



Challenges and Opportunities for Regional Organizations in Addressing the Venezuela Crisis and Beyond

Acknowledgments

This report was prepared for Global Americans as part of its [Way Forward for Venezuela Program](#) by Adam Ratzlaff. The author is grateful to Archer Amon (Intern, Global Americans), Robert Carlson (Research Associate, Global Americans), Nate Laske (Intern, Global Americans), Salvador Lescano (Intern, Global Americans), Scott MacDonald (Fellow, Global Americans), Caio Pereira (Program Coordinator, Global Americans), Breana Stanski (Intern, Global Americans), and Tulio Vera (Interim President, Global Americans) for their assistance on this report. The analysis and views expressed herein are those of the author.

Global Americans is a modern-day take on the traditional think tank. Through our website, theglobalamericans.org, we provide up-to-date research and analysis on key issues affecting the countries of the Americas—democracy, human rights, social inclusion, and international relations. Our goal is to provide policymakers, academics, civil society leaders, and Western Hemisphere enthusiasts with the tools needed to promote change and build more prosperous Inter-American relations.

Table of Contents

<i>Executive Summary</i>	ii
I. Regional Organizations and the Venezuela Crisis	1
II. The Overlapping Inter-American System	2
III. Potential Roles for Regional Organizations in the Venezuelan Context	3
a. Provide Legitimacy to Different Actors	3
b. Serve as a Forum for Debate	6
c. Monitor the Situation and Condemn Inappropriate Behavior	7
i. Inter-American Democratic Charter	7
ii. Election Monitoring Missions	9
iii. Inter-American Human Rights System	11
d. Provide Support in Key Functional Areas	12
IV. Recommendations	15
a. Strengthening the Legitimacy of Core Institutions	15
i. Depoliticize Organizational Reporting Processes	15
ii. Increased Funding	16
iii. Clearly Defined Functional Areas	16
b. Allowing for Dual Recognition Without Votes	16
c. Leaning into Regional Organizations for Leverage in International Forum ..	17
d. Collectively Monitoring Elections	18
e. Developing Caretaker Organizations that Can Oversee Funding and Distribution of Development Finance	18
f. Creating an <i>Ad Hoc</i> Network to Negotiate Crisis	19

Executive Summary

Venezuela’s political and humanitarian crises are multifaceted and transnational in nature. While regional organizations have played a role in dealing with the situation in Venezuela, their current structures and missions inhibit them from playing a more constructive role. This is exacerbated by the complicated and overlapping ecosystem of regional organizations that often put these organizations at odds with one another, particularly where they have different ideological positions and purposes. Efforts to ensure that regional organizations function collectively and efficiently are critical if they are to play a more significant role in supporting a solution to the political and economic crises impacting what was once one of the region’s most affluent societies.

The Western Hemisphere is home to a wide array of regional organizations and has a rich history of promoting regional integration efforts. These organizations have historically played critical roles in promoting rule of law and development across the Americas. Indeed, the Western Hemisphere is home to the world’s oldest regional organization and Latin American leaders were instrumental in enshrining the importance of regional organizations within the United Nations (UN) system. Today, the ecosystem of regional organizations consists of over 30 regional organizations—many with overlapping mandates and memberships. These organizations range from large regional bodies that seek to provide platforms for regional dialogue—like the Organization of American States (OAS) or the Latin American and Caribbean Community (CELAC)—to functional bodies—like the Pan American Health Organization (PAHO) or the Inter-American Development Bank (IDB). There are also organizations that have ideological foundations—such as the Bolivarian Alternative for the Americas (ALBA) founded by leftist governments including Cuba and Venezuela—and long-lasting organizations that were designed to limit the impact of ideological preference—such as the Inter-American Court on Human Rights (IACtHR). This web of regional organizations creates challenges for regional governance and regional organizations’ ability to respond to crises. While having an array of regional organizations with different functional roles and duties could provide numerous mechanisms to pressure malign actors, the opposite can also be true, with the variety of organizations defusing legitimacy between opposition and regime actors. This network can also allow actors to forum shop for the institution that best fits their needs in a given situation while avoiding the condemnation of the regional community by finding partners within alternative regional forums.

Regional organizations have already played a role in seeking to address Venezuela’s crisis—with both positive and negative outcomes. This has taken place both through regional political and economic institutions. On the political side, the OAS was instrumental in handling the 2002 Coup against Hugo Chávez and later recognized Juan Guaidó and the interim government in 2019. Politically, regional organizations have also played a role in elections, both through election monitoring missions from the OAS and election accompaniment missions from the Union of South American Nations (UNASUR). Some of these efforts have eroded Nicolás Maduro’s hold over Venezuela by providing legitimacy to opposition forces or condemning the excesses of the regime. However, others have allowed Maduro—and Hugo Chávez before him—to consolidate power and limit condemnation from other regional organizations. This underscores the need for better cooperation and communication between regional organizations if they are to serve a tool for resolving the Venezuela crisis rather than exacerbate the situation.

While regional political organizations are important, economic institutions can play an equally significant role as they have the financial tools necessary to reconstruct an economy rundown by

decades of mismanagement, corruption, and economic sanctions. However, the main regional financial intuitions that should be able to provide assistance—the Inter-American Development Bank and the CAF—have not been able to provide large-scale development loans to Venezuela in recent years. This is directly related to the political risk question of who constitutes the legitimate leader of the country. Additionally, the IDB’s shareholders are divided on lending to the country given the economic and political situation in the country as well as the implications of U.S. sanctions.

While Venezuela is a crisis of unprecedented size and scale in the Western Hemisphere, the current inability of regional organizational mechanisms to find a resolution underscores the need to reform regional organizations urgently. Over the long term, the other major crises—including such challenges as climate change-related migration, other natural disasters (earthquakes and volcanos), and regime collapses—will require regional coordination. While some countries may opt for unilateral action, there is greater strength in collective action when it is coordinated and committed to the same mission. Over the long term, strengthening core institutions will be critical to addressing future democratic and humanitarian crises. While this should be a central goal, the present reality in Venezuela and the baggage of some regional institutions may require taking steps both specific to this crisis and with an eye toward the future.

Given the challenges for regional governance, important steps can and should be taken to both address the crisis in Venezuela and create mechanisms to ensure that the regional organizations can address future challenges. There are a several areas that can be addressed on both of these fronts. These include:

Recommendations

- a. Strengthening the Legitimacy of Core Institutions
- b. Allowing for Dual Recognition Without Votes
- c. Leaning into Regional Organizations for Leverage in International Forums
- d. Collectively Monitoring Elections
- e. Developing Caretaker Organizations that Can Oversee Funding and Distribution of Development Finance
- f. Creating an *Ad Hoc* Network to Negotiate Crisis

I. Regional Organizations and the Venezuela Crisis

Anyone following the deterioration of democracy and the humanitarian crisis in Venezuela is aware that regional organizations and forums have played a role in addressing—or failing to address—the situation. Whether it was Hugo Chávez’s use of a Union of South American Nations (UNASUR) election accompaniment mission in 2015 to legitimize election results¹ or the quick recognition of Juan Guaidó’s interim government in 2019 by the Organization of American States (OAS),² the role played by regional organizations in Venezuela is undeniable. However, the part these organizations play is complicated and, at times, contradictory. Indeed, the overlapping nature of regional organizations in the Americas and the desire in the region to develop additional organizations to address crises has led to a situation in which leaders are able to cherry-pick the international and regional arrangement that best fits their needs.³ To leverage regional forums to address the ongoing crisis in Venezuela, it is important to understand the role of regional organizations in the Americas and the opportunities and challenges that this framework provides for addressing the crisis.

Leaning in to Chapter VIII of the UN Charter⁴—which notes that regional organizations can, and should, play a role in addressing regional challenges—regional organizations in the Americas have been the basis for addressing regional situations in the past, particularly in cases where gridlock within the United Nations Security Council. Examples of this have included OAS support for the U.S. quarantine of Cuba during the missile crisis in 1962, important human rights rulings through the Inter-American Court for Human Rights, pushing the United Nations to authorize the use of force in Haiti, and efforts to promote trade integration across the Americas. Additionally, the region has collaborated to develop a variety of regional mechanisms to enforce the norms and values—at least nominally—of the region. It is important to note that Chapter VIII of the Charter was pushed for by Latin American leaders who viewed regional solutions to regional problems as an important element of global governance.⁵ Given this unique history and the sheer number of regional organizations and forums within the Americas, regional organizations should serve as a key tool in addressing the challenges and preventing them from spilling across borders to impact the whole region. However, making sense of the plethora of organizations and how they complement and contradict one another is necessary.

