### The rise and fall of the Venezuelan Interim President

José Ignacio Hernández G. Growth Lab at Harvard Kennedy School April 2023

- 2018: Annus horribilis
- The Theory of Change in 2019
- Art. 233: an innovative theory of Change
- The valley of Indecision
- Et tu?
- Gangs, casinos, and factions
- Corrales's APSF
- The global dimension of the failure
- Some lessons

### 2018: Annus horribilis



José Ignacio Hernández G.

#### March 2023

The Venezuelan Presidential election was held on May 20, 2018. According to the results announced by the electoral authority (the National Electoral

Election observers are important for democracy but few voters know wha

- The rigged presidential election in May 2018.
- Nearly 60 countries, and the OAS, decided to repudiate the election.
- The National Assembly repudiated the election (not an electoral boycott).
- There was no strategy about what to do after the rigged election.
- Another missed opportunity?

# The Theory of Change in 2019

### ✓ Maduro´s lack of legitimacy.

✓ The National Assembly's legitimacy.

✓ International scrutiny.

### ➤ Strategy:

> Premises:

 ✓ "Transfer" the National Assembly's legitimacy to the Presidency.

✓ Maximize international support.

## Presidential Counternational Response

🛗 November 28, 2018 • 3:30 - 5:00 pm EST



Art. 233: an innovative theory of change

- ➢Maduro was not an elected president.
- ➤The speaker assumes as interim president.
- Foreign countries recognize the interim president.

Maduro's capacity is hindered.

### José Ignacio Hernápdez G.

FUNDAMENTALES DE LA TRANSICIÓN

- Art. 233: an innovative theory of change
- ➤The Democratic Statute
- ✓ Lowering the cost of tolerance: transition justice, power-sharing agreements.
- ✓ Increasing the costs of repression: weak international capability.
- ✓ Art. 233 was not a strategy.



### The valley of indecision



January10,

2019



January 23, 2019 Estatuto de transición vs. gobierno de facto

🚆 febrero 19, 2019



February 4, 2019: the Democratic Statute

January 5, January 11, 2019 2019



### Trump recognizes Venezuelan opposition leader as nation's president

By Jeremy Diamond and Boris Sanchez, CNN Updated 4:15 AM EST, Thu January 24, 2019 February 20, 2019

Asamblea Nacional nombra a nueva junta administradora de PDVSA



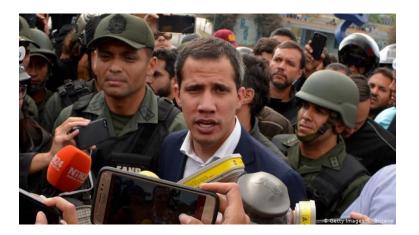
### The valley of indecision



The Interim President remains as speaker: a one-year term.



The political control of the "winning coalition"

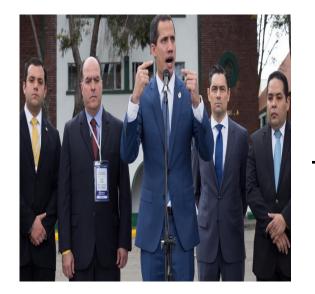


Severe coordination problems: distrust and personal agendas

### The valley of indecision



The Interim Government: how to distribute political quotas to compensate distrust



Higher coordination costs

The Washington Post Democracy Dies in Darkness

World War In Ukraine Africa Americas Asia Europe Middle East Foreign Correspondents

THE AMERICAS

Venezuelan opposition efforts to capture government's foreign ass draw scrutiny

By <u>Anthony Faiola</u> and Ana Vanessa Herrero January 2, 2021 at 6:00 a.m. EST

### Severe governance problems



Fondo Ashmore asegura que grupo de Primero Justicia avaló legalidad del bono PDVSA 2020



El caso de la declaratoria de nulidad de los bonos PDVSA 2020 que lleva un tribunal del distrito sur de Nueva York por un lado niega la petición de que se revele la identidad de abogado venezolano que contrataron los acreedores de esto títulos y por el otro revela que una fracción del partido Primero Justicia defendió la legalidad de estos papeles pese la declaratoria de nulidad hecha por la Asamblea Nacional.

El testimonio Xin Xu, ejecutivo del fondo financiero

#### Et tu?:

AMERS DECEMBER 9, 2020 / 1:28 PM / UPDATED 2 YEARS AGO

#### Venezuela's Capriles calls on opposition to shut interim government -report

By Reuters Staff

2 MIN READ 🕇 🕊

CARACAS (Reuters) - Two-time Venezuelan opposition presidential candidate Henrique Capriles called for end to an interim government created in 2019 by congress chief Juan Guaido with U.S. backing, according to an interview published by the BBC on Wednesday.

> The opposition requested the end of the Interim Government.

🌔 RI	UTERS® World ~ Business ~ Markets ~ Legal ~ More ~	6
(L) (Aa)	In new blow to Venezuelan opposition, major leader quits interim government <sup>By Delsy Bultrago and Vivian Sequera</sup>	_



The Interim Government requested the end of the Interim Government.



January 3, 2023: The 2015 National Assembly disbanded the Interim President.



### Gangs, casinos and factions

The 2019 transition strategy failed for three main reasons:

- Gangs: Maduro's elite were more criminal than political.
- Casinos: De *de facto* economic liberalization and improving the economic conditions diminished domestic pressures.
- Factions: Divisions and distrust in the opposition.

Asymmetrical party system fragmentation (APSF)

➤ Javier Corrales: "In democracies where the party system explodes or implodes, democratic backsliding is more likely" (p. 2)

- There was never a unified strategy in the opposition toward the Interim President: factions prevailed.
- The fragmentation of the opposition elevates the coordination cost: The Interim Government as a "Frankenstate."
- Severe governance problems hindered the credibility of the Interim Government.



### The global dimension of the failure

- The international community was not aligned with the democratic transition strategy.
- Maduro had the strong support of Russia and Iran.
- Two contradictory policies in the US: sanctions and recognition.
- The pandemic effect: Maduro delivered aid more efficiently than the Interim Government.



### Some lessons

Under the political conditions of 2019, the Interim Presidency was the right choice.

The Interim Presidency consolidated the broad international support with specific legal consequences.

The opposition was empowered, and Maduro was disempowered.

How to defunct authoritarian rules without economic sanctions.

The severe fragmentation of the opposition hindered the efficiency of the Interim Government.

There is a vacuum after the disbandment of the interim president.