

IMPACT OF THE ECONOMIC WAR AGAINST THE PEOPLE OF VENEZUELA¹

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"The United States prepares very significant additional sanctions against Venezuela" ². That is the headline of the press today. The information was released by Elliott Abrams, who was named special envoy for Venezuela by Donald Trump's administration.

Other spokespersons from the White House gave similar statements. William Brownfield, along the same lines as Richard Nixon when he said "make the economy scream" referring to Chile in the early '70s, recently stated:

"If we are going to sanction PDVSA, it will have an impact on the entire people, on the common citizen. The counter argument is that the people suffer so much from the lack of food, safety, medicines, public health, that at this moment perhaps the best resolution would be to accelerate the collapse even if it produces a period of greater suffering of months or perhaps years."³

Since 1999 the people of Venezuela have been victims of systematic aggressions on behalf of the United States governments. Let's remember the November 2002 sabotage against the main industry of the country, Venezuela's state owned oil company, Petroleos de Venezuela (PDVSA). This company generates 98% of the country's income in foreign currency and its paralysis meant the loss of 16 billion dollars for the Venezuelan economy⁴.

Since 2013, following the death of President Hugo Chavez and with the beginning of the first administration of President Nicolas Maduro, the United States government resumed the aggressions against the people of Venezuela. At first through covert attacks, but as time went by, they became not only open and formal, but also increased in intensity.

These are economic aggressions that have not been limited only to unilateral coercive measures, characterized mainly by financial and commercial blockades. They have also included an attack on our currency, the bolivar, inducing hyperinflation and destabilization of all sectors of the economy, which in turn caused an important

¹ Report made on request of FUNDALATIN.

² Russia Today. The United States prepares very significant additional sanctions against Venezuela. <https://actualidad.rt.com/actualidad/308346-eeuu-prepara-significativas-sanciones-venezuela>. March 12, 2019.

³ <http://www.lechuguinos.com/embajador-brownfield-colapsar-venezuela/>

⁴ http://www.pdvsa.com/index.php?option=com_content&view=article&id=9083:16-anos-del-sabotaje-petrolero-una-traicion-que-impulso-el-nacimiento-de-la-nueva-pdvsa&catid=10:noticias&Itemid=589&lang=es

contraction of the national production, thereby affecting the Venezuelan population. This is an economic war⁵.

The economic aggressions are part of a plan with the goal of overthrowing the constitutional, legitimately elected government of Venezuela by generating economic and political destabilization, coupled with a message that holds the Bolivarian government and its model responsible as a way of undermining the support of the people and causing a fracture in the Bolivarian National Armed Force that may result in a coup.

This plan was disclosed in two separate documents signed by Kurt Tidd, Commander of the United States Southern Command. The first one was entitled "Venezuela Freedom-2 Operation", dated February 25, 2016⁶. The second one, "Plan to overthrow the Venezuelan dictatorship - 'Masterstroke'", February 2018⁷.

These documents state:

"Speed the definite overthrow of Chavism and the expulsion of its representative, undermine the popular support... continue hardening the conditions inside the Armed Forces to carry out a coup d'état...

...Encouraging popular dissatisfaction by increasing the process of destabilization and scarcity... making more harrowing and painful the situation of the population

...Increasing internal stability to reach critical levels, intensifying the undercapitalization of the country, the leaking out of foreign currency and the deterioration of its monetary base, bringing about new inflationary measures that increase its deterioration... Fully obstructing imports and at the same time, discouraging potential foreign investors."⁸

In the context of these plans, which require the support of the international community for the subsequent entry into Venezuelan territory, the U.S. government has the strategy of generating a humanitarian crisis to justify intervention by way of humanitarian aid. The documents state:

"Under the current circumstances, it is of special interest to introduce the idea that Venezuela is entering a phase of humanitarian crisis due to lack of food, water and medicines. We must continue managing the scenario according to which Venezuela is 'close to collapse and implosion' and demand from the international community a humanitarian intervention to preserve peace and save lives...

⁵ The unconventional weapons of the economic war in Venezuela are described in Curcio, Pasqualina. La mano visible del mercado. Guerra económica en Venezuela. (The Invisible Hand of the Market. Economic war in Venezuela). Publisher Nosotros Mismos. 3rd edition. 2018. Caracas. Venezuela.

⁶ Kurt Tidd. Venezuela Freedom-2 Operation. 2016. <https://www.voltairenet.org/article191879.html>

⁷ Kurt Tidd. Golpe maestro para acabar con la 'dictadura' de Venezuela ("Plan to overthrow the Venezuelan dictatorship - 'Masterstroke'"). 2018. <https://www.voltairenet.org/article201091.html>

⁸ Kurt Tidd. Golpe maestro para acabar con la 'dictadura' de Venezuela ("Plan to overthrow the Venezuelan dictatorship - 'Masterstroke'"). 2018. <https://www.voltairenet.org/article201091.html>

...the State and its controlling policies must be held responsible for the economic stagnation, inflation and scarcity."⁹

The terrorist and criminal attack to the national electricity system perpetrated on March 7th, which resulted in a power outage that left the entire population of Venezuela without electricity, water and communications for almost three days, endangering the life and violating the human rights of Venezuelans, was part of this plan to generate chaos and destabilization.