The purpose of this report is to provide a road map for some of the challenges and opportunities present in using regional organizations to address the Venezuelan crisis. While some of the lessons drawn from Venezuela’s case may be applicable to other situations—and vice versa—the

¹ Casas-Zamora, Kevin. 2015. "Venezuela's Questionable Election Observers." *Project Syndicate*.

<https://www.project-syndicate.org/commentary/venezuela-election-observers-by-kevin-casas-zamora-2015-10>;

Lansberg-Rodríguez, Daniel. 2015. "For Venezuela, Election Monitoring with a Wink and a Nod." *Foreign Policy*.
<http://foreignpolicy.com/2015/08/10/for-venezuela-election-monitoring-with-a-wink-and-a-nod/>.

² DW. 2019. "OAS recognizes Juan Guaidó's ambassador." *DW*. <https://www.dw.com/en/oas-votes-to-recognize-juan-guaidos-ambassador/a-48269376>.

³ Ratzlaff, Adam. 2019. "El Mercado Institucional: Multilateral Forum Shopping in Latin America." *Charged Affairs: Young Professionals in Foreign Policy Blog*; Sabatini, Christopher. 2022. "Latin America Is Paying the Cost of Its Zombie Regionalism." *World Politics Review*. <https://www.worldpoliticsreview.com/articles/30594/the-summit-of-the-americas-2022-is-more-zombie-regionalism>.

⁴ United Nations. 1945. "United Nations Charter, Chapter VIII: Regional Arrangements." New York, NY: United Nations. <https://www.un.org/en/about-us/un-charter/chapter-8>.

⁵ Long, Tom. 2020. "Historical Antecedents and Post-World War II Regionalism in the Americas." *World Politics*, vol. 72(2): pp. 214-53; Long, Tom. 2018. Latin America and the liberal international order: An agenda for research. *International Affairs*, vol. 94(6): pp. 1371-1390.

particularities and longevity of the Venezuelan crisis do make the case unique in some key ways. In order to understand how regional organizations have engaged with Venezuela over the last two and a half decades and the potential role that they can play in addressing the current crisis, it is necessary to examine the complex interplay of regional organizations that make up the environment of actors within the Americas. In looking at who these regional actors are, their different roles, and how they have approached the crisis in Venezuela, the following sections look specifically at the role of many of the various regional organizations, with a focus on the politically oriented organizations. The next section examines the function of regional financial institutions in greater depth. The report concludes with a series of recommendations to address the current situation as well as what mechanisms need to be developed and strengthened within the regional institution ecosystem to prevent similar crises from emerging in the future.

II. The Overlapping Inter-American System

To understand the potential role of regional organizations in the Venezuelan crisis requires understanding the state of the Inter-American system. The desire to develop collective governance mechanisms within the Americas is as old as the independence period within the region. In fact, Simon Bolivar hosted the first gathering of regional leaders with the express plan of developing mechanisms for regional cooperation at the Congress of Panama in 1826. While there were questions about who should be invited to attend the Congress, the idea of promoting a collective body to address the unique challenges of the Americas was born at this gathering. This goal for collective regional action is one that would be returned to over the years as a core tenet of foreign policy among leaders across the Americas.

While leaders from across the region would meet to address specific challenges, the next attempt to build a hemispheric organization to address the challenges facing the region would emerge over 60 years later, with the United States inviting representatives from across the Americas to the First Pan-American Conference in Washington, DC at the end of 1889 into 1890. This conference would lead to the development of the Pan-American Union, the oldest regional organization in the world. While the initial intent of the Pan-American Union (or the Commercial Bureau of the American Republics as it was originally called) was to promote trade and monetary stability within the Americas. However, over time the organization would develop into a multipurpose multilateral organization with multiple functions.⁶ The Pan-American Conferences would also continue throughout the early twentieth century, spawning additional functional regional organizations such as the Pan American Health Organization (PAHO, or as it was originally called, the Pan American Sanitary Bureau). The Pan-American Conferences would end in 1954, and in 1948, the Pan-American Union was transformed into the Organization of American States (OAS).⁷

During the Cold War, the institutional landscape of regional organizations continued to expand. The evolution of regional organizations and forums included the development of regional financial institutions—such as the Inter-American Development Bank (IDB) and the Development Bank of Latin America (CAF)—human rights bodies—such as the Inter-American Court of Human Rights (IACtHR)—and sub-regional organizations. It also included the expansion of parliamentary bodies. Various *ad hoc* organizations were also formed to tackle specific

⁶ Long, Tom and Carsten-Andreas Schulz. 2023. “Compensatory Layering and the Birth of the Multipurpose Multilateral IGO in the Americas.” *International Organization*, vol 77.

⁷ Ratzlaff, Adam. 2021. “Putting the Summits of the Americas in Historic Perspective.” *Global Americans*. <https://theglobalamericans.org/2021/01/putting-the-summits-of-the-americas-in-historic-perspective/>.

challenges in the region, including the Contadora Group, which aimed to address the civil wars occurring in Central America. With the end of the Cold War, another wave of regionalization occurred with the deepening of trade networks—such as the Pacific Alliance, Mercosur, and the North American Free Trade Agreement (NAFTA)—as well as bodies intentionally designed to promote a “post-hegemonic” vision for the Americas and counter U.S.-influence in the region—such as the Bolivarian Alternative for the Americas (ALBA), the Community of Latin American and Caribbean States (CELAC), and the Union of South American Nations (UNASUR).⁸ The development of these different organizations created a pattern within the Americas that has been referred to as a “Spaghetti Bowl,” “Alphabet soup,” and “Meaningless Multilateralism.”⁹

III. Potential Roles for Regional Organizations in the Venezuelan Context

The overlapping system of regional organizations creates its own set of challenges and opportunities—both as it relates to regional governance broadly as well as in how to address the specific challenges related to the Venezuela crisis. In general, there are four main areas in which regional organizations can play a role in the current crisis. They can:

- a) Provide Legitimacy to Different Actors
- b) Serve as a Forum for Debate
- c) Monitor the Situation and Condemn Inappropriate Behavior
- d) Provide Support in Key Areas

However, in each of these areas, regional organizations face specific challenges and can be manipulated by different actors to serve their own purposes rather than helping address the current crisis. Additionally, how different regional organizations have been involved in different approaches in the past creates challenges for their legitimacy and ability to address the situation today. Understanding the different actors involved in these different roles and how they have engaged on questions related to *Chavismo* and the Venezuelan crisis in the recent past is necessary for understanding the role that they can play in addressing the crisis today.

a. Provide Legitimacy to Different Actors

One of the core purposes of international and regional organizations is their ability to confer legitimacy on different actors. International and regional organizations endow this legitimacy in a variety of ways, from formal recognition to how they identify and label governments. This sense of legitimacy provided by regional and international organizations has been central to debates

⁸ Briceño-Ruiz, José and Andrea Ribeiro Hoffmann. 2015. “Posthegemonic regionalism, UNASUR, and the reconfiguration of regional cooperation in South America.” *Canadian Journal of Latin American and Caribbean Studies*, vol. 40(1): pp. 48-62; Chodor, Tom and Anthea McCarthy-Jones. 2013. “Post-Liberal Regionalism in Latin America and the Influence of Hugo Chávez.” *Journal of Iberian and Latin American Research*, vol. 19(2): pp. 211-223; Petersen, Mark and Carsten-Andreas Schulz. 2018. “Setting the Regional Agenda: A Critique of Posthegemonic Regionalism.” *Latin American Politics and Society*, vol. 60(1): pp. 102-127.

⁹ Fawcett, Louise. 2005. “The Origins and Development of Regional Ideas in the Americas.” In Fawcett, Louise and Mónica Serrano (ed.) *Regionalism and Governance in the Americas: Continental Drift*. New York, NY: Palgrave Macmillan: pp. 27-51; Malamud, Andrés and Gian Luca Gardini. 2012. “Has Regionalism Peaked? The Latin American Quagmire and its Lessons.” *The International Spectator*, vol. 47(1): pp. 116-133; Sabatini, Christopher. 2014. “Meaningless Multilateralism: In International Diplomacy, South America Chooses Quantity Over Quality.” *Foreign Affairs*. <https://www.foreignaffairs.com/articles/south-america/2014-08-08/meaningless-multilateralism>.

surrounding the crisis in Venezuela—an element made abundantly clear following the rise of Juan Guaidó’s interim government. However, even before this process began, the governments of both Chávez and Maduro sought to use and develop regional organizations to strengthen their own legitimacy.

When Chávez first became president of Venezuela in 1999, he offered a different worldview than the liberal democratic and capitalist model (often referred to as the Washington Consensus) that had been dominant among most governments in the region since the end of the Cold War. Promising “21st Century Socialism,” Chávez was the first of many leftist leaders in the region to be elected in what is known as the “Pink Tide.”¹⁰ Given his alternative vision for the region as well as the strategic culture of institutional development, it would not be long before Chávez would begin to develop regional organizations to challenge the rules and procedures of the older organizations, many of which he viewed as U.S.-dominated.

