

★ *Teaching Freedom* ★

VOLUME 2

**LESSONS FROM  
VENEZUELA**

*The* **FUND** *for* **AMERICAN STUDIES**

# LESSONS FROM VENEZUELA

I'm going to start with a quick question. Have you ever been in a situation where you're in the middle of two choices that you had never imagined that you will be in your life? Here is a time when I was.

April 19, 2017. We had one of the biggest protests in Venezuela. I was right in the middle of it, and we were getting tear gas coming from the police officers. We had to face a choice. Either we confront the police in full riot gear, or we go through a river in that area, but there was a problem.



That wasn't actually a river. It's an open raw sewage that goes all the way through the heart of Caracas. It's known as the Guaire River. There were a lot of people going through it. I saw women and even small children going with their fathers trying to escape the tear gas. What did I do that day? I'm going to tell you later.



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My name is Andrés Guilarte. I'm a 25-year-old Venezuelan. I have only been here (in the United States) for one year. I used to be a political activist in Venezuela. If you don't know what is going on in Venezuela, here are a few headlines that might refresh your memory from the last year.

*Breaking news in our world. Venezuela maybe on the brink of no return right now.*

*This is what it's come to in Venezuela, emergency surgery by flashlight.*

*A massive shortage of food and aid in the country is leaving thousands of Venezuelans literally fighting for their life.*

This kind of news might make for great headlines in the newspaper. But from my perspective, it affects real people in real ways. For example, my mom. You can't imagine what it was like being here in the U.S. last year, and receiving this desperate call from my mom, telling me that all the food that she worked so hard to gather just for one week, it all spoiled because of the lack of electricity in the last year, due to the blackouts in Venezuela. And in that moment, that was happening to thousands of families all across the country. Can you imagine having to use gas lamps in the 21st century?

That is something that is out of this world. That was happening just a few miles away from the U.S. in Venezuela.



**MIGRATION**  
CRISIS

And that's one of the key factors that led to over 4,000,000 Venezuelans to leave the country. But the last report from the United Nations Refugees Agency said that the estimate for this year is going to overpass the Syrian Refugee Crisis. Over 6,000,000 Venezuelans are expected to leave their country if the situation continues like this. And if it gets worse, it is going to be even

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more people. We're talking about the biggest immigration crisis in the history of Latin America, and probably the world.

**MIGRATION CRISIS**

**BBC NEWS** Venezuela crisis: Four million have fled the country, UN says

Routes of Venezuelan Migration ▶

**Routes of Venezuelan migration**

MEXICO US COSTA RICA Cucuta VENEZUELA Boia Vista COLOMBIA Quito ECUADOR Lima PERU BRAZIL CHILE Santiago ARGENTINA Buenos Aires

Source: UNHCR

And where do all these people go? They will go anywhere they can. There are cases of people walking weeks on foot from Venezuela to Chile, even cases of people that have made it all the way through the U.S. southern border. There's an old saying in politics that when government can't deliver results, people will vote with their feet. And that does summarize the immigration crisis in Venezuela.

Now, a little bit about myself. I was born in Caracas, the capital of Venezuela in El Llanito. El Llanito is part of Petare and Petare is the most dangerous barrio in Latin America. It's also the biggest district in Venezuela.

**Petare: One of the most dangerous places of Venezuela**

Statistically, 50 people die weekly and there are 55 homicides per 100,000 inhabitants and it seems, due to statistics, Petare is the most dangerous "favela" in latin America, even more than those in Brazil and maybe, the entire world.

**PETARE**

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When I was in Venezuela, I went to the Central University of Venezuela, the biggest public university in the country, and I studied four years with my college degree in International Relations. While I was in the university, I engaged in the political student movement, which led me to be elected as the president of my school. Being the president of my school, especially in those years, led me to realize the real struggles of other students. Here in the U.S., you may imagine that maybe it's different, but it's not.

We have the same concerns that you have. Read several books, meet deadlines of papers, you know the usual stress. Now just imagine for a second that you're in the middle of your history class, and suddenly you start choking and crying, and it's not because the professor is really bad. It's because there is literally tear gas coming from the window, because the government is just throwing it inside the campus to attack some students that are speaking out.

That was the reality back there. I had to go out with my fellow students and try to protest against that situation. And you have to realize that when you go out in Venezuela you have to face these kinds of oppressions. You never know if you're going to come back to your house when you leave, if you're going to see your mom and your family again, your friends. That's the situation that every single young Venezuelan student has to face when they take this choice of speaking out against the government.