This report focuses on the impact of the economic aggressions on the people of Venezuela. Both unilateral coercive measures, that is, financial and economic sanctions and blockades, as well as the attack on the currency will be taken into consideration. The methodology for estimating the losses caused by these aggressions is detailed, as well as the source of the information.

CHRONOLOGY OF UNILATERAL COERCIVE MEASURES TAKEN AGAINST THE PEOPLE OF VENEZUELA¹⁰

- **December 2014.** The U.S. Congress passes the law 113-278: "Venezuela Defense of Human Rights and Civil Society Act of 2014" that established for the U.S., and other States under its influence, the road map for policy towards Venezuela based on adopting unilateral coercive measures against the country.
- **March 2015.** Barack Obama issues Executive Order 13692 in which Venezuela is declared to be an *"unusual and extraordinary threat to the national security and foreign policy of the United States"*.
- **March 2016.** The United States administration renews Executive Order 13692 for one year.
- **May 2016.** The Commerzbank (Germany) closes the accounts held by several institutions, Venezuelan public banks and Petroleos de Venezuela SA (PDVSA).
- **July 2016.**
U.S. based Citibank unilaterally ceases the service to correspondent accounts in foreign currency to Venezuelan institutions in the United States, among them the Banco Central de Venezuela (BCV, Venezuelan Central Bank).
Risk rating agencies give Venezuela the highest financial risk in the world (2640 points), well above countries at war, despite having fulfilled their external debt commitments. Since the year 2013 Venezuela has paid USD 63,566,000,000. However, this rating has

⁹ Kurt Tidd. Venezuela Freedom-2 Operation. 2016. <https://www.voltairenet.org/article191879.html>

¹⁰ Source: Ministry of Popular Power for Foreign Affairs. "Sanctions and blockade. Crime against humanity suffered by Venezuela." September 2018.

increased 202% during the same period, going from 768 in 2012 to 2323 in 2016¹¹. Every 100 points of Country Risk equals an additional 1% in the interest rate.

- **August 2016.** Novo Banco (Portugal) reports on the impossibility of conducting operations in dollars with Venezuelan banks due to the pressure exerted by its correspondent banks.
- **September 2016.** The government of Venezuela makes an offer to exchange USD 7,100,000,000 in PDVSA bonds in order to alleviate the amortization schedule and partially refinance its obligations. The three most important U.S. risk rating agencies threat investors with declaring default if they agree to the Venezuelan proposal.
- **November 2016.** The bank JP Morgan issues a false default alert about an alleged USD 404,000,000 non-payment of PDVSA's debt.
The U.S. oil company, Conoco Phillips, sues PDVSA before a court in Delaware, United States, for a bond swap operation. The goal of this legal recourse was to frighten the participants and thereby make the operation fail.
- **December 2016.** The Crane Currency company, banknote supplier for the Department of the Treasury and hired by the State of Venezuela to print the pieces of the currency cone, delays the delivery of the new banknotes.
- **July 2017.** The Delaware Trust Company, payment agent of the PDVSA bonds, reports that its correspondent bank (PNC Bank) in the United States refuses to receive funds from the Venezuelan oil company.
The Citibank (U.S.) refuses to receive Venezuelan funds for the import of 300,000 insulin doses.
The Department of the Treasury, through the Office for Foreign Assets Control (OFAC), issues sanctions against a group of Venezuelan officials, including the President of the Republic, Nicolas Maduro Moros, one day after the election of the National Constituent Assembly.
- **August 2017.** The Swiss bank Credit Suisse prohibits its costumers from conducting financial operations with Venezuela.
- **October 2017.** The financial blockade from the United States prevents Venezuela from making a deposit in the Swiss bank UBS to pay for vaccines and medicines acquired through the Revolving and Strategic Fund of the Pan American Health Organization. This meant a four month delay in the acquisition of vaccines and caused an alteration to the vaccination schemes in the country.
- **August 2017.** The Bank of China (BOC - Panama) reports that it will not be able to conduct any operation in foreign currency in favor of Venezuela due to instructions

¹¹ Curcio, Pasqualina. La mano visible del mercado. Guerra económica en Venezuela. (The Invisible Hand of the Market. Economic war in Venezuela). Publisher Nosotros Mismos. Caracas. Venezuela. 2016.

from the U.S. Department of the Treasury and pressure from the government of Panama.

Russian banks report on the impossibility of making transactions with Venezuelan banks due to the restrictions on operations with said country imposed by correspondent banks in United States and Europe.

The correspondent of the bank BDC Shandong, alleging administrative reasons, paralyzes a transaction for USD 200,000,000 towards Venezuela, even though the funds had been drawn by the People's Republic of China.