Following the 2002 coup attempt and the rise of other leftist leaders in the Americas, Chávez began to create several regional organizations. In many of these instances, he did so while explicitly referencing back to the historical legacies of Latin American integration efforts. In fact, the first regional organization that Chávez would go to create was the Bolivarian Alternative for Our Peoples of the Americas (ALBA) in 2004. ALBA was intentionally designed not only to serve as an alternative economic model for development in the Americas,¹¹ but explicitly built upon the traditional strategic culture of institution building in the region by invoking the imagery of Simon Bolívar. ALBA was generally aimed against U.S. regional hegemony and incorporated other anti-U.S. regimes, such as Cuba and Nicaragua. While ALBA has had a small number of members, it served as an important tool for the Chávez government’s foreign policy efforts in the region. In 2005, Chávez would further seek to expand the number of regional organizations and collectives by promoting the development of PetroCaribe, which provided low-cost oil to member states, the majority of which were located in Central America and the Caribbean. Although PetroCaribe did not serve as a formal regional institution, this agreement has permitted Venezuela to exercise greater influence among members.

In 2011, Venezuela altered another regional organization to formalize the body by transforming the Rio Group into the Community of Latin American and Caribbean States (CELAC). While simply replacing an existing organization, CELAC’s formation marked the strengthening of yet another regional organization. What was unique about CELAC was that its mandate closely mirrors that of the OAS. Despite the existing institutional efforts to find a solution to the Venezuelan crisis, in 2017, leaders from the region created yet another organization, the Lima Group. The Lima Group sought to generate a dialogue between the opposition and the Maduro government. By creating an organization that effectively legitimized the opposition, regional

¹⁰ Chodor, Tom and Anthea McCarthy-Jones. 2013. “Post-Liberal Regionalism in Latin America and the Influence of Hugo Chávez.” *Journal of Iberian and Latin American Research*, vol. 19(2): pp. 211-223; Feinberg, Richard, Emily Miller, and Harold Trinkunas. 2015. “Better Than You Think: Reframing Inter-American Relations.” Washington, DC: Brookings Institution.

¹¹ Chodor, Tom and Anthea McCarthy-Jones. 2013. “Post-Liberal Regionalism in Latin America and the Influence of Hugo Chávez.” *Journal of Iberian and Latin American Research*, vol. 19(2): pp. 211-223; Petersen, Mark and Carsten-Andreas Schulz. 2018. “Setting the Regional Agenda: A Critique of Posthegemonic Regionalism.” *Latin American Politics and Society*, vol. 60(1): pp. 102-127.

leaders sought to force the Maduro regime to recognize the opposition as a force that needed a space at the table.

Table 1. Memberships for Regional Organizations Including Venezuela and Recognition Status

Maduro Government Recognized and Full Membership	Venezuelan Opposition Representative Recognized and Full Membership	Past Membership	Partial Membership
Community of Latin American and Caribbean States (CELAC) Economic Commission for Latin America and the Caribbean (ECLAC) PetroCaribe Bolivarian Alliance for Latin America (ALBA) Union of South American Nations (UNASUR) CAF- Development Bank of Latin America Association of Caribbean States (ACS) Latin American and Caribbean Economic System (SELA) Latin American Parliament (Parlatino)* Amazon Cooperation Treaty Organization (ACTO)** Latin American Integration Society (ALADI)	Organization of American States (OAS) Inter-American Development Bank (IDB) Inter-American Defense Board	Inter-American Court of Human Rights Mercosur Andean Community***	Central American Parliament Caribbean Development Bank (CDB)

Source: Authors' Rendering.

Notes: *The countries' representations will proportionally represent the political parties/parliamentary groups in their respective Congress. As such, Venezuela's representation in Parlatino is currently majorly pro-Maduro/"Chavista," given that Venezuelan Congress has an official majority. However, given that Parlatino's representation is not based on the 2015 election results of the national assembly, Parlatino is considered to recognize the legitimacy of the Maduro government. **Since 2019, there has been a stark change in the ACTO-Venezuela relationship. In 2019, Venezuela was excluded from an official meeting of all ACTO member countries. However, in 2022 and 2023, Maduro called for the revival of the organization. Given the "zombie" nature of the organization and that Maduro is seeking to use the organization—with support from the Presidents of Colombia, Suriname, and Brazil—the authors included it as recognizing the Maduro regime. *** Until 2020, the Secretary General of the Andean Community publicly recognized Guaidó as the President of Venezuela, communicating with him and not Maduro and supporting Venezuela's return to the organization. However, conversations about Venezuela's return have included Maduro.

When Juan Guaidó declared himself president of the interim government in January 2019, the battle for recognition and legitimacy as the leader of Venezuela took on a new dimension. Countries had to choose which of the two politicians they viewed as the legitimate leader of

Venezuela. In the cases of both the OAS and the Inter-American Development Bank, Juan Guaidó and the interim government made an active effort to push for recognition as the legitimate leader of the country, an action that the United States supported. In both cases, the regional organization did vote to recognize the interim government. However, the Maduro regime maintained its status in other regional organizations. This created space for both governments to continue to point to regional organizations as a source of legitimacy.

Venezuela is a member of various groups and agreements within this cornucopia of regional organizations (See Table 1). Venezuela is a member, former member, or represented within 19 different regional bodies. These range from core regional organizations, like the Organization of American States, to mechanisms that were designed as instruments of Venezuela's foreign policy, like PetroCaribe. They also include both politically oriented bodies—both that seek full representation and have ideological bents—and specialized thematic institutions focused on issues of trade, development, and defense, among others.

While the regional organizations to which Venezuela is a member remain small relative to the total number of regional organizations in the Americas, this overlapping framework creates challenges and opportunities for both the Maduro Regime and the democratic opposition parties. While the functional and symbolic roles of these organizations vary, how they have opted to address—or ignore—the crisis in Venezuela as well as how they have chosen to identify the legitimate government of Venezuela is particularly telling.

b. Serve as a Forum for Debate

In addition to serving as a mechanism for legitimacy, regional organizations can serve as mediators for debates between the opposition and the regime. By serving as a guarantor for negotiations and bringing together relevant actors from within the region to apply pressure to continue talks, regional organizations could serve an important role in this space. However, as with questions of legitimacy, the overlapping map of regional organizations in the Americas creates challenges for regional organizations to fulfill this role, particularly as it relates to Venezuela.

By bringing together different actors and stakeholders, international organizations can create the space for collective action to occur. Given shared regional histories and geography, regional organizations can also serve this role and do so with actors that are particularly interested in the outcomes of different issues. This has been particularly true within the Americas, where the development of regional mechanisms to resolve conflicts between states not only has a long history but created the model that other international organizations followed in their own development.¹² Indeed, this has been a crucial element in addressing various challenges in the region—from resolving the Chaco War to developing peace treaties to end Central America's civil wars of the 1980s and 1990s. By bringing together actors with a vested interest in resolving these crises, regional organizations have served an important role in regional dialogue and conflict management.

¹² Long, Tom. 2020. "Historical Antecedents and Post-World War II Regionalism in the Americas." *World Politics*, vol. 72(2): pp. 214-53; Long, Tom. 2018. Latin America and the liberal international order: An agenda for research. *International Affairs*, vol. 94(6): pp. 1371-1390; Long, Tom and Carsten-Andreas Schulz. 2023. "Compensatory Layering and the Birth of the Multipurpose Multilateral IGO in the Americas." *International Organization*, vol 77.