Going back to April 19, 2017. Like I told you, the protest was the largest one of the year in Venezuela. What did I do that day? We were between the highway and the open sewer. We had to make a choice, and while we were thinking we had all this tear gas around us. You saw people vomiting. I was vomiting at the moment. And actually, I was ready to start thinking



about what lawyer I was going to call because the action of going through the river or facing the police, I prefer to go to prison, because that's the nastiest thing that you can see in Caracas.

But fortunately, I didn't have to. Because there was a small moment where we were able to

run behind the government officers and just hide in some buildings for hours until everything calmed down. But that was not the situation for everyone that day. When you become a target of the government, you also become a target of the Collectivos. Now, "Who are Collectivos?" You might wonder. Well, the Collectivos are the local government goons who are like a licensed mafia from the government. They do anything they want, even if it's illegal, they don't care about that because they're protected by the government.

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And these Collectivos, they operate in every single district. Depending on the size of the district, you may have one, two or three. For example, Petare, you have a lot of these guys. In 2017, we were protesting back in my neighborhood, and those guys started just shooting us. We took refuge in some buildings, and I was able to go back to my apartment building. There was a guy with a white shirt holding a gun, he was just shooting out at all our apartments.



And he made a warning. He said that if we didn't stop protesting that day, they will start to burn down our buildings, especially the building that housed the students. That guy knew me, and I knew him because he's the same guy that sells vegetables in the corner of my street. Every single day in the morning, you could be seen buying some onions, some plantains from the guy, and at night, he could be shooting and robbing you. That's how surreal life was back there.

After that day in 2017, I stepped back from my political movements. I was part of Students for Liberty and a political party over there called Vente. I just stepped back a little bit because these guys knew me. And in that situation, they usually follow your steps. After leaving the university or anywhere else, I have to change the way I commute to my home, because if you encounter with these guys at night, there is no police to help you because they are the real government police.

After I graduated from the university in 2018, one of my best friends Oswaldo, he told me, "Why don't you apply for internship in the Cato Institute?" Which I did and surprisingly I was selected. In January of 2019, just last year, I headed to the airport and made it here.

You could never imagine that such a great country like Venezuela, which hosted so many tourists in the last decades, could dissolve to what it's become. But I did. My mom and my uncle, they took me to the airport. And I told my mom, "I'm just going a few months for my

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internship in the U.S., I will be back." Because even with the situation in Venezuela, leaving your whole life, your friends, everything left behind is a huge decision that not everyone can, or wants to make.

But she actually was crying a lot that day. I told her, "I will be back." But she didn't believe it. Maybe because moms always know better. And actually, just one week after I arrived on January 12th, the whole political crisis exploded to a whole new level when Juan Guaido took power of the national assembly to face against Maduro. At that moment while I was doing the internship in Cato and everything was going on in Venezuela, I had to make a choice.

Based on my political background in Venezuela and the fear that these guys they would come to my house to try to look for me, and sometimes they still do, I had to make the choice to stay here, and ask for political asylum. And on top of the political crisis, there is another huge factor in making that kind of choice, which is the economic crisis. What I could make here just in one week is the equivalent of working for months in Venezuela even with my college degree.

And that's how you can help your family in the country. And that's actually how all Venezuelans outside Venezuela support their families. The decision was crystal clear. I had to stay in the U.S., not just to take care of me, but to take care of my family. Now, Venezuela was not always like that. Venezuela used to be the leader of Latin America. With the discovery of the oil reserves in the beginning of the 20th century, Venezuela started a transformation from a rural country to a more industrialized one.



After the fall of the dictator Marcos Pérez Jimenez in 1958, the main political parties signed an agreement where they settled the ground rules that were going to mold the democracy for the next few years. It actually worked for the first few years, because by 1970, Venezuela had become the richest country in Latin America. Just to speak about the GDP per capita, it was

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higher than the one of Spain, Greece, and Israel. And only 13% lower than the one of the UK. You could never imagine that the same country we see now, used to be a country like this.

And just to give you an actual example, my mom, she was born in the 1960s. She never finished high school. She would never have formal instruction, but she was able in that economy to fully support our family. My sister was born in the mid '80s. and I was born in the mid '90s. We had different fathers. We never knew them.