Donald Trump issues Executive Order 13808: "Imposing Additional Sanctions with Respect to the Situation in Venezuela" which establishes the following prohibitions:

- That the Government of Venezuela acquires new debt with a maturity greater than 30 days.
- That PDVSA acquires new debt with a maturity greater than 90 days.
- Acquisition of new shares on behalf of the Government of Venezuela.
- Dividend payments or other distributions of profits to the Government of Venezuela on behalf of companies operating in the United States, which especially affects the CITGO refinery.

The company Euroclear, in charge of the custody of part of the sovereign bonds of Venezuela, freezes all liquidations of securities, alleging "review" reasons. To date, Euroclear still withholds USD 1,600,000,000 with no possibility of mobilization.

- **September 2017.** The Department of Treasury, through its Financial Crimes Enforcement Network (FinCEN), issues a "red flags" alert, which imposes a system of vigilance and control on Venezuelan financial transactions, to prevent the payment of food and medicine.

A shipment of 300,000 insulin doses paid for by the Venezuelan State cannot reach the country because Citibank boycotted the purchase of this important resource.

The delivery of 18,000,000 boxes of subsidized food from the program "Local Committees for Supply and Production" is interrupted due to obstacles imposed by the U.S. financial system.

Venezuela is included in the list of countries with a travel ban to United States. The prohibition only applies to Venezuelan government officials.

- **October 2017.** The refining company PBF Energy, the fifth major U.S. importer of Venezuelan crude, suspends direct purchase from PDVSA.

Canada passes the bill S-226, which provides for the taking of restrictive measures with regard to goods transactions and asset freezing of foreign officials.

The U.S. oil company NuStar Energy prohibits PDVSA the use of a storage terminal in the Caribbean.

The Deutsche Bank reports to the Citic Bank from the People's Republic of China the

closing of its correspondent accounts as a result of having processed PDVSA payments.

- **November 2017.** Colombia blocks the dispatch of the antimalarial treatment medication (primaquine and chloroquine) requested to the BSN Medical laboratory, based in said country.

The transnational pharmaceutical companies Baster, Abbot and Pfizer refuse to issue export certificates to oncological medicine, blocking Venezuela from buying them.

The United States sanctions and suspends several Venezuelan officials in charge of managing food supply programs, preventing them from signing commercial agreements or international treaties that would benefit the Venezuelan food policy.

The European Union prohibits the sale of weapons and security equipment to Venezuela.

The Deutsche Bank, the main correspondent of the Central Bank of Venezuela (BCV), permanently closes the accounts.

A total of 23 financial operations of Venezuela, destined to the purchase of food, basic supplies and medicine, for USD 39,000,000 are returned by international banks.

The risk rating agency Standard and Poor's declares Venezuela to be in "selective default".

- **December 2017.** Venezuelan payments to the cabotage service for fuel transportation are blocked, which leads to scarcity in several states.

A total of 19 Venezuelan bank accounts abroad are arbitrarily closed by U.S. banks, preventing payments to creditors.

471,000 already paid for car tires bought abroad are retained.

- **January 2018.** 11 bonds of Venezuelan and PDVSA debt for a total of USD 1,241,000,000 could not be repaid to their creditors due to sanction obstacles.
- **February 2018.** The U.S. Department of the Treasury extends the financial sanctions on Venezuela and Venezuelan companies originally established in Executive Order 13808 of August 2017. It prohibits any restructuring or renegotiation of Venezuelan and PDVSA debt issued prior to August 25, 2017.

- **March 2018.**

The Trump administration:

- Renews for one year Executive Order 13692.
- Renews Executive Order 13808 and imposes 6 new coercive measures that undermine Venezuela's financial stability by prohibiting debt restructuring and preventing the repatriation of dividends from CITGO Petroleum, a Venezuelan state company.
- Issues Executive Order 13827 which prohibits any citizen or institution from making transactions in the Venezuelan crypto currency "Petro".

The government of Panama publishes a list of 55 sanctioned Venezuelan citizens

(including President Nicolas Maduro) and 16 Venezuelan companies with allegations of “high risk”.