However, given Chávez’s anti-U.S. position, he was instrumental in the development of various regional organizations that intentionally excluded the United States and created different constellations of regional actors within them. These include groups such as UNASUR, CELAC, and ALBA. By creating additional regional organizations, Chávez and Maduro have been able to limit the ability of different organizations to discuss and address the situation in Venezuela. This has been done through what political scientists refer to as “contested multilateralism.”¹³ According to this theory, due to the large number of international forums available to states, leaders are able to select the regional or international organization that best fits their own particular interests and needs. For instance, the Maduro regime has been able to have conversations about the state of its human rights record within CELAC and UNASUR meetings rather than through OAS meetings as a way of finding more willing partners and, as a result, face far less condemnation than they would through other bodies. While some of this limit to dialogue exists because of different regional organizations recognizing various leaders of Venezuela, both the interim government and the Maduro regime have also leveraged the existence of multilateral spaces to situate themselves better and elevate or diminish voices that support or are critical of their position. By having multiple conversations with different actors, negotiations stall and progress toward a collective response is limited.

c. Monitor the Situation and Condemn Inappropriate Behavior

One key function that regional organizations can employ is that they can serve as a mechanism for monitoring the behavior as it relates to a number of different factors. This role is apparent in the case of the Americas, where regional organizations have a long history of developing mechanisms for the purpose of monitoring the behavior of states and condemning those that violate regional norms. There are three areas in particular where these are relevant in the Venezuela case:

- i. The Inter-American Democratic Charter
- ii. Electoral Monitoring Missions
- iii. Inter-American Human Rights System

While each of these mechanisms could provide important opportunities for addressing the ongoing crisis in Venezuela, the overlapping nature of regional organizations as well as challenges with implementing some of these tools have hampered their utility in the current context. Understanding the challenges that these mechanisms face can provide clear insights into how they could be leveraged to better address the current crisis.

i. Inter-American Democratic Charter

In September 2001, leaders from across the Americas gathered in Lima to sign the Inter-American Democratic Charter, an agreement signaling the region’s commitment to democracy and the culmination of over a decade of collective democracy promotion efforts in the region.¹⁴ While

¹³ Morse, Julia C. and Robert O. Keohane. 2014. “Contested Multilateralism.” *Review of International Organizations*, vol. 9: pp. 385-412; Legler, Thomas. 2020. “A story within a story: Venezuela’s crisis, regional actors, and Western hemispheric order upheaval.” *European Review of Latin American and Caribbean Studies*, no. 109: pp. 135-156.

¹⁴ Boniface, Dexter S. 2007. “The OAS’s Mixed Record.” In *Promoting Democracy in the Americas*, by Thomas Legler, Sharon F Lean and Dexter S Boniface, 40-62. Baltimore, MD: Johns Hopkins University Press; Cooper, Andrew F, and Thomas Legler. 2006. *Intervention without Intervening?: The OAS Defense and Promotion of Democracy in the Americas*. New York, NY: Palgrave Macmillian; Perina, Rubén M. 2015. *The Organization of American States*

Venezuela was a signatory to the Inter-American Democratic Charter, Chávez had pushed for key changes in the agreement due to differences in his worldview, specifically around the issue of representative democracy being enshrined in the document rather than participatory democracy.¹⁵ These issues over the specific issues of what constitutes a democracy would continue to be a challenge for the utilization of the Inter-American Democratic Charter.¹⁶

Despite Chávez's reticence surrounding the Charter, the Venezuelan leader was one of the first beneficiaries of the Charter's use. On April 11, 2002, military officers removed Chávez from power and forced him to sign a letter of resignation. While the coup lasted less than 48 hours, it represented an important test for the Inter-American Democratic Charter and may have prompted Chávez to expand his efforts to promote regional solidarity in line with the strategic culture already evident in the region. The coup attempt occurred during a meeting of the foreign ministers of the Rio Group, a regional organization that represented nearly all of the countries of the Americas. Despite the fact that the Inter-American Democratic Charter was a tool of the OAS, the Rio Group called for a meeting of the OAS to discuss the utilization of the Democratic Charter.¹⁷ The Charter was invoked and used to defend democracy in the country.

While the 2002 coup attempt in Venezuela demonstrated the potential role of the Inter-American Democratic Charter in defending democracy and condemning undemocratic action in the region, it is not without its challenges in implementation. Despite the existence of the Charter, democracy in the region—and in Venezuela in particular—has declined markedly since the passage of the Charter in 2001. Analysts and scholars have pointed to several reasons why the Charter has been insufficient in addressing democratic decline across the Americas. These have included concerns over presidential privilege in invoking the Charter, the invocation of the Charter when there is a crisis rather than preventing one, the equal use of the Charter, and differing definitions of democracy, among others.

While there have been attempts to reform the Charter and develop reporting mechanisms to make the process less politicized, Latin American governments have been reticent to implement these types of reforms. While there are concerns about the misuse of the Charter, the defense of

as the Advocate and Guardian of Democracy: An Insider's Critical Assessment of its Role in Promoting and Defending Democracy. Lanham, MD: University Press of America.

¹⁵ Freeman, Will. 2023. "South America's Minimum Consensus on Democracy is Gone." *Council on Foreign Relations*. <https://www.cfr.org/blog/south-americas-minimum-consensus-democracy-gone>; Perina, Rubén M. 2015. *The Organization of American States as the Advocate and Guardian of Democracy: An Insider's Critical Assessment of its Role in Promoting and Defending Democracy*. Lanham, MD: University Press of America; Ribeiro Hoffman, Andrea. 2019. "Negotiating normative premises in democracy promotion: Venezuela and the Inter-American Democratic Charter." *Democratization*, vol. 26(5): pp. 815-831.

¹⁶ Boniface, Dexter S. 2007. "The OAS's Mixed Record." In *Promoting Democracy in the Americas*, by Thomas Legler, Sharon F Lean and Dexter S Boniface, 40-62. Baltimore, MD: Johns Hopkins University Press; Cooper, Andrew F, and Thomas Legler. 2006. *Intervention without Intervening?: The OAS Defense and Promotion of Democracy in the Americas*. New York, NY: Palgrave Macmillian; Perina, Rubén M. 2015. *The Organization of American States as the Advocate and Guardian of Democracy: An Insider's Critical Assessment of its Role in Promoting and Defending Democracy*. Lanham, MD: University Press of America; Ratzlaff, Adam. 2017. "Illiberal Democracies and Constitutional Coups?: The Shifting Nature of Democratic Erosion in Latin America and the Need for New OAS Response Mechanisms." In Hyles, Joshua, ed. 2017. *Inter-American Relations— Past, Present, and Future Trends*. United Kingdom: Cambridge Scholars Publishing: pp. 29-54.

¹⁷ Cooper and Legler, 2006.

democracy in the Americas has long been a central focus of the Inter-American system and one that was pushed by governments from the region at the end of the “Third Wave of Democracy.” As the region faces new and evolving threats to democracy, it is critical that the Charter be considered a tool for ensuring that crises like the one in Venezuela are addressed and, ideally, do not devolve to the point we see today.

ii. Election Monitoring Missions

Election observation missions (EOMs) have a long history within the Inter-American system. The first EOM to take place occurred in Costa Rica in the 1960s and was led by the OAS.¹⁸ EOMs serve to ensure that democracies function effectively and in mitigating challenges between incumbent and opposition groups. However, while EOMs serve an important role in helping guarantee the legitimacy of elections, studies have shown that non-democratic or pseudo-democratic leaders have also sought to use EOMs to legitimize election results while still attempting to manipulate elections in their favor.¹⁹ Despite this, EOMs serve a crucial monitoring role that can provide legitimacy or condemnation for other actors—both externally and internally—to recognize.

While EOMs can serve an important role in the current situation in Venezuela, they have a complicated history as it relates to the Venezuela context—with concerns over the fairness of different regional organizations’ EOM practices being challenged by both opposition and regime forces. Understanding the role that EOMs have played within Venezuela and in elections of Maduro’s allies in the region is critical to understanding the potential pitfalls and opportunities of using EOMs to guarantee a democratic outcome in the contemporary Venezuelan context.

Although there had long been challenges with Venezuelan democracy, the death of Chávez in 2013 led to heightened challenges for the country. Nicolás Maduro, Chávez’s hand-picked successor, won the presidential election following his predecessor’s death. However, by the 2015 presidential election, Maduro’s popularity was flagging due to the collapse of oil prices and economic missteps. Many Venezuela observers expressed concern about the fairness of the Venezuelan elections and called on the Maduro government to invite election monitors.²⁰ However, with multiple organizations being able to monitor elections, the Maduro government opted to invite only UNASUR to observe the election and intentionally excluded the OAS. While having any organization monitor an election may appear to be the ideal mechanism to reduce the costs of having multiple organizations, the UNASUR electoral missions are not viewed as legitimate by many observers.²¹ In fact, UNASUR missions are often tasked with “accompanying” elections and forbidden from explicitly identifying electoral irregularities, while most organizations’ electoral

¹⁸ Hyde, Susan D. 2011. *The Pseudo-democrat’s Dilemma: Why Election Observation Became an International Norm*. Ithaca, NY: Cornell University Press.

¹⁹ Ibid.

²⁰ Casas-Zamora, Kevin. 2015. “Venezuela’s Questionable Election Observers.” *Project Syndicate*. <https://www.project-syndicate.org/commentary/venezuela-election-observers-by-kevin-casas-zamora-2015-10>; Lansberg-Rodríguez, Daniel. 2015. “For Venezuela, Election Monitoring with a Wink and a Nod.” *Foreign Policy*. <http://foreignpolicy.com/2015/08/10/for-venezuela-election-monitoring-with-a-wink-and-a-nod/>.