With my mom being a single mom with no formal education in that economy, she was able to give us everything we wanted. And by anything, I mean I had my favorite toys like Batman. We always had celebrations in the house.

But when I just separate my mind for a moment and I think, "What would happen if I were born today in Venezuela, under the same circumstances with a single mom, with no formal education?" I would probably be like those Venezuelans that are losing 24 pounds per year in those economic situations and where almost 90% of the population is living in poverty.

**REUTERS**  
**Venezuelans report big weight losses in 2017 as hunger hits**

“...losing on average 11 kilograms (**24 lbs**) in body weight last year and almost **90 percent** now live in poverty...”



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And the latest report shows that under 60% is living in extreme poverty. There used to be a story that a lot of fathers would tell their son when they're eating. "You should eat your food because you never know what kids in the world don't have the same meal you do." That's what they used to tell me.

But right now, I have a little cousin in my house, and they don't tell that story anymore. If she doesn't want to eat, they just open the window, because right across the street you have kids eating garbage in the street. That's how you see that the reality just turns against you in the country. And what you think that was never going to happen to you does.

Now how did Venezuela end up like this? The real problem were the key factors that led someone like Hugo Chávez to reach power. Now don't get me wrong. Someone like Hugo Chávez, he's probably not waiting in every single country, in every corner, for something to happen and take the country like he did in Venezuela. He was a charismatic leader, but there were some key factors that let someone like him appear. A window was opened by the government.

And if we allow a window like that to open in another country, and someone like him also appears, we're going to have a big problem on our hands. The first factor was the nationalization of the oil industry back in 1976. The government of those years, they took over the oil industry buying it from the American companies, and they earned a lot of money because of the Yom Kippur War those years.

When the oil prices started going up, they were over \$145 billion. And what did the government do with that money? They didn't create a fund like other countries that have the same resources. No, they just engaged in creating this dependency of the society of the government. They engaged in a lot of social programs. Like for example, there was a social program like if you wanted to study abroad, the government would just pay everything for you. It doesn't matter what university or country they would just pay for you.

There was a lot of spending from the government not caring that maybe in the future they're not going to have the same amount of money. And actually, the debt started going up and up. And there came a moment that they didn't have the same amount of money, because the oil prices always fluctuate. They go down and they go up. And there came a moment where they didn't have the same oil resources. What did they do? Did they stop those programs? Did they stop the spending of the government?

No. They just engaged in external debt and the printing of money. And what happens when you print money? Inflation happens. And what is inflation? Just in simple terms, imagine that the economy is a really huge building, your salary takes the stairs and the price or cost takes the elevator. That's how it works in inflation and that's what is going on in Venezuela. And it used to happen, not like it is going on right now, but it used to happen in those years too.

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The third factor was the crisis of trust from the society against these parties. Like I told you after the dictator in 1958, some parties signed an agreement. And we used to have a bipartisan system like you have here in the U.S. We had two main parties that just engage in all the political power in Venezuela, and people didn't believe in these politicians anymore. The same politicians every single year, saying the same kind of stuff.

But even in that situation, they were still demanding their benefits from the government. And government was nowhere near cutting those benefits. This led to the fourth factor which is the culture of dependency. A culture of dependency, which is still stylish today in Venezuela, where you have a lot of the population living under these benefits from the government, and they just don't know how to live without them. That's what is going on right now, because when Chávez got to power, he just spent in the state even more.



In the 1990s, the government actually tried to roll back the spending, creating this great economic package, it was known as the great turn. It was a package that tried to cut the government spending. And the government was going full steam ahead with it. The point is that just one day after these reforms took place, there were riots in Caracas, as it's known in the Venezuelan history as the Caracazo revolt.

People didn't like what the government was doing. The government just stopped these reforms. And they knew after that moment that doing these kinds of reforms was political suicide. That's how the culture of dependency was created. It goes to the point that the government just can't cut the spending in Venezuela. This actually gave Chávez the primary opportunity to try and stage a coup in 1992. He failed in that coup. But in that same day he took an interview where he said that his goals were not successful for the moment. This phrase gave people the idea that things could change in the future.

After he got released from prison, he started his political campaign. His main factor of the campaign was to change the whole system. He was right. The system needed to change, but not the way he did it. When he was elected in 1998, he presented himself as a humanist. He never said he was a socialist. He never said he was a capitalist. He's just saying, "I want to help the poor. I want to help the people that don't have the same resources that everyone does."