- **April 2018.** Chancellor of Peru, during the Summit of the Americas and on behalf of the Lima group, announces they have decided to create a monitoring group to study political and economic measures against Venezuela. At the same Summit, the United States and Colombia agree to accelerate the mechanisms intended to persecute Venezuelan financial transactions and obstruct the supply lines of basic products required by the country.
- **May 2018.** Claiming a USD 2,040,000,000 arbitration award before the International Chamber of Commerce, the U.S. oil company Conoco Phillips announces it will move to take over PDVSA international assets.
The payment of USD 9,000,000 destined for the acquisition of dialysis supplies for the treatment of 15 thousand patients of hemodialysis is blocked.
The Colombian government blocks the entry in Venezuela of 400,000 kg of food from the subsidy program "Local Committees for Supply and Production" CLAP.
In retaliation for the presidential election for the period 2019-2025, in which more than 9 million citizens participated and Nicolas Maduro won with 67% of the votes, Donald Trump issues Executive Order 13835 by which he extends the economic sanctions against Venezuela and prohibits the purchase of debt and accounts payable of companies owed to the Government of Venezuela.
The United States sanctions 20 Venezuelan companies for alleged ties to drug trafficking.
- **August 2018.** The United States allows Crystallex to seize assets of CITGO Petroleum, property of PDVSA.
The Brazilian government stopped the payment of a USD 40,000,000 debt to the Electrical Corporation of Venezuela for the energy supply to the state of Roraima. The chancellor of Brazil, Aloysio Nunes, declared that the energy debt *"has not been canceled due to the economic and financial blockade against Venezuela imposed by the US and the European Union."*
- **November 2018.** Donald Trump prohibits U.S. citizens from trading with gold exported from the South American country.¹²
- **January 2019.** The Donald Trump administration approves new sanctions against Petroleos de Venezuela S. A. (PDVSA) which include the freezing of USD 7,000,000 in assets of the subsidiary company CITGO, in addition to an estimated loss of USD 11,000,000,000 of its exports over the next few years.¹³

¹² <http://www.eluniversal.com/politica/24730/trump-firmo-un-decreto-con-nuevas-y-duras-sanciones-contra-venezuela>

¹³ <https://actualidad.rt.com/actualidad/303850-robo-descarado-eeuu-cuentas-gobierno-venezuela>

HOW THE CURRENCY HAS BEEN ATTACKED¹⁴

Aside from coercive measures, blockades, sanctions and appropriation of assets, imperialism has been attacking the national currency, the bolivar, with the goal of inducing inflation and affecting the national production levels. This has been done by daily manipulation of the exchange rate through web portals with domains located in U.S. territory, specifically Miami.

Manipulating the exchange rate and quoting it at a value higher than the official affects the prices of all imported goods, which are in turn required for production processes. The increase in the price of imported products raises all production costs and, consequently, the final prices of the goods. This is known as a *supply shock* which produces a stagflation, that is, a price increase (inflation) with economic stagnation or recession.

Historically, the exchange rate increases in Venezuela resulted in the increase of domestic prices of the economy. As of 2013, this exchange rate has been politically manipulated through U.S. based web portals (see figure 1).

This aggression against Venezuelan economy, and therefore against its entire people, has three effects: 1) it damages real wages; 2) it contracts production levels; 3) it renders public investment and spending insufficient.

Since 2013 to date the exchange rate has been manipulated 3,500,000,000 per cent. In 2013 it was quoted in 8.69 BsF/USD and today it is published at 350,000,000 BsF/USD (see figure 2).

Nothing has happened in Venezuelan economy that could explain a supposed depreciation of the currency in such magnitudes. This has been a manipulation of the exchange rate that follows a pattern of political behavior linked to moments of high levels of conflict or electoral processes (figure 3).

We have made an estimation of the losses caused by the attack on the currency on the national production levels. This, coupled with the losses due to the blockade, sanctions and illegal appropriation of our assets, shows the criminal magnitude of the unilateral coercive measures taken by imperialism against the people of Venezuela.

IMPACT OF THE ECONOMIC WAR AGAINST THE PEOPLE OF VENEZUELA

The losses caused by the unilateral coercive measures imposed by the United States on the people of Venezuela from 2013 to date, including the attack against the national currency, amount to USD 114,302,000,000.

¹⁴ In detail analysis and calculations regarding the attack on the currency as an imperial weapon can be found in Curcio, Pasqualina. Hyperinflation. Imperial Weapon. Publisher Nosotros Mismos. 2018, Caracas. Venezuela.

Of this sum, the loss of USD 21,450,000,000 has been caused by the unilateral coercive measures, the financial blockade, the commercial embargos, and the theft of CITGO assets, together with the loss of revenue as a result of this act of looting, as well as the gold withheld in England and the Euros blocked in Euroclear.

The difference, that is, 92,852,000,000 dollars is the loss resulting from the impact on production as a consequence of the attack on the currency which, aside from inducing inflation, also contracts national production.

Impact of unilateral coercive measures

In a very conservative estimation, the losses caused, to this day, by the unilateral coercive measures amount to USD 21,450,000,000. This includes:

- 1) USD 11,000,000,000 loss for not collected revenue due to the illegal appropriation of the Venezuelan oil company CITGO on behalf of the United States.
- 2) USD 7,000,000 loss for the illegal appropriation of CITGO assets.
- 3) USD 1,600,000,000 withheld by Euroclear.
- 4) USD 1,200,000,000 equivalent to the gold retained by the Bank of England¹⁵.
- 5) USD 467,000,000 for the decrease in value of securities in custody in Euroclear, which went from USD 1,093,529,941.96 to ca. 625,900,000 in a 57,24% decrease as a consequence of the financial blockade¹⁶.
- 7) USD 37,000,000¹⁷ loss due to operational obstacles that shipping companies and international ports have been enforcing. This is the case of changes in date of departure for containers from cargo ports and the increase in waiting times, together with a fee increase¹⁸.
- 8) USD 655,000 for transfers, payment queries, transfer amendments, among other operational costs. Before the U.S. sanctions, payment instructions were sent

¹⁵ <https://mundo.sputniknews.com/economia/201901261085030643-banco-de-inglaterra-emprende-jugada-contra-venezuela/>

¹⁶ Ministry of Popular Power for Foreign Affairs. "Sanctions and blockade. Crime against humanity suffered by Venezuela." September 2018.