²¹ Casas-Zamora, Kevin. 2015. “Venezuela’s Questionable Election Observers.” *Project Syndicate*. <https://www.project-syndicate.org/commentary/venezuela-election-observers-by-kevin-casas-zamora-2015-10>; Global Americans. 2016. “A Comparison of UNASUR and OAS Election Observation Standards” *Latin America and the Liberal World Order: Will Political Shifts Change Global Engagement?* New York, NY: Global Americans. <https://theglobalamericans.org/reports/unasur-oas-election-observation-standards-comparison/>; Lansberg-Rodríguez, Daniel. 2015. “For Venezuela, Election Monitoring with a Wink and a Nod.” *Foreign Policy*. <http://foreignpolicy.com/2015/08/10/for-venezuela-election-monitoring-with-a-wink-and-a-nod/>.

missions “monitor” elections and expressly report any number of issues present in the election.²² Additionally, UNASUR has endorsed the Declaration of Principles for International Election Observation and Code of Conduct for International Election Observers, which provides a set of guidelines and standards for EOMs.²³ By being a member of numerous regional organizations with overlapping mandates, the Maduro government was able to forum shop for the ideal organization that would meet its interests rather than comply with true electoral monitoring and the potential fallout of negative results.

The ability to select EOMs that do not condemn election results, but rather promote one’s own preferences allows leaders to avoid the “pseudo-democrats dilemma”—being forced to risk faulty results being challenged in order to maintain legitimacy.²⁴ This, in turn, undermines the ability of regional organizations to use EOMs as an effective tool for promoting democracy.

In addition to the challenges posed by multiple regional organizations having differing levels of electoral monitoring capabilities and interests, the regional organizations that have signed onto the Declaration of Principles for International Election Observation and Code of Conduct for International Election Observers—namely the OAS—also face legitimacy problems in the implementation of EOMs in the context of Venezuela. This was particularly clear as it related to the fallout of the 2019 EOM to Bolivia. While there were concerns over the fairness of Bolivian elections prior to the election date,²⁵ the OAS EOM was invited to observe the Bolivian elections. When the preliminary statement and report²⁶ from the EOM discussed some election irregularities and called upon Evo Morales to hold a second round election—an action that Morales agreed to²⁷—the military and police ejected Morales from the country and installed a caretaker government. Morales supporters—at home and abroad—have used the OAS report and concerns over some of the methodology used to undermine the credibility of the OAS EOM to the

²² Casas-Zamora, Kevin. 2015. "Venezuela's Questionable Election Observers." *Project Syndicate*. <https://www.project-syndicate.org/commentary/venezuela-election-observers-by-kevin-casas-zamora-2015-10>; Global Americans. 2016. "A Comparison of UNASUR and OAS Election Observation Standards" *Latin America and the Liberal World Order: Will Political Shifts Change Global Engagement?* New York, NY: Global Americans. <https://theglobalamericans.org/reports/unasur-oas-election-observation-standards-comparison/>; Lansberg-Rodríguez, Daniel. 2015. "For Venezuela, Election Monitoring with a Wink and a Nod." *Foreign Policy*. <http://foreignpolicy.com/2015/08/10/for-venezuela-election-monitoring-with-a-wink-and-a-nod/>.

²³ United Nations. 2005. *Declaration of Principles for International Election Observation and Code of Conduct for International Election Observers*. New York, NY: United Nations.

²⁴ Hyde, Susan D. 2011. *The Pseudo-democrat's Dilemma: Why Election Observation Became an International Norm*. Ithaca, NY: Cornell University Press.

²⁵ For example: Anria, Santiago. 2016. "Delegative Democracy Revisited: More Inclusion, Less Liberalism in Bolivia." *Journal of Democracy*, vol. 27(3): pp. 99-108; Ratzlaff, Adam. 2019. "Losing Legitimacy? The Organization of American States and its inconsistent defense of democracy." *Global Americans*. <https://theglobalamericans.org/2019/06/losing-legitimacy-the-organization-of-american-states-and-its-inconsistent-defense-of-democracy/>; Oppenheimer, Andres. 2019. "Bolivian President Evo Morales is carrying out a slow-motion coup. Why isn't the region talkin' about it?" *Miami Herald*. <https://www.miamiherald.com/news/local/news-columns-blogs/andres-oppenheimer/article22995765.html>.

²⁶ OAS. 2019. "Statement of the OAS Electoral Observation Mission in Bolivia." Washington, DC: OAS. https://www.oas.org/en/media_center/press_release.asp?sCodigo=E-085/19; OAS. 2019. "Statement of the Group of Auditors Electoral Process in Bolivia." Washington, DC: OAS. https://www.oas.org/en/media_center/press_release.asp?sCodigo=E-099/19.

²⁷ Youkee, Matt. 2019. "Evo Morales alleges coup attempt as Bolivia opposition claims 'giant fraud.'" *The Guardian*: <https://www.theguardian.com/world/2019/oct/23/bolivia-evo-morales-coup-accusation-opposition-foreign-powers>.

country.^{28, 29} Given Morales' close relationship with the Maduro government, Maduro is likely to use this episode as evidence for why not to invite the OAS to observe elections in Venezuela. Conversely, concerns over the fairness of the election and concerns over the legitimacy of UNASUR or other groups' electoral missions are likely to lead the democratic alternative in Venezuela to demand electoral observers from a trusted organization to guarantee that elections are free and fair.

iii. Inter-American Human Rights System

The Inter-American Human Rights System—consisting of both the Inter-American Commission on Human Rights (IACHR) and the Inter-American Court for Human Rights (IACtHR)—has been referred to as the “Jewel of the Inter-American System.”³⁰ Indeed, both the IACHR and the IACtHR have played important roles in reporting on human rights violations and the expansion of human rights within the Western Hemisphere.³¹ However, the regional Human Rights system faces specific challenges in addressing the crisis in Venezuela as well as in other crisis scenarios. As with the challenges facing the implementation of the Inter-American Democratic Charter, many of these problems stem from the inherent tension within international organizations between interference and sovereignty.³² Indeed, a central challenge for the use of the Inter-American Human Rights System though is the optional nature of participating in many of the systems functions.

While the Commission—an autonomous body within the OAS—is tasked with investigating and reporting on Human Rights atrocities occurring across the Americas, the Commission faces a challenge in its mandate: The need to be invited by a member state to visit the country in question.³³ This represents a serious problem in the case of Venezuela, as the Maduro regime does not recognize the authority of the organization and views it as biased. Therefore, it is unlikely to invite the Commission to investigate human rights allegations. Furthermore, the Court's jurisdiction is limited to those countries that are members of the Court. The Maduro regime left the Court in 2012. Given that the International Criminal Court (ICC) currently plays a role in addressing alleged human rights atrocities committed by the Maduro regime,³⁴ the Inter-American Court could help support the ICC. Similarly, the IACHR should also support and create reports on the conditions facing the country as the UN High Commissioner on Human Rights continues to produce various reports on the situation in Venezuela.³⁵ The role of the IACHR would

²⁸ For example: Williams, Jack R. and John Curiel. 2020. “Analysis of the Bolivia 2019 Election.” *Center for Economic Policy and Research*. <https://cepr.net/report/analysis-of-the-2019-bolivia-election/>.

²⁹ It is worth highlighting that even some scholars—albeit not most—who have questions about the methodology used in determining the change in the end vote count acknowledge that other election irregularities remain that are not methodological. See for example: Idrobo, Nicolás, Dorothy Kronick, and Francisco Rodríguez. 2022. “Do Shifts in Late-Counted Votes Signal Fraud? Evidence from Bolivia.” *Journal of Politics*, vol. 84(4).

³⁰ Canton, Santiago and Angelita Baeyens. 2022. “Polishing the Crown Jewel of the Western Hemisphere: The Inter-American Commission on Human Rights.” In Sabatini, Christopher. *Reclaiming Human Rights in a Changing World Order*. Washington, DC: Brookings Institution Press: pp. 257-280.

³¹ Ibid; Farer, Tom. 2016. “I Cried for you, Argentina.” *Human Rights Quarterly*, vol. 38: pp. 851-927.

³² Farer, Tom. 1996. *Beyond Sovereignty*. Baltimore, MD: Johns Hopkins University Press.

³³ Farer, 2016.

³⁴ Corder, Mike. 2023. “International Criminal Court authorizes reopening probe into Venezuela security forces.” *ABC News*. <https://abcnews.go.com/International/wireStory/international-criminal-court-authorizes-reopening-probe-venezuela-security-100409307>.

