

**PERRY CENTER OCCASIONAL PAPER**

**MARCH 2020**

# **Turmoil in the Western Hemisphere: The Role of the Bolivarian Joint Criminal Enterprise in Latin America's Unrest**

By Douglas Farah and Caitlyn Yates



**WILLIAM J. PERRY CENTER  
FOR HEMISPHERIC DEFENSE STUDIES**

*National Defense University*

**Cover photo caption:** Leftist popular leaders from Latin American nations – former Bolivian President Evo Morales (second from left), Cuban President Raul Castro (third from left), former Venezuelan President Hugo Chavez (red beret), and Nicaraguan President Daniel Ortega (third from right) – have adopted an anti-imperial and anti-neoliberalism policies designed to increase political, economic, and social instability among opponents in the Western Hemisphere.

**Photo credit:** Venezuela Analysis

Disclaimer: The views expressed in this paper are those of the author and are not an official policy nor position of the National Defense University, the Department of Defense nor the U.S. Government.

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Editor: Pat Paterson

Layout Design: Viviana Edwards

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## Introduction

*We are headed towards a Bolivarian hurricane.... It cannot be stopped by absolutely anyone. What is happening in Peru, what is happening in Chile, what is happening in Argentina, what is happening in Honduras, in Ecuador is just a little breeze. A hurricane is what is to come. It is absolutely impossible that Colombia remains how it is. It is absolutely impossible that Brazil remains how it is. There is no way.*

- Diosdado Cabello, 20 October 2019, Venezuelan National Assembly member

As Latin America undergoes perhaps the most significant period of instability in the past two decades, Cabello's words represent a battle plan for Venezuela's Maduro regime to destabilize the hemisphere. His statement would have seemed to be empty rhetoric only a few months ago, but now seems an apt forecast of the unrest that has swept across the region's strongest democracies during the second half of 2019 and into early 2020. Cabello's talk of a grand destabilization strategy translated into the Maduro regime's directed efforts to successfully exacerbate tensions born of legitimate economic discontent, disgust with corruption, and deteriorating citizen security. These challenges have consumed the U.S.'s staunchest regional allies including Chile, Colombia and Ecuador and exacerbated an already complex political situation in Bolivia. We argue that there are three missing but nonetheless critical factors to understanding Latin America's ongoing social unrest.

First, as several South American countries were buffeted by unrest in 2019, there were multiple indications that the Maduro regime in Venezuela successfully reached a sustainable financial equilibrium through sanctions evasion and criminal activity to avoid near-term collapse or regime change. In the face of interim president Juan Guaidó's challenge backed by a broad U.S.-led coalition, the regime found the funds to rally new and old allies alike to strengthen or maintain the Bolivarian stalwarts' international relationships in Latin America and beyond. Such activities began with the annual *Foro de Sao Paulo* conference held in Caracas in July 2019. Since then, there were at least four subsequent solidarity conferences – two in Havana and two in Caracas – that brought together likeminded, states,

non-state allies, terrorist groups and individuals, providing a safe meeting space for Bolivarian groups and their allies from Europe, the Middle East and elsewhere to develop common strategies and lines of effort aligned to a common anti-U.S. ideology. This has allowed for the creation of a unified message across a network of thousands of inter-connected websites and digital platforms to fan the flames of unrest already developing across South America. In doing so, the Maduro regime often dominated the political narrative online.



**Photo caption:** President Nicolas Maduro has managed to hold onto power despite the severity of the humanitarian crisis in Venezuela in part because of the continued support of the armed forces. At his right is Venezuelan Defense Minister Vladimir Padrino Lopez. **Photo credit:** Voice of America

Second, while the Maduro regime has stated its intent to incite regional unrest, underlying the economic and social turmoil is the ongoing, massive flow of Venezuelan migrants and refugees leaving their home country. With more than 4.81 million individuals having fled in the past five years, this crisis has strained host nations' resources past the breaking point, leaving the governments – who have received only a fraction of the promised international aid – no economic reserves to mitigate social discontent.<sup>1</sup> (See Annex 1). More than 3 million, or two-thirds of all Venezuelan refugees, now reside in Colombia, Ecuador and Chile, the three U.S. allies that have suffered the most violent protests.