¹⁷ This figure corresponds to the average waiting time of vessels, which went from 45 days in 2017 to 60 days in 2018 in 33.33% increase. It also includes costs due to delay, which increased 51.52%, going from USD 16,500 to USD 25,000 for bulk vessels. This adds up to an additional cost of USD 26,650,000 in comparison to 2017. In the case of container ships, their associated costs increased on average 40.63% from USD 3,200 to USD 4,500, adding up to an additional cost of USD 10,400,000 as compared to 2017. (Source: Report of the Ministry of Popular Power for Foreign Affairs. "Sanctions and blockade. Crime against humanity suffered by Venezuela." September 2018).

¹⁸ Ministry of Popular Power for Foreign Affairs. "Sanctions and blockade. Crime against humanity suffered by Venezuela." September 2018.

through the correspondent banks and executed within 48 hours. Now, on average, a payment is enforced in 10 to 20 calendar days¹⁹.

9) USD 20,000,000 for the exchange differential as a consequence of the Republic being forced to use currencies other than the U.S. dollar for financial and commercial transactions²⁰.

10) USD 264,000,000 for the loss of the bond acquired through Credit Suisse related to the external public debt²¹.

This are conservative estimations since they do not include, for instance, the losses caused by the decomposition of food or medicine withheld in shipment longer as foreseen, or the additional cost of transportation and administrative procedures resulting from the need to triangulate purchases to avoid sanctions to companies or nations on behalf of the United States.

Impact of the attack on the currency

The attack on the currency must be included among the economic aggressions due to the effect it has had on the people of Venezuela. This impact is not limited to the erosion of real wage, consequence of the induced hyperinflation caused by this attack. It also produces a contraction effect on national production and, therefore, national consumption. This attack is driven by web sites with domains located in the United States, specifically the web portal *dolartoday*.

Historically, Venezuelan national production was set in 96.6% as a result of the oil export levels. During the last 4 years, and particularly since 2016, the oil sales have affected only 60% of the gross domestic product. The other 40% is affected by the *supply shock* that resulted from the attack on the currency. In other words, the fall of the gross domestic product registered since the year 2016 is due 60% to the decline in oil exports and 40% to the attack on the currency²².

It is for this reason that, despite the recovery of oil exports in 2017 and 2018²³, mainly as a consequence of the increase in the price of hydrocarbons, the gross domestic product did

¹⁹ Ministry of Popular Power for Foreign Affairs. "Sanctions and blockade. Crime against humanity suffered by Venezuela." September 2018.

²⁰ Ministry of Popular Power for Foreign Affairs. "Sanctions and blockade. Crime against humanity suffered by Venezuela." September 2018.

²¹ Ministry of Popular Power for Foreign Affairs. "Sanctions and blockade. Crime against humanity suffered by Venezuela." September 2018.

²² The calculations, methodology description and econometric models that support this claim are detailed in Curcio, Pasqualina (2018). Hyperinflation. Imperial Weapon, Publisher Nosotros Mismos.

²³ The GDP levels are expressed in U\$D and at constant prices. To avoid distortions related to the exchange rate, we have calculated the variations in GDP from the year 2003, when the gap between the official and parallel exchange rate was minimal. Interannual variations were taken from the Central Bank of Venezuela

not recover, but rather maintained its downward trend (see figure 4). Under normal conditions, that is, without political manipulation of the exchange rate, an increase in exports would have resulted in a recovery of the GDP. That was not the case in 2017 nor in 2018.

In a conservative scenario, assuming normal conditions, without economic war, without attacks on the bolívar, with an average barrel oil price of USD 45, and with oil export levels around USD 37,000,000,000²⁴, which implies assuming that there had been no sabotage in the oil industry²⁵ and that the hydrocarbon production levels remained similar to 2015, that is, 2,900,000 barrels per day, the gross domestic product would have to have been ca. USD 131,000,000,000, equivalent to the GDP of 2015.

Calculating the annual difference between the expected gross domestic product, that is, equal to the one for 2015²⁶, with what was actually produced in the years 2016, 2017 y 2018, the result is that, in total, during those 3 years there was a reduction in production of USD 92,852,000,000.