³⁵ UN Office of the High Commissioner on Human Rights. 2023. *Situation of human rights in the Bolivarian Republic of Venezuela- Advance unedited version*. New York, NY: United Nations. <https://www.ohchr.org/en/documents/country-reports/ahrc5354-situation-human-rights-bolivarian-republic-venezuela-report>.

be imperative, as while elevating the issue beyond the regional level and to the international level may provide additional resources, it also risks undermining the ability of regional organizations to address collective crises. This could contribute to an increase in the number of actors with veto capabilities—by incorporating extra-hemispheric considerations and actors—and risks the relegation of the crisis to a secondary position in the case of other international crises.

Across the three different monitoring systems, regional organizations face two key challenges: Achieving legitimacy and the ability to act. This is due to the conflict between sovereignty and intervention as well as competing regional organizations with similar functional purposes. For regional organizations to be able to report and monitor crises like that in Venezuela, these mechanisms must be strengthened so that they do not compete with one another in their implementation and reporting roles. While monitoring human rights, democracy, and elections is an inherently political process, efforts must be taken to ensure that these organizations are not politicized as it hampers their ability to perform their key function.

d. Provide Support in Key Functional Areas and Finance

Regional organizations also play a crucial role in providing public goods to American states, as well as crucial assistance in times of crisis. This includes roles ranging from addressing public health emergencies, such as by PAHO,³⁶ to providing development finance. While these organizations are not necessarily designed to address democratic crises, they do play a crucial role in ensuring the stability of regional economies and can hence affect crises. Despite this, the crisis of recognition of these regional organizations extends beyond questions of legitimacy and serves as a forum for policy debate surrounding some of the functional features of regional organizations. This is particularly evident within the space of development finance. Venezuela is a borrowing member of two of the regional development banks: the Inter-American Development Bank (IDB) and the Development Bank of Latin America (CAF). These two development banks are an important source of development financing for Venezuela, especially after Hugo Chávez pulled Venezuela out of the World Bank and the International Monetary Fund (IMF) in 2007.³⁷ While these financial institutions could have provided a relief valve in addressing the humanitarian and economic crises in the country, the organizations had instead paralyzed loan operations due to the political situation.

The IDB and the CAF addressed the Venezuela’s political situation very differently. While the IDB voted to recognize Juan Guaidó and the interim government’s representative to the Bank relatively quickly,³⁸ the CAF chose to maintain its relations with the Maduro government. Some of the difference in approach may be due to geographical considerations—with the IDB headquartered in Washington while the CAF is located in Caracas. Despite these separate approaches, they had the same end result in developmental assistance: Since 2019, neither bank has provided loans to Venezuela (See Figure 1). This could pose challenges to the country—both

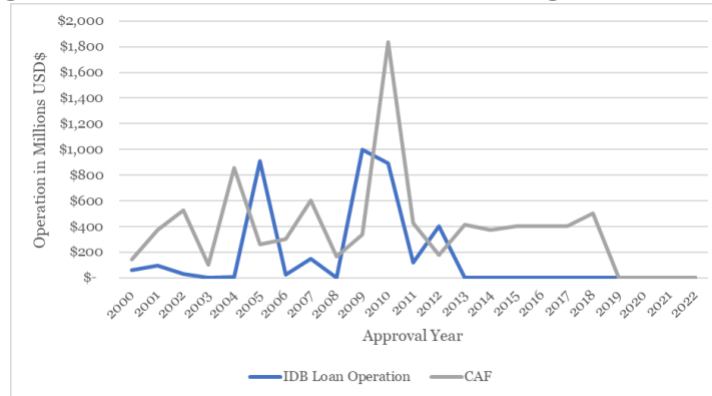
³⁶ While this section does not look specifically at the role of the Pan American Health Organization, PAHO’s response to the COVID-19 pandemic involved contracting through a third-party to facilitate dialogue between opposing political factions and provide services. (PAHO. 2021. “Informe anual 2020 | Cooperación en salud - OPS/OMS en Venezuela.” Washington, DC: Pan American Health Organization. <https://www.paho.org/es/documentos/informe-anual-2020-cooperacion-salud-opsoms-venezuela>.)

³⁷ El País. 2007. “Chávez anuncia la salida de Venezuela del FMI y del Banco Mundial.” *El País*: https://elpais.com/economia/2007/05/01/actualidad/1178004773_850215.html.

³⁸ Lugo, Luis Alonso. 2019. “IDB recognizes Venezuela representative designated by Guaido.” *AP News*: <https://apnews.com/article/85cc636f8bb3443281b4f08440c1415c>.

for the opposition and the regime—as state actors seek to provide key services to the Venezuelan populace at a time of fiscal constraints and economic shocks. While some of this may be due to concerns over corruption and other practices, there can be no doubt that concerns over which party would be responsible for repayment as well as for implementing programs limited the ability of the either development Bank to provide financial support. In addition to concerns over who would be responsible for these loans, there is likely concern over the unwillingness or inability of government and opposition actors to implement conditions applied to these loans.

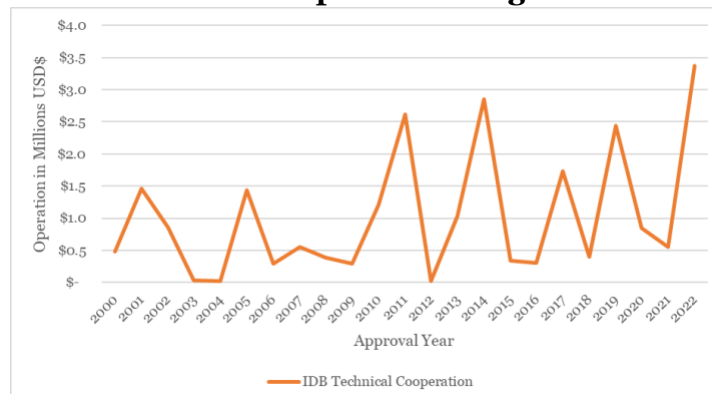
Figure 1. IDB Loans and CAF Financing to Venezuela



Sources: Inter-American Development Bank and CAF, accessed: 2/2/2023.

Although IDB loan operations to Venezuela have been dormant since 2013, the Bank continues to provide technical cooperation programs (TCs) to the country (See Figure 2). These technical cooperation programs have included strategy development for the COVID-19 recovery (e.g., VE-T1086), strengthening fiscal governance and accountability (e.g., VE-T1094; VE-T1089), and developing support mechanisms for the private sector (e.g., VE-T1096; VE-T1099). While these programs provide important information that can help to stabilize the Venezuelan economy in the events of regime change or loan provision by the IDB, their relative impact on current development prospects and economic stabilization is limited.

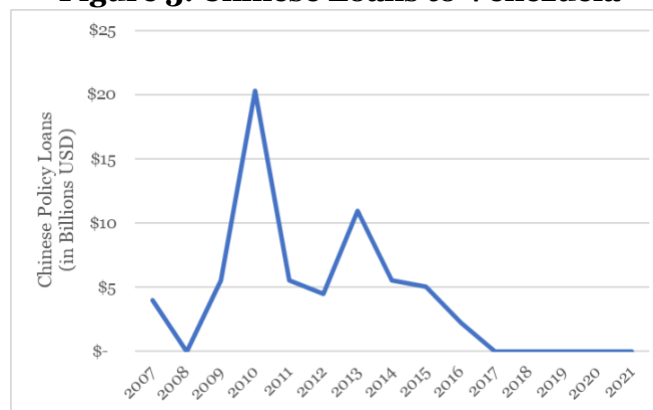
Figure 2. IDB Technical Cooperation Programs with Venezuela



Sources: Inter-American Development Bank and CAF, accessed: 2/2/2023.

As financial resources for Venezuela from regional financial institutions continue decline, there was a simultaneous decline in access to financing from China.³⁹ Up until 2015, Venezuela was consistently one of the largest destinations for Chinese policy loan operations in Latin America and the Caribbean. In fact, the Venezuelan government borrowed over \$62.5 billion from Chinese policy banks between 2007 and 2016 for projects largely related to oil sector development and mining.⁴⁰ As oil prices declined and China’s concerns deepened over the viability of the Maduro government and its shrinking ability to meet its payment obligations, Beijing opted to radically reduce its lending to the country. In 2023, China restarted conversations with the Maduro regime, with an eye on restructuring Venezuelan debt and discussion of restarting joint projects.⁴¹ These resources may bolster the Maduro government and further hinder the effectiveness of U.S. sanctions and regional development conditionality measures.

Figure 3. Chinese Loans to Venezuela



Source: Inter-American Dialogue. 2023. *China-Latin America Finance Database*. Washington, DC: Inter-American Dialogue. Accessed: 2/2/2023.

Additionally, U.S. sanctions have further limited access to financial resources for both the Venezuelan government and the Venezuelan private sector. While there remains ongoing debate over the extent to which sanctions successfully impact government supporters over the wellbeing of the Venezuelan people,⁴² limited financial resources hamper the ability of both the public and private sector. Although the Maduro government lifted the ban on foreign aid,⁴³ the dire humanitarian crisis may benefit from additional resources from financial organizations—particularly if coupled with good governance reforms.

