venezuelans watch private TV (the telenovelas, game shows, entertainment and advertising) which support a culture of free choice, free market, democracy and law, including the Maduro voters and the E class (poor) voters. Government TV had 1/10th of the audience when the state owned one TV station and still has 1/10th when it owns 8 TV stations.

Corroborating evidence from surveys over the decade have shown 8 or 9 of every 10 Venezuelans favor private property, enterprises, and schools; individualism and the rule of law; free speech, press and assembly, and democracy. Class warfare was invented as an election tactic and kept alive to cover up the dictatorship and its dismal failures. So beneath the political and rhetorical polarization the culture is unified. This is an asset to use, following today's disaster with a successive democratic government for all Venezuelans. It is not too late for it.

3

Venezuela's operating model establishes state monopolies with absolute discretion to use public power and money secretly. To succeed for all, Venezuela needs to deconstruct the state monopolies and separate governing powers to prevent corruption, theft, despotism and secrecy.

90% Agree 0% Disagree 10% Unsure

It is almost unanimous that the regime's operating model is Monopoly + Discretion – Accountability = Corruption. The meaning of this is quite significant for unifying Venezuela. All the talk about capitalism, socialism, and oligarchs is beside the point. The struggle is between corruption and democracy.

The truth is that of the \$1.5 trillion dollars that passed through the hands of the state since 1999, half or more of it is unaccountable. It is common knowledge that thousands of previous underachievers have become multi-millionaires and a few are billionaires – in dollars! – and this all happened in only a few years.

By eliminating the state monopoly over public and private sectors; by creating checks and balances in the use of state power especially involving money; and by institutionalizing transparent accountability in the use of state resources, the corruption can be curtailed and the democracy restored. That's precisely the way the message should be presented to the barrios and the ni-ni – they will understand it.

4

US (and other nations') sanctions of Venezuela's criminal use of power will put pressure on the government's illegal activity and cash flow, to the point of financial collapse, which may lead it to ask independent Venezuelans trusted by world investors to help fix the economic and financial mess the government has created.

71% Agree 10% Disagree 18% Unsure

Sanctions of several dozen high-level regime criminals, if it is followed by sanctions of criminal officials involved in drugs, theft of public monies, terrorism and money-laundering, could very well put pressure on PDVSA which has been previously cited for some of these crimes. That in turn could bring Venezuela to the point of financial collapse, which is not far away in any case.

To survive, the Maduro regime may ask independents to run the economic ministries under rules of law they find amenable for solving the structural problems of hyperinflation, scarcity, disinvestment, unemployment and recession. The likelihood is the Maduro regime would not ask independents for help in the economy because that would be an admission of failure and incompetence.

In any case, Independents should make the offer because it sends a strong message to the Chavistas and ni-ni, namely: "We have offered to solve the economic problems and we know exactly what to do and the government knows it, but they turned us down because they profit more from Venezuela's failure than from its success."

I do not use the word "opposition" to describe Venezuelans who have an independent proposition to solve the problems of all Venezuelans (including the barrio residents and ni-ni). I use the word Independents to describe those Venezuelans. The word opposition is extremely limiting and implies that they are not for anything.

5

Independent Venezuelans need to have a strategy to engage the period between now and the next election *showing* all the people of Venezuela that they can lead the way toward solving the economic and social crises that are sinking the ship of state today.

Independent Venezuelans must tolerate the government the way the government does not tolerate them if *all* Venezuelans are to come to trust Independents to lead.

71% Agree 0% Disagree 28% Unsure

This is the most hopeful sign in this survey that Venezuela may survive its current troubles and emerge whole. 71% agree that Venezuelans must tolerate the government the way the government does not tolerate them in order for everyone to trust the independents to lead.

We have come a long way from the days of 2002 – 2003 which set in motion hate on both sides of the red-blue divide that has lasted for years, and which you can see again in the aftermath of the student protests of 2014.

At least this Roundtable of Venezuelans recognizes that the regime is not the people, the regime is not even the people that depend on it or who give their votes to it out of ignorance or fear.

The regime will go but only if the people who supported it are welcomed to progress in Venezuela through the tolerance, democracy and law of everyone else. Achieving that civil result will mean that the students will not have died in vain but rather it will give spirit to the rebirth to a unified nation. We owe them no less.

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