From this estimated loss of USD 92,852,000,000, which includes both the effect of the currency attack and the silent boycott to the oil industry, USD 41,691,000,000 was lost due to the former.

Adding up the losses caused by unilateral coercive measures and those related to national production levels, due to the attack on the currency and the boycott to the oil production, results in a total loss of USD 114,302,000,000.

IMPACT OF THE ECONOMIC WAR AGAINST THE PEOPLE OF VENEZUELA

For the size of the Venezuelan economy, this figure represents only a little less than the entire national production of a whole year with an oil barrel price of USD 45. The gross domestic product of 2015 amounted to USD 131,626,000,000²⁷.

This USD 114,302,000,000 also equate to the import of food and medicine to supply the 30 million Venezuelans during 26 years. In the year 2004, for example, when there was no

until the year 2015. From this date up to 2017 the source are the reports of the OPEC. For the year 2018, a 10% drop was estimated. In any case, a drop of any magnitude contrasts with the increase of oil exports.

²⁴ Similar to the 2015 exports, which implies equal oil production levels to those registered that year, i.e., 2,000,000 daily barrels.

²⁵ <http://elestimulo.com/elinteres/pdvsa-denuncia-en-la-opec-sabotaje-y-asegura-tener-liquidez-ante-las-deudas/>

²⁶ Despite the fact that during that year and since 2012 there has been an attack on the currency, this manipulation was relatively low compared to the magnitude that we began to notice from 2016 onwards. That is why we consider it is a good year to take as baseline, when the average oil barrel price was USD 44.65.

²⁷ Value expressed in current dollars. Source: Central Bank of Venezuela.

food shortage, the import, including raw production material, was of USD 2,160,000,000²⁸. In the case of medicine, imports amounted to USD 2,259,000,000²⁹. This means that with USD 4,300,000,000 a year, all imports are covered and the entire population is supplied with final products and raw material for food and medication.

The losses caused, to date, by the sanctions, the blockade, and the attack on the currency equal the investment in health for 10 years, since it amounts to about 10% of the annual gross domestic product. In other words, these losses are equivalent to the guarantee of providing hospital, ambulatory and preventive health services, both through the private and the public sector, to all Venezuelans for 10 years.

They represent the access to the right to education during 10 years, be it public or private, from preschool to university. The investment in education amounts to 10% of the annual gross domestic product.

These losses represent the total annual imports for 7.5 years, including machinery, spare parts, transportation, raw material, supplies, food and medicine, textiles, chemical industry products, etc. For example, in the year 2004, where there was no shortage, annual imports totaled USD 15,161,000,000³⁰.

They amount to the entire external debt of the Republic, which we must pay within 20 years.

We can offer further indicators as points of reference that allow us to acknowledge the magnitude of the criminal and genocidal attack suffered by the people of Venezuela³¹:

- The USD 1,200,000,000 in gold England still withholds from us would buy food for 6,000,000 homes for 6 months.
- USD 20,000,000 alone would cover attention and treatment for 3 years for all the people with malaria.
- USD 40,000,000 would ensure antiretroviral treatment for people with HIV and AIDS for 2 years.
- USD 18,000,000 would buy us the 9,000,000 vaccine doses for the implementation of the annual vaccination plan³².
- The USD 11,000,000,000 lost from the theft of CITGO would equal the import of all of the medicine and surgical medical equipment needed, including supplies for internal production, for 5 years³³.

²⁸ National Statistics Institute. Sections I to IV.

²⁹ National Statistics Institute. Section VI.

³⁰ National Statistics Institute.

³¹ Declarations made by Larry Devoe, president of the Human Rights Commission, before the IACHR.

³² Ministry of Popular Power for Foreign Affairs. List of reference prices per vaccine from the Panamerican Health Organization.

Each figure presented here speaks for a Venezuelan man, woman or child. This is not just about the economic impact on imports or production. This is about the impact of these economic aggressions on guaranteeing the human rights of every Venezuelan.

These aggressions massively and systematically affect the entire population, both civilian and military.

However, we must point out that Venezuela is not in a situation of humanitarian crisis. Without ignoring the difficulties these aggressions have caused for the acquisition of food and medicines, all routine educational, recreational and work related activities in the country continue taking place normally.

Despite the criminal attack against the people of Venezuela, over the past 6 years more than 2,500,000 homes have been built, not a single hospital or school has been closed, and food and medicine companies are still operating in our territory.

Venezuela continues occupying the first place as the least unequal country in Latin America, according to figures from the ECLAC.

These indicators show that despite difficulties caused by the economic war, Venezuela is not in a situation of humanitarian crisis, and therefore requires no humanitarian help.

What the people of Venezuela demand is for the aggressions to cease, that the sanctions and blockade are lifted and a stop to the attack against our currency.

ECONOMIC WAR: CRIME AGAINST HUMANITY

The financial and economic blockade to a country, promoting a commercial embargo, withholding its foreign currency, appropriating its assets and attacking its national currency not only violate all international regulation, but also amount to crimes against humanity according to the definition given by the Rome Statute.