Since Venezuela’s interim government was formed in 2019, the global and regional economy has been hit by several severe shocks—particularly as a result of the COVID-19 pandemic. These

³⁹ Inter-American Dialogue. 2023. *China-Latin America Finance Database*. Washington, DC: Inter-American Dialogue. Accessed: 2/2/2023.

⁴⁰ Ibid.

⁴¹ Laya, Patricia and Fabiola Zerpa. 2023. “China Renews Embrace of Maduro’s Venezuela as the US Looks On.” Bloomberg. <https://www.bloomberg.com/news/articles/2023-05-02/china-venezuela-eye-reset-on-oil-debt-as-the-us-stands-by>.

⁴² For example, please see the recent Global Americans publications: Eterno, Anthony. 2023. “An Insider’s View of U.S. Sanctions on Venezuela.” *Global Americans*. <https://theglobalamericans.org/2023/01/an-insiders-view-of-u-s-sanctions-on-venezuela/>; Rodriguez, Francisco. 2023. “How Sanctions Contributed to Venezuela’s Economic Collapse.” *Global Americans*. <https://theglobalamericans.org/2023/01/how-sanctions-contributed-to-venezuelas-economic-collapse/>.

⁴³ Possebon, Steffano. 2022. “El Gobierno de Venezuela y la oposición firman un acuerdo para atender la crisis humanitaria.” *CNN Español*: <https://cnnespanol.cnn.com/2022/11/26/venezuela-gobierno-y-oposicion-acuerdo-tesis-humanitaria-trax/>.

shocks have put even greater economic pressure on the already struggling Venezuelan economy. According to studies from Venezuelan universities, nearly two-thirds of Venezuelans lived below the poverty line in 2021.⁴⁴ Higher economic growth in 2022 resulted in a reduction in the poverty rate, yet over half of the population still live below the poverty line.⁴⁵ While recent IMF projections suggest higher growth in 2023,⁴⁶ Venezuela's low economic base and poor equity of economic growth suggest that growth is unlikely to help the majority of Venezuelans escape poverty.

IV. Recommendations

Despite the challenges that regional organizations endure in addressing the on-going Venezuelan crisis, they remain an important tool in achieving any improvement. In order for regional organizations to generate productive momentum in Venezuela, it is important to first look at the different purposes of regional fora and identify the tactics that can be used within different regional arrangements to best chart a path out of the current crisis. In this section, we provide recommendations for leveraging different types of regional organizations so as to effectively address the crisis.

a. Strengthen the Legitimacy of Core Institutions

As previously established, the Organization of American States and other core actors of the Inter-American System face several challenges in addressing the crisis in Venezuela. In addition to their challenged legitimacy, they face funding challenges and exist within a complex landscape of overlapping organizations, which limit their respective abilities to act. In the long term, there are crucial steps that should be taken to ensure that the core regional institutions—in particular, the Organization of American States, the Inter-American Commission on Human Rights, and the Inter-American Court for Human Rights—are strengthened. For instance, there should be a greater focus on the broader membership and relative sizes of the organizations—both in terms of personnel and budget—as they are correlated with regional governance initiatives. Additionally, strengthening these core organizations will help serve as a tool for combatting similar situations in the future, for Venezuela and beyond.

At the center of efforts to strengthen core regional organizations, action is required to restore the legitimacy of these organizations, and to ensure that the necessary resources to fulfill specific mandates remain available.

i. Depoliticize Organizational Reporting Processes

The Venezuelan regime has critiqued regional organizations, such as OAS, for taking an ideological stance when condemning democratic threats in the past, holding leaderships accountable for democratic backsliding to differing degrees. For the OAS and other core institutions to regain legitimacy, efforts should be taken to ensure that responses to human rights crises and democratic backsliding are addressed. One important step toward depoliticization and subsequently regaining trust for the OAS is ensuring that mechanisms are used equally across states. Another key step would be developing an appointed professional body within the

⁴⁴ Sequera, Vivian. 2022. "Venezuela poverty rate falls to 50.5% in 2022 -study." *Reuters*: <https://www.reuters.com/world/americas/venezuela-poverty-rate-falls-505-2022-study-2022-11-10/>.

⁴⁵ Ibid.

⁴⁶ International Monetary Fund. 2023. "Country at a Glance: Venezuela." Washington, DC: International Monetary Fund. <https://www.imf.org/en/Countries/VEN#countrydata>. Accessed March 15, 2023.

organization, responsible for reporting on the state of democracy across all member states. These reports would then be made available to all members and reported on directly to the General Assembly with policy recommendations for how to address democratic backsliding in the country. While this may draw criticisms of the OAS intervening in the sovereign affairs of member states, the Inter-American Democratic Charter was designed to allow the OAS to play a crucial role in the defense of democracy in the Americas. Additionally, the decision to implement recommendations made by the OAS will ultimately rely on the political decisions made by the General Assembly—allowing the organization to maintain its political nature while producing reports from experts on democratization based on best practices rather than on political preferences. While the final decision to invoke the Inter-American Democratic Charter in these instances may still be dictated by political decisions of each member state, overall, depoliticizing the reporting process could help the OAS regain some legitimacy.

ii. Increase Funding

In addition to the depoliticization and regaining of trust for core institutions, it is critical to ensure that organizations are well funded and able to pursue their missions. Underfunding of regional organizations—particularly the OAS—is a perennial issue that needs to be addressed if organizations are to respond to all situations equitably. While funding for regional organizations falls to member states—11 of the 34 members of the OAS are currently in arrears⁴⁷—seeking new ways to promote funding is critical. This may require that some key states within the Americas begin to provide additional funding. Countries should seek to expand funding to core regional organizations for specific functions rather than for a specific mission. This will allow these organizations to further develop the capacity needed to address crises equally rather than only those that key funding states view as important at a given time.

iii. Clearly Define Functional Areas

Given the history that some of Latin America’s core regional institutions have developed over the years with the Venezuelan regime and the crisis, it is imperative to determine which organization is best positioned to address a particular issue in order to leverage competitive advantage and strengthen the organizational capacity in the long-term. Many organizations maintain overlapping memberships, mandates and functions. Efforts to clearly differentiate which regional organizations should engage in which type of crisis would greatly benefit the legitimacy of each organization. This would be particularly effective in cases where authoritative support and recommendations should come in the form of a singular report or statement, such as in election monitoring. While multiple regional organizations may coordinate on a particular action, clearly defined roles allows that organization also speak with a unified voice on a particular topic and do not undermine one another.

b. Allow for Dual Recognition Without Votes

The political recognition of Venezuela’s interim government in 2019 has created a unique challenge for regional organizations to address democratic crises. With both the Maduro regime and the interim government making legal and constitutional arguments for their respective recognition, different regional organizations were able to choose which leader they opted to

⁴⁷ These are: Argentina, Bolivia, Brazil, Costa Rica, Dominica, El Salvador, Guatemala, Haiti, Nicaragua, St Vincent and the Grenadines, and Venezuela.
https://www.oas.org/saf/DFAMS/2022/12/RF_Compliance_quot_20221231_SP.pdf.

recognize as the legitimate representative of the Venezuelan state. Traditionally, the OAS—like many regional and international organizations—has a system of “executive sovereignty,” in which only representatives selected by the executive branch of member states have voting rights within the organization.⁴⁸ This has been particularly challenging for the OAS when it looks to address cases of democratic backsliding comes from the executive, as other branches of government are unable to request assistance.⁴⁹

While questions of democratic backsliding and political recognition are inherently political processes, the decision of recognition on legal grounds is complicated and has resulted in different regional organizations embracing different factions. Rather than voting for a simple suspension or recognizing an alternative government as the legitimate representative of the country, these organizations can address this challenge by seeking a middle path. For instance, regional organizations may pursue state suspension from a regional organization and the recognition of an alternative party simultaneously. Rather than suspending a country, regional organizations could suspend the ability of these countries to vote within the body. At the same time, the organization could recognize a second party as a representative of the country. This would create two non-voting representatives from a single state. While this would not resolve the crisis, it could assist in the depoliticization process and create a channel through which countries could engage with both parties in a multilateral setting.

c. Lean into Regional Organizations for Leverage in International Forum

While this report has focused primarily on the role of regional organizations in addressing the Venezuelan crisis within this arena, the overlapping nature and contested multilateralism discussed above is further complicated upon consideration beyond the regional structure and into the international order. For instance, the OAS and the UN have recognized different parties as the legitimate representatives of the state of Venezuela.⁵⁰ The integration of international bodies into the conversation of recognition thus creates further multilateral contestation.