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You see that, you hear that kind of stuff everywhere in the world. And when he got elected, he started those changes that I talked to you about. He's changed everything he could. He changed the name of the country. He changed the constitution. We used to have two houses in the government like you have here in the Congress, he changed to one. He changed the way the whole industry was managed. He changed everything he could, just to fit the constitution to his actual goals.

You can see actual footage. It is not the best footage, but it is the real one.

Where you can see Chávez in the heart of Caracas just pointing at some buildings and saying, "Who owns that building? Oh, it's in public hands? Great. That's awesome. But who owns the other one?" "Oh, it's in private hands." "Okay, confiscate it. Take it for the government." And you can see people clapping. They were happy that Chávez is going to take something from someone, to give it to the people that didn't have it.

And they were not the only ones clapping, because at that moment in the early 2000s, you saw a lot of politicians praising Chávez' policies all around the world, praising the Venezuelan role model, while we were inside Venezuela, we were suffering those same policies. And in 2006 because of the Iraqi war, the oil prices just went up again and Chávez got a lot of money, like the government did in the '70s.

But what did Chávez do? The same thing, just engaging in getting more borrowings from the government, expanding the huge size of the state, and giving free money to other countries. That's how he created this network that they have in Latin America, where you see that even a situation as hard as this, you see a lot of countries in South America and politicians praising Venezuela still. This is because Chávez just bought them all with the money of those years.

When Chávez died in 2012, the oil prices also died with him and they went down. He named Maduro as his successor, and he was elected in 2013. A lot of experts said that he actually stole the election from the opposition, including the company that managed the election software and hardware used in the process. The thing is that when Chávez inherited this state from the previous governments, he had the money to sustain the show he was making. Maduro doesn't have the money anymore, but he wants to still sustain that image.

He had to go through weapons, and he went from a culture of dependency to a culture of fear that we have right now in Venezuela. You might ask, "Why are these people not doing something against the government?" Because they are too busy trying to find food for their family, trying to work whatever means they can. Because that's how the reality is right now in Venezuela. They fear that the government is going to do whatever it takes to make you disappear in order to keep the show they're making.

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Now that's a little bit about Venezuela. Now let's go to the U.S. Just one year since I arrived, the number of things that I see here is just incredible. When you go to a supermarket, you see a lot of stuff. Just a lot of brands of toilet paper. There are all sizes, and smells, and brands. You're not used to this in Venezuela. Because what I used to see in the supermarket near to my house was one per person for the whole week.



That's why you see entire families take everything they can, so everyone grabs a packet of toilet paper. But in the U.S., you also see all brands of beer. Even the Venezuelan brands of beer. In Venezuela yes, you can find them, but they don't have the same quality they used to. In here, they do have the same quality. It's just amazing. But it's also amazing how you can see that some Americans they take their liberties for granted, liberties that we in Venezuela fight for every single day.

A lot of young Venezuelans die for those liberties, and they're still doing it every single day. In that situation, you wonder why is something like that happening in the U.S.? And then, I think about my family again.

When I think about how I left Venezuela, I left because of a huge opportunity, an internship with the Cato Institute, something that you can't refuse. But deep down it feels like I was expelled from my house, because I can't go back. And no one asked me if I want to or not, I just can't. This is a situation where the whole problem in Venezuela goes inside your family, and just rips you apart. That's how socialism has destroyed the communities in Venezuela, and the families, which we all know, family is the nucleus of the society.

And here in the U.S., you see that a lot of politicians, without saying names, they tried to sell these kinds of policies that we saw in Venezuela before Chávez. Because that's the quick

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answer. We saw how Venezuela is right now. The people eating garbage in the street, the fear and the problems. But no one wonders how Venezuela got there. Before Chávez, a lot of people used to say we were not going to be like Cuba. "We will never be like Cuba." And right now, we're worse than Cuba.

And in Cuba, before they became what they are, they said that they we're not going to be like other countries. That's something that I always tell people. Never say that this couldn't happen to you, because we never know what is going to happen to us.

When I hear these politicians, I just wonder. They're trying to sell this socialist paradise, which from my perspective, someone that just came from the hell of socialism in Venezuela and came to this country (the United States) it's the closest thing to paradise that I can find. That same dream that they are trying to sell is actually nothing more than a nightmare. Thank you.