Alfred de Zayas, UN independent expert on the promotion of a democratic and equitable international order, visited Venezuela in November 2017. He met with all sectors of society and wrote a report stating that “[t]he solution to the Venezuelan ‘crisis’ lies in good faith negotiations between the Government and the opposition, an end to the economic war, and the lifting of sanctions.”³⁴

De Zayas recommended that the meeting of States parties to the Rome Statute “recognize geopolitical crimes, including unilateral coercive measures and currency manipulations

³³ National Statistics Institute. Section VI.

³⁴ United Nations Organization. Human Rights Council. Report of the Independent Expert on the promotion of a democratic and equitable international order on his mission to the Bolivarian Republic of Venezuela and Ecuador, Alfred-Maurice de Zayas. 2018.

that induce hyperinflation.”³⁵ He states that “economic war, embargoes, financial blockades and sanctions regimes amount to geopolitical crimes and crimes against humanity under Article 7 of the Rome Statute of the International Criminal Court,”³⁶ since they are part of a widespread or systematic attack directed against any civilian population, with knowledge of the attack.

These economic aggressions, which imperialism has set in motion every time it feels threatened by the possible consolidation of a model of social justice, equality, and that guarantees the human rights of the entire population, transcends in time and space the Venezuelan borders. The same happened with the socialist project of Salvador Allende in Chile between 1970 and 1973, with the Nicaraguan Revolution in the '80s, and with Cuba from the '60s to this day.

Allende said it in his speech before the UN Assembly on December 4, 1972, when he denounced that his country was under attack. A speech, by the way, that very few believed: *"The spokesperson for the African Group declared that his Group stood in full solidarity with Chile because it was an issue that affected not only one nation, but potentially the entire developing world." These words are of great value, because they show the recognition of an entire continent that the Chilean case presents a new stage of the battle between imperialism and the weak Third World countries." (Emphasis added)*

It is time these coercive actions from imperialism are not only unveiled and denounced before the world, but also acknowledged as crimes against humanity.

The people of Venezuela do not need humanitarian aid. We demand justice to stop the impunity of declarations such as the ones shared by the spokesperson of the U.S. State Department, who, when addressing the efficacy of unilateral coercive measures, said: "The pressure campaign against Venezuela is working. The financial sanctions we have placed (...) have forced the government to begin becoming in default, both on the sovereign and PDVSA's, its oil company, debt. And what we are seeing (...) is a total economic collapse in Venezuela. So our policy is working, our strategy is working and we are going to keep it on the Venezuelans"³⁷.

Recognizing both unilateral coercive measures and the attack on the currency as crimes against humanity would be an important step towards stability and world Peace.

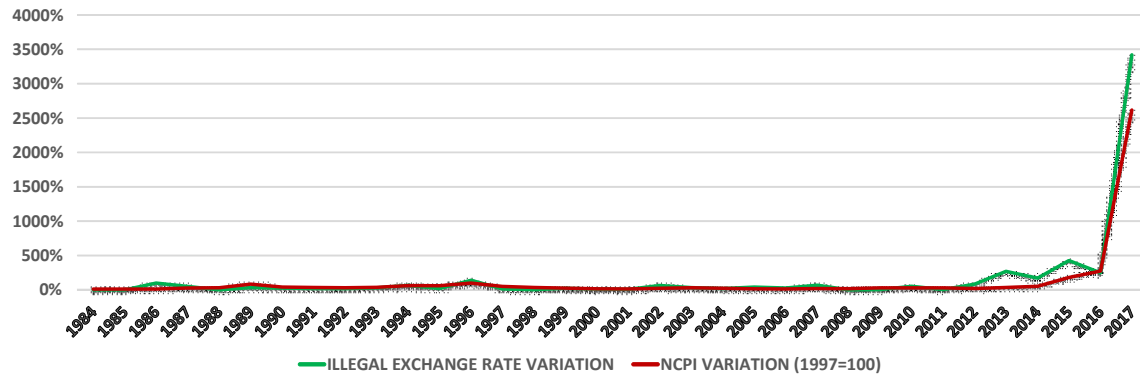
On this regard, the UN has owed a big debt for many decades.

³⁵ United Nations Organization. Human Rights Council. Report of the Independent Expert on the promotion of a democratic and equitable international order on his mission to the Bolivarian Republic of Venezuela and Ecuador, Alfred-Maurice de Zayas. 2018.

³⁶ United Nations Organization. Human Rights Council. Report of the Independent Expert on the promotion of a democratic and equitable international order on his mission to the Bolivarian Republic of Venezuela and Ecuador, Alfred-Maurice de Zayas. 2018.