Despite the difficulties of this organizational framework, hemispheric leaders looking for solutions to the Venezuelan crisis should lean into Chapter VIII of the UN Charter—the section allowing for regional organizations and empowering them as a primary response mechanism to regional challenges—as a tool to push for a regional solution to the crisis. The powers of regional organizations embedded within Chapter VIII can help push countries across the globe to add pressure on Venezuelan actors to reach a solution that is in line with regional commitments. This would help move the forum of discussion from the United Nations to regional organizations, which are made up of members more directly impacted by the crisis. Additionally, it would limit the ability of the Maduro regime to leverage international forums or extra-Hemispheric allies to maintain power.

⁴⁸ Cooper, Andrew F, and Thomas Legler. 2006. *Intervention without Intervening?: The OAS Defense and Promotion of Democracy in the Americas*. New York, NY: Palgrave Macmillian.

⁴⁹ Cooper and Legler, 2006; Ratzlaff, Adam. 2017. “Illiberal Democracies and Constitutional Coups?: The Shifting Nature of Democratic Erosion in Latin America and the Need for New OAS Response Mechanisms.” In Hyles, Joshua, ed. 2017. *Inter-American Relations— Past, Present, and Future Trends*. United Kingdom: Cambridge Scholars Publishing: pp. 29-54.

⁵⁰ DW. 2019. “OAS recognizes Juan Guaido's ambassador.” DW. <https://www.dw.com/en/oas-votes-to-recognize-juan-guaidos-ambassador/a-48269376>; Granados Ceja, José Luis. 2021. “Venezuela” Guaidó Increasingly Isolated as UN Recognizes Maduro Gov’t In ‘Resounding’ Vote.” *Venezuela Analysis*. <https://venezuelanalysis.com/news/15405>.

While this may not be in the interest of all members of regional organizations at this time, strengthening the role of regional bodies could allow for the development of regional solutions to regional problems.

d. Collectively Monitor Elections

The current state of negotiations between the Maduro regime and the opposition has created a new opportunity for elections. However, questions remain over the degree to which these elections will be considered “free and fair” by both sides. This provides an important space, but a potential pitfall, where regional organizations—in collaboration with NGOs—are leveraged to support the return of democracy in Venezuela through effective election monitoring.

As with many regional mechanisms, both opposition and regime forces view election monitoring from regional and/or outside organizations skeptically. As discussed previously, this is in part due to the negatively viewed roles of UNASUR election accompaniment missions in the past.⁵¹ Furthermore, skepticism is exacerbated by concerns raised by regime allies surrounding the role of the OAS in the 2019 Bolivian elections and the resulting political crisis.

Given this skepticism, rather than relying on any single regional or international organization to monitor the results of the upcoming elections, member states within different organizations should push for the development of a joint election monitoring task force. This task force would use representatives from different regional organizations and non-profits to validate the election. Furthermore, rather than allowing each organization to produce its own report on the election results and fairness, this joint-task force should be tasked with producing a single report on the state of the election. This can help minimize claims of bias from all parties, and ensure that no Venezuelan actor points to the differing results of election monitors as a means of legitimizing their preferred outcome. With recent negotiations opening the door for election observers from the European Union and the United Nations in the 2024 election,⁵² regional organizations should seek to send representatives to participate in these missions as part of an effort to improve perceptions of regional organizations and their electoral missions.

e. Develop Caretaker Organizations that Can Oversee the Funding and Distribution of Development Finance

Two unique challenges that affect Venezuela, among many countries in crisis, are the lack of regional financial institutions to support development projects and the fallout of political crises within regional organizations, which can result in stunted development prospects. While limiting international finance to the Maduro regime, as with any non-democratic regimes,⁵³ is advisable, this comes to the detriment of the Venezuelan people. The dissonance between supporting the Venezuelan people politically and economically creates a major dilemma for regional policy makers. Furthermore, regional financial institutions such as the CAF and the IDB are particularly placed in difficult positions given that their primary clients are the governments of states.

⁵¹ Casas-Zamora, 2015; Lansberg-Rodríguez, 2015.

⁵² Buitrago, Deisy, Vivian Sequera, and Matt Spetalnick. “Venezuela, opposition sign election deal; US weighs sanctions relief.” *Reuters*. Accessed 10/18/2023: <https://www.reuters.com/world/americas/venezuela-opposition-sign-election-deal-paving-way-us-sanctions-relief-2023-10-17/>.

⁵³ Berg, Ryan. 2023. “Why Is CABEI Funding Nicaragua’s Dictatorship and What Can the United States Do about It?” Washington, DC: Center for Strategic and International Studies. <https://www.csis.org/analysis/why-cabei-funding-nicaraguas-dictatorship-and-what-can-united-states-do-about-it>.

To ensure that development and humanitarian assistance for the *people* of Venezuela do not become overtly politicized nor fall into the hands of corrupt actors, regional financial institutions should seek to develop mechanisms that are outside the reach of either political party, yet allow for development finance directed toward supporting the Venezuelan people. While this action can be partly done through direct humanitarian aid, this does not provide sufficient resources to generate long term impacts. Given the high priority to ensure that the economic and humanitarian crises do not continue to worsen, regional financial institutions should seek to develop an intermediary group with representatives from both the regime and the opposition, and to determine which loans and operations they are able to finance in the country. To ensure that these funds are not used to line the pockets of regime insiders or enablers, the IDB and the CAF should seek to ensure that procurement processes do not run through the government itself, but rather, through an independent body. Ultimately, regional financial institutions can provide meaningful development aid to Venezuela while establishing safeguards to prevent the misuse of funds or political bias. A similar approach was taken by the Pan American Health Organization in responding to the COVID-19 pandemic.⁵⁴

While the Venezuelan interim government attempted to set up some similar mechanisms to provide financial support the national healthcare system during a time of crisis, more efforts to institutionalize these efforts within the regional development banks—particularly following the dissolution of the interim government—should be taken for the good of the Venezuelan populace.

f. Create an *Ad Hoc* Network to Negotiate Crisis

While strengthening core Inter-American organizations to better address future crises is imperative, presently, the OAS and other existing regional bodies face challenges in their ability to serve as intermediaries when discussing the on-going crisis in Venezuela. While efforts to depoliticize the organizations will be important, these processes take time and thus effective solutions for Venezuela will not be realized in the short- to medium term. Given this challenge, other options should be pursued in parallel to these efforts.

The process of creating *ad hoc* regional groupings to discuss a specific political challenge and work toward a negotiated solution has a long history, within the region and beyond. While there are recent examples, such as the negotiating parties for the Joint Comprehensive Plan of Action (JCPOA) surrounding Iran’s nuclear program, there are several examples of success in this area from Hemispheric experiences. Arguably, one of the most successful examples of these networks attempting to end conflict in Central America is through the Contadora group and subsequent efforts led by Costa Rican President Oscar Arias throughout the late 20th century. By excluding biased arbiters at the time, including the United States, these processes resulted in peace accords which ended Cold War-era conflicts plaguing Central America. Despite not including the United States in these networks, support from the United States and other regional actors allowed and encouraged negotiations to continue.

While certain *ad hoc* networks have previously failed in addressing crises, such as the ill-fated Lima Group, this does not mean that these types of efforts should be forsaken. Rather, ensuring that the right parties are involved in the process is critical. This requires determining actors that both regime and opposition actors view as credible intermediaries and guarantors of the process.

⁵⁴ PAHO. 2021. “Informe anual 2020 | Cooperación en salud - OPS/OMS en Venezuela.” Washington, DC: Pan American Health Organization. <https://www.paho.org/es/documentos/informe-anual-2020-cooperacion-salud-opsoms-venezuela>.

By creating such a group in which negotiations are integrated into broader regional networks, binding agreements between a larger number of member states may be produced so as to create additional incentives and obligations for compromise.

Over the long term, strengthening core institutions is critical to addressing future democratic and humanitarian crises. While this should be a central goal, the present reality and the “baggage” that some core regional institutions have in the current situation may require taking actions that fall outside of the scope of the core regional organizations. While the creation of a working group under the auspices of the OAS—as was done in regard to the crisis in Haiti⁵⁵—would be a preferable solution, the development of an *ad hoc* organization can address the crisis in the short term. challenges stemming from the history OAS-Venezuela relations.

⁵⁵ OAS. 2023. “CP/RES. 1214 (2414/23): Renewed Support for Security and Humanitarian Assistance, Inclusive, Free, Fair, and Credible Elections. And Democratic Transition in the Republic of Haiti.” Washington, DC: Organization of American States.

Challenges and Opportunities for Regional Organizations in Addressing the Venezuela Crisis and Beyond

This report was prepared for Global Americans as part of its [Way Forward for Venezuela Program](#) by Adam Ratzlaff. The analysis and views expressed herein are those of the author.