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<sup>1</sup> “Plataforma de Coordinación para refugiados y migrantes de Venezuela,” *OIM* and *UNHCR*, last updated December 5, 2019, accessed at: <https://r4v.info/es/situations/platform>.

As the Brookings Institution noted:

Despite the massive scale of displacement and humanitarian need, host nations...have received very little support from the international community compared with other historical displacement episodes. In response to the Syrian crisis, for example, the international community mobilized large capital inflows, spending a cumulative \$7.4 billion on refugee response efforts in the first four years. Funding for the Venezuelan crisis has not kept pace; four years into the crisis, the international community has spent just \$580 million. On a per capita basis, this translates into \$1,500 per Syrian refugee and \$125 per Venezuelan refugee.<sup>2</sup>



**Photo caption:** Protesters in Caracas confront government security forces in 2014, angry over the Maduro government's inability to provide basic sustenance products. **Photo credit:** U.S. Institute of Peace

Third – in coordination with the solidarity conferences – a cadre of individuals and front groups trained by, and linked to, both the Revolutionary Armed Forces of Colombia (FARC) and its dissident groups as well as a smaller structure tied to the National Liberation Army (ELN) have incited more radi-

<sup>2</sup> Dany Bahar and Meagan Dooley, "Venezuela's refugee crisis to become the largest and most underfunded in modern history," Brookings Institution, December 9, 2019, accessed at: <https://www.brookings.edu/blog/up-front/2019/12/09/venezuela-refugee-crisis-to-become-the-largest-and-most-underfunded-in-modern-history/>

cal and violent forms of unrest in the countries already experiencing mass protests. These armed groups' hemispheric networks are built by hundreds of trained individuals who served as the shock troops that converted facets of the otherwise peaceful demonstrations into violent, persistent (and sometimes destructive) incidents. While most protests began as part of the legitimate efforts to demand change, small groups of trained provocateurs then pushed the boundaries of peaceful protest into violent attacks resulting in destruction and the delegitimization of governments.

Given the widespread media attention to Latin America's social protests in late 2019, this essay instead focuses on the exacerbating and underlying factors that pushed legitimate social unrest and violence in Chile, Ecuador, Colombia, and Bolivia in benefit of the Bolivarian structure. We analyze the Maduro regime's increasing financial solvency, the Bolivarian efforts to destabilize U.S. allies in Latin America, the Venezuelan migrant and refugee crisis, and the role of FARC and ELN trained shock troops operating at the edges of, but central to, the results of the protests. In doing so, we aim to provide a more nuanced perspective on the breadth of actors and interests at play in the social unrest sweeping through Latin America.

### ***Methodology***

The field research for this essay was funded by the office of the Deputy Assistant Secretary of Defense for Counternarcotics and Global Threats (DAS-D CNGT). However, it does not represent the views of the U.S. government or any part of the Department of Defense. Fieldwork in Chile, Ecuador, and Colombia was conducted from October-December 2019 and included interviews with law enforcement officers, policy analysts, intelligence officers, military forces, and protesters themselves. This was supplemented by open source data mining and literature and media reviews. In addition, a quantitative analysis of the Venezuelan migrant and refugee flows through 5 February 2020 was conducted including a more in-depth analysis of the effects that Venezuelan migrant flows are having in each department in Colombia.

### ***The Maduro Regime's Outreach and Consolidation***

Not only did the Maduro regime manage to remain in power in 2019, but there are multiple indications that the regime has reached a sustainable financial equilibrium. Venezuela's ability to repay most of its debt to Russia and significantly reduce its outstanding financial obligations to China are indicators of this new financial solvency. Additionally, the Maduro regime also financed a series of large and costly Bolivarian conferences in the second half of 2019 hosting hundreds – and sometimes thousands – of delegates from likeminded, states, non-state allies, criminal groups and individuals. The result of these conferences and this outreach is that the Maduro regime has strengthened ties to international pariah states like North Korea – where Maduro opened an embassy – and Syria, as well as enablers like Russia, Turkey, China and Lebanon's Hezbollah. Despite an increasingly robust sanctions regime aimed at “maximum pressure” to achieve regime change, Maduro has so far successfully avoided near-term collapse.





**Photo caption:** President Nicolas Maduro of Venezuela (seen here with Russian President Vladimir Putin) has aligned himself with Russia, North Korea, and Cuba to withstand economic sanctions leveled on his country. According to the U.S. Southern Command, there are hundreds of Russian mercenaries in Venezuela.

**Photo credit:** Military.com

Though stabilized oil production in Venezuela is a partial explanation of these financial flows – and traditional criminal activity like illicit gold mining and drug trafficking represents another chunk – at least part of this new revenue originates from the success of cryptocurrencies, primarily Venezuela’s Petro (see Annex 2).<sup>3</sup> While significant attention is focused on the Maduro regime’s increased trafficking of illicit goods, there has been less attention on alternative forms of revenue like the crypto currency, which helps bring financial flows back into Venezuela.

The successful expansion of the Petro and other crypto currencies, developed and backed by the Putin regime in Russia, has reportedly allowed Venezuela to collect payments more easily for sanctioned oil shipments and illicit gold and cocaine on the international market. At the same time the Maduro regime has lifted many restrictions on the use of foreign currency, allowing for a flood of dollars and Euros from remittances, oil sales and criminal activities, to flood back into the country. These developments have alleviated some of the worst food and fuel shortages, particularly in the capital of Caracas.

Venezuela’s fragile economic balance and efforts to stir chaos throughout Latin America have not occurred in a vacuum but are built in alliance with countries of similar ideologies or criminal methodologies. One of the most recent outreach targets by the Maduro regime has been North Korea – a

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<sup>3</sup> The Petro, designed by a Russian cyber expert, was launched in December 2017, backed by Venezuelan oil, gold and diamonds. The U.S. Treasury Department sanctioned the currency in March 2018 and only Russia recognizes it as a payment method.

country that has little to offer with the exception of decades of experience and expertise in evading strict sanctions particularly against its nuclear program. Other outreach destinations for the Maduro regime are Syria, Hezbollah in Lebanon, China, Turkey and Russia. A stream of high-level visits by Maduro regime insiders to extra-regional states in the second half of 2019 indicated that the Maduro regime made significant strides in acquiring new allies and economic partners in countries where U.S. sanctions have little impact. This, in turn, allowed for the development and implementation of the destabilization strategy underway in the hemisphere.

For instance, Venezuela's recent flurry of activity with North Korea (DPRK) is provocative, given the DPRK's international pariah status and dearth of viable, legal and economic rationales for bilateral exchanges. According to both countries' official statements, the DPRK and Venezuela will begin agricultural and technological exchanges – sectors where neither country holds any competitive advantage – which presents economically irrational behavior.

On the Venezuelan side, the outreach is being led by one of the few people Maduro trusts: his son Nicolas Maduro (AKA Nicolasito). Nicolasito visited Pyongyang in July 2019 as part of a Socialist Party Youth conference and stayed in North Korea for approximately one week.<sup>4</sup> Nicolasito claims to be the “coltan king” in Venezuela. His visit was reported to have primarily discussed this topic during his time in North Korea, though his visit was masked by the youth conference he attended.<sup>5</sup> Coltan is a mineral very high in conductivity and heat resistance, vital in missile technology and the manufacturing of smart phones and computers.

On August 21, 2019, just after the visit of Nicolasito, Venezuela announced the opening of an embassy in North Korea and several senior Venezuelan officials met in Pyongyang for the event.<sup>6</sup> North Korea had already opened an embassy in Venezuela in 2015.<sup>7</sup> In September 2019, Diosdado Cabello, a key Maduro regime operator, travelled to both North Korea and Vietnam, reportedly in preparation for an impending Maduro visit to both countries. The primary purpose of the visit most likely was the desire of Caracas to seek assistance on sanctions evasion in exchange for coltan and possibly other vital resources for the North Koreans missile program.<sup>8</sup>

In addition to outreach with North Korea, the Maduro regime is at least maintaining communications with both Hezbollah and Syrian leadership. In April 2019, Venezuelan foreign minister Jorge Arreaza carried out another public and provocative trip, traveling first to Lebanon,

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<sup>4</sup> Chad O'Carroll and Colin Zwirko, “Venezuela opens first embassy in North Korea,” *NK News*, August 21, 2019, accessed at: <https://www.nknews.org/2019/08/venezuela-to-open-embassy-in-north-korea-on-wednesday-afternoon/>.

<sup>5</sup> Coltan is a relatively rare, heat resistant and highly conductive mineral used in missile, space, cell phone and computer construction. Venezuela has significant coltan deposits and it is a mineral that could be of strategic value to Pyongyang. See: “Caracas seeks N Korea help with sanctions,” *Argus Media*, October 4, 2019, accessed at: <https://www.argusmedia.com/en/news/1990072-caracas-seeks-n-korea-help-with-sanctions-coltan>.

<sup>6</sup> “Venezuela opens embassy in North Korean capital,” *Associated Press*, August 22, 2019, <https://apnews.com/84b1aecc25e7433fb864a100f655f135>.

<sup>7</sup> Zeeshan Aziz, “Venezuela opens Embassy in North Korea to Strengthen Ties,” *Urdu Point*, August 21, 2019, accessed at: <https://www.urdupoint.com/en/world/venezuela-opens-embassy-in-north-korea-to-str-694732.html>.

<sup>8</sup> “Caracas seeks N Korea help with sanctions,” *ibid*.

where he met with Hezbollah leader Hasan Nasrallah and then spent two days in Syria with President Bashar al Assad. In both countries, Arreaza issued extensive condemnations of U.S. “interventionist” and “imperialistic” policies in Latin America, while the Bolivarian media structure heralded the visits as part of building a broader anti-imperialist and anti-U.S. global alliance.<sup>9</sup>

### ***The Foro de Sao Paulo and International Mobilization***

Following his election as Venezuela’s president in 1998, Hugo Chávez would spend the next almost two decades systematically transforming *Petróleos de Venezuela, S.A* (PDVSA – the Venezuelan national oil company). The result was a multi-billion-dollar political and criminal enterprise operating in concert with sympathetic political leaders, economic elites and criminal organizations. While first Chávez, then Maduro, led the project, they are aided by the political allies in Cuba, Nicaragua, Bolivia, Ecuador, Suriname, El Salvador as well as the FARC rebels in Colombia and extra-regional actors, primarily Russia. We define this alliance as the Bolivarian Joint Criminal Enterprise, (BJCE).<sup>10</sup> One of the group’s primary ways of coordinating strategy, messaging and tactics has been through international solidarity conferences.



**Photo caption:** Venezuelan President Hugo Chavez presides over the Foro de Sao Paulo in Caracas, Venezuela in July 2012, less than a year before his death. **Photo credit:** Ministerio de Relaciones Exteriores, Ecuador.

<sup>9</sup> “Arreaza Meets Syria’s Assad, Says Venezuelan Right Promotes ‘Violence and Death,’” Telesur, April 4, 2019, accessed at: <https://www.telesurenglish.net/news/Arreaza-Meets-with-the-Syrian-President-in-Damascus--20190404-0007.html>

<sup>10</sup> Douglas Farah and Caitlyn Yates, “Maduro’s Last Stand: Venezuela’s Survival Through the Bolivarian Joint Criminal Enterprise,” IBI Consultants, May 2019, accessed at: [https://www.ibiconsultants.net/\\_pdf/maduros-last-stand-final-publication-version.pdf](https://www.ibiconsultants.net/_pdf/maduros-last-stand-final-publication-version.pdf)

The largest and most established of these is the *Foro de Sao Paulo* (FDSP) annual conference, followed by its multiple subsidiary meetings. Under the FDSP umbrella, solidary groups are divided into subgroups by region or social sector. Dozens of organizations or actors are officially invited to a conference and break down into many smaller unions, collectives, or social movements in their home countries. Thus, a single umbrella organization may represent hundreds of other organizations during these events, often with overlapping members and usually quite small individual collectives. From there, these somewhat disparate groups under the umbrella organization can issue similar or identical statements of solidarity with Venezuela and Cuba, condemn the United States and laud Russia and Vladimir Putin as paradigms of anti-imperialist values.

Militant organizations and groups primarily anchored in the Communist parties or revolutionary movements of their host countries are at the center of the FDSP. However, not all participants in the FDSP support violence, and outer rings of the FDSP's participants broaden out to sympathetic organizations, front groups, democratic organizations, socialist parties, and labor unions. There are, however, many organizations and actors that attend the forum annually who espouse armed revolution and the demise of the United States among their primary objectives. Attendees include remnants of armed insurgencies in Latin America, international terrorist groups such as Hezbollah, Basque ETA separatists, remnants of the IRA, the Italian Red Brigade, the Polisario Front of West Africa and smaller but ideologically likeminded organizations. The FDSP serves as the central organizing structure of these ideologically similar but often operationally dissimilar groups.

Since 2005, the core members of the FDSP have provided the centralized political messaging, coordinated actions and defined voting blocs in the United Nations, OAS and other forums. However, the FDSP's influence waned following the Venezuelan economy's implosion, the deaths of founders Hugo Chávez (2013) and Fidel Castro (2016), military setbacks and killings of senior FARC leaders in Colombia beginning in 2008, and the electoral losses of key allies in Brazil, Argentina and Ecuador. These factors, combined with increasing U.S. sanctions against the Maduro regime and other Bolivarian entities, greatly weakened the FDSP's reach and its activities tapered off as resources dried up and political winds seemed to shift away from the Bolivarian alliance. The pendulum began to swing back in the Bolivarian's favor though in 2019, and with it came the reactivation of the FDSP.

### ***The Reactivation of the FDSP***

Given the FDSP's history, the recent, accelerating reactivation of the group and its constituent components in the alliance signals a renewal of a broader Bolivarian offensive against the United States and its regional allies. Our research across the region with sources familiar with the FDSP found that the coordinated strategy of using FARC-aligned groups to provoke violence in the social unrest in Chile, Ecuador and Colombia was designed at the July FDSP meeting and subsequent smaller conferences over the next four months. In each meeting, both the Cuban regime and Venezuelan regime were publicly represented at the highest levels.

Among the examples of the reactivation of the FDSP are:

- The Puebla Group (*Grupo de Puebla*), formed in July and primarily made up of state actors, included 32 delegations from 12 countries including Argentina, Brazil, Chile, Colombia, Ecuador, Spain, and Mexico. It was formed in July 2019 to support the Maduro regime as an alternative to the *Grupo de Lima*, formed by U.S. allies to pressure the Maduro regime to hold new, clean elections.<sup>11</sup> As with many conferences of this type, not all members are fully aligned with the radical populist Bolivarian movement or espouse violence, but the movements provide a safe space for those that do, to meet, strategize and coordinate.
- The Anti-imperialist conference of Solidarity for Democracy and Against Neoliberalism (*Encuentro Antimperialista de Solidaridad, por la Democracia, y contra el Neoliberalismo*) held November 1, 2019 in Havana, Cuba.<sup>12</sup> More than 1,200 participants from 50 countries including politicians, social movements, non-governmental organizations and academics met for three days where they discussed anti-neoliberal movements, and how to counteract hostile imperialism. Cuban authorities officiated many of the events and there were breakout sessions on special topics related to the conference's overall objectives.<sup>13</sup> The group pledged support to Maduro in Venezuela, Morales in Bolivia, and the Sandinistas in Nicaragua; decolonization of Puerto Rico; the fight for the sovereignty of the Palestinian and Sahrawi peoples; and support those who are fighting for their rights in Ecuador, Chile and Haiti.<sup>14</sup>
- The International Communication Conference (*Congreso Internacional de Comunicación*) in Caracas, Venezuela was held on 2 December 2019 and was the most explicit in declaring the BJCE role in the regional disturbances.<sup>15</sup> It was hosted by Venezuela's United Socialist Party (PSUV) in Caracas with 37 delegations from at least 30 countries.<sup>16</sup> A total of around 1,200 delegates attended the event which was planned during the July FDSP meeting.<sup>17</sup> The conference's primary objective was to raise the voices of communicators "in recognition of their participation in recent popular uprisings generated in Haiti, Ecuador, Chile, Colombia, Honduras

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<sup>11</sup> "Que es el Grupo de Puebla el nuevo eje progresista de América Latina al que apunta Alberto Fernández," *La Nación*, November 1, 2019, accessed at: <https://www.lanacion.com.ar/el-mundo/que-es-grupo-puebla-nuevo-eje-progresista-nid2302810>.

<sup>12</sup> "Inaugurado Encuentro Antiimperialista de solidaridad en Cuba," *Telesur*, November 1, 2019, accessed at: <https://www.telesurtv.net/news/cuba-encuentro-antiimperialista-20191101-0002.html>.

<sup>13</sup> Nalda Vigezzi, "Anti-imperialist conference of Solidarity for Democracy and Against Neoliberalism Havana, November 1-3/2019," *National Network on Cuba*, July 19, 2019, accessed at: <http://www.nnoc.info/anti-imperialist-conference-of-solidarity-for-democracy-and-against-neoliberalism-havana-november-1-3-2019/>.

<sup>14</sup> "Inició en La Habana el Encuentro Antimperialista de Solidaridad, por la Democracia y contra el Neoliberalismo," *Granma*, November 1, 2019, accessed at: <http://www.granma.cu/mundo/2019-11-01/en-vivo-inico-en-la-habana-el-encuentro-antimperialista-de-solidaridad-por-la-democracia-y-contra-el-neoliberalismo-01-11-2019-09-11-37>.

<sup>15</sup> Address accessed here: <https://www.youtube.com/watch?v=AD-DtPys9xI>.

<sup>16</sup> "Instalan I Congreso Internacional de Comunicación Ahora Hablan los Pueblos," *Así Somos*, December 2, 2019, accessed at: <https://www.vtv.gov.ve/instalan-congreso-internacional-comunicacion/>.

<sup>17</sup> Sayonara Tamayo Arjona, "Ahora hablan los pueblos: Inicia en Caracas el Congreso Internacional de Comunicación," *Presenza*, December 3, 2019, accessed at: <https://www.presenza.com/es/2019/12/ahora-hablan-los-pueblos-inicia-en-caracas-el-congreso-internacional-de-comunicacion/>.

and Bolivia.”<sup>18</sup> The keynote speaker was Florencia Lagos Neumann, a Chilean Communist Party member who said that it was not true that the riots in Chile were spontaneous, adding, “we are organized, we are more than 100 organizations” whose goal is to overturn the current political structure “imposed by the United States.” Lagos Neumann served as Chile’s consul in Cuba under Bachelet and now operates within the collective negotiating with the Chilean government.

- The ALBA meeting in Havana, Cuba occurred on December 14-16 with a slightly different stated purpose. There, the Maduro regime wanted to demonstrate its newfound financial health, promising to reactivate its Petrocaribe program of subsidized oil giveaways to regional allies. The conference worked to create a “unified front against the threats, aggression, interference and coup mongering” of the United States and its allies.<sup>19</sup> Shortly before the ALBA meeting, Maduro also announced Venezuela had the funds to complete the building of two oil tankers with Argentina. The oil tanker project in Argentina is important to Venezuela as the U.S. continues to sanction the vessels that move PDVSA products. While announced several years ago, the project had been put on hold by the Macri administration but was immediately reactivated by President Fernández when he entered office in late 2019.<sup>20</sup>

These conferences are aimed at giving members of the Maduro regime and broader Bolivarian alliance and its allies a place to plan and coordinate a unified strategy, particularly those most fringe groups who need a safe space to meet. They also work to create an ongoing, overwhelming narrative for the justification of violence and human rights abuses by security forces to counter the general failure of the “neo-liberal” economic model all while declaring that oppression in Latin America is the ultimate responsibility of the United States. The presidents of the three nations experiencing massive protests – Sebastián Piñera in Chile, Iván Duque in Colombia and Lenín Moreno in Ecuador – were all called dictators and criminals acting at the behest of U.S. interests during these meetings. Thus, at the very least, these conferences served to exacerbate the discontent of groups already operating in several South American countries during the second half of 2019.

### ***The BJCE Role in Regional Unrest***

Numerous BJCE forum leaders have acknowledged some of the participants’ role in organizing and driving the violent factions of regional unrest in Chile, Ecuador, and Colombia. As they acknowledge, the BJCE had shock troops positioned in Ecuador, Chile and Colombia – almost all trained by the FARC

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<sup>18</sup> Joselyn Ariza, “Inicia en Caracas Congreso Internacional de Comunicación ‘Ahora hablan los pueblos,’” *Gobierno Bolivariano de Venezuela*, December 2, 2019, accessed at: <http://mppre.gob.ve/2019/12/02/inicia-caracas-congreso-internacional-comunicacion-ahora-hablan-pueblos/>.

<sup>19</sup> Juana Carrasco Martín and Marylin Luis Grillo, “Cobertura Especial: Sesión en la Habana Cumbre Alba,” *Juventud Rebelde*, December 14, 2019, accessed at: <http://www.juventudrebelde.cu/cuba/2019-12-14/cuba-sera-hoy-sede-de-la-cumbre-del-alba-tcp>

<sup>20</sup> Luc Cohen, “Venezuela’s Maduro pledges funds for Argentine shipyard to finish PDVSA tankers,” *Reuters*, November 3, 2019, accessed at: <https://www.reuters.com/article/us-venezuela-pdvsa-argentina/ven>.

between 2005 and 2016 – to successfully carry out a strategy of pushing social discontent to violent actions as decided during the July 2019 FDSP. An enduring FARC network, including the self-identified hardcore supporters active since the mid-1990s and chronicled extensively in internal FARC documents captured in recent years, remains a powerful organizing center of the Bolivarian movement and the BJCE throughout Latin America.

The FDSP, and subsequent international conferences, led to the formation of a coordinated strategy to work with allied and friendly groups. Such a network was then able to organize the fringe or more radical protests across a wide political base and to engage groups that operate outside the FDSP network but that were equally sympathetic to more radical forms of discontent and protest. The organic protests provided a space for trained provocateurs to inflame the police into violent responses, to physically attack state properties, and to create a social media storm in support of unrest. In each of the protest movements, which were largely peaceful, this pattern was repeated by a few dozen individuals to provoke violent events.

Chile, Colombia and Ecuador were considered most opportune, not only given their strong relationships with the United States, but also because the presidents of each had publicly and vocally criticized the Maduro regime. In February, Chile's Piñera visited the Colombia-Venezuela border and said that "Maduro is part of the problem and that is why his days are numbered," angering the Venezuelan regime.<sup>21</sup> President Duque in Colombia has been engaged in an ongoing verbal confrontation with Maduro, in particular given their shared borders. Moreno, in Ecuador, is viewed as the most traitorous Latin American leader to the Bolivarian Revolution after having served as vice president to Rafael Correa, a stalwart of the Bolivarian ideology. These nations' leaders broke the decade-long reluctance of Latin American leaders to speak out on abuses by the BJCE.

### *Chile*

The conditions for significant social unrest were visible in Ecuador and Colombia, but the violence and ongoing unrest in Chile, the hemisphere's most prosperous and developed nation, caught national and international observers by surprise. President Piñera's decision to raise subway fares by 4 percent (about 4 cents) in October 2019, did not seem inflammatory. However, as the Santiago metro is the primary mode of transportation for most urban working-class employees, this announcement sparked perhaps the largest social protest crisis in the hemisphere.

This was the clearest example of the BJCE seizing on a small opening of social discontent to create a national crisis. With a fundamental lack of understanding of the protest dynamics, the Piñera administration was caught completely off guard by the marches and the subsequent violence that destroyed 30 metro stations and razed office buildings and businesses. The president's response