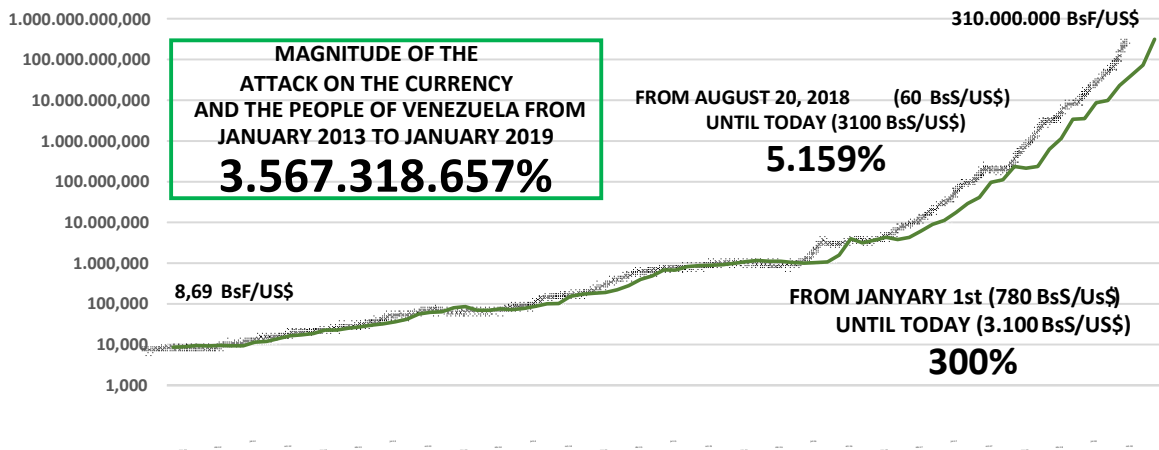
³⁷ Ministry of Popular Power for Foreign Affairs. "Sanctions and blockade. Crime against humanity suffered by Venezuela." September 2018.

FIGURE 1
INFLATION AND ILLEGAL EXCHANGE RATE
BOLIVARIAN REPUBLIC OF VENEZUELA
1984-2017



Sources: National Price Index: 1981-2015 Central Bank of Venezuela. 2016: International Monetary Fund. 2017: National Assembly. Non official figures of the Central Bank of Venezuela. Based on estimates
 Illegal exchange rate: <http://inmueblescaracas.com.ve/tips/bolivardolar.htm> Dolartoday

FIGURE 2
ATTACK ON THE CURRENCY (WEAPON IN THE ECONOMIC WAR)
CRIMINAL DOLLAR
JANUARY 2012 - JANUARY 2019



Source: Dolartoday
 Logarithmic scale

FIGURE 3
PARALLEL EXCHANGE RATE
VARIATIONS
JANUARY 2010 - JANUARY 2019

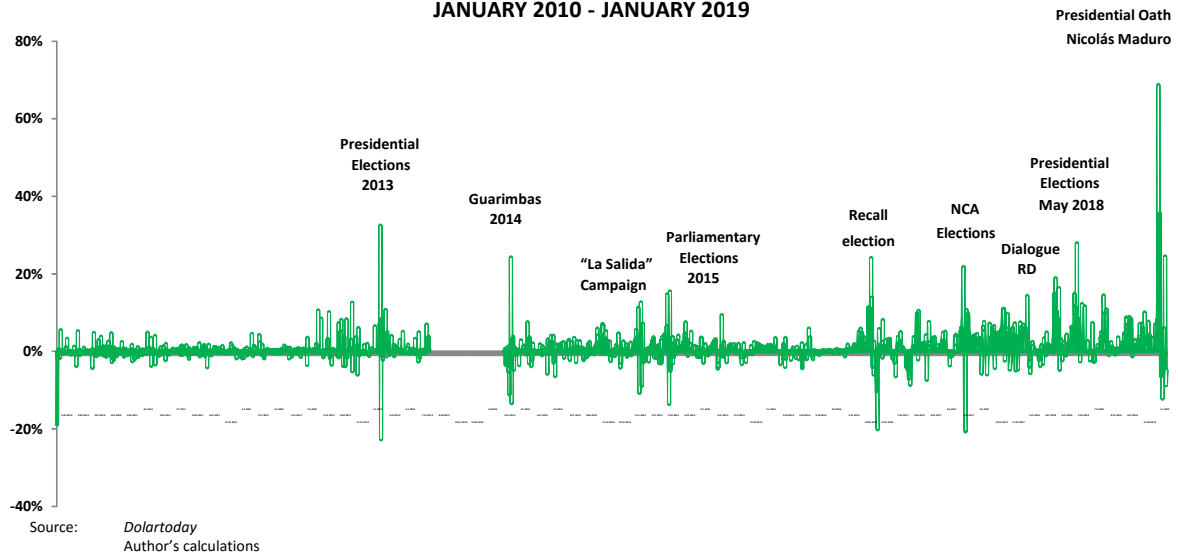


FIGURE 4
NATIONAL PRODUCTION AND OIL EXPORTS
BOLIVARIAN REPUBLIC OF VENEZUELA



Source: Central Bank of Venezuela
 OPEC
 Author's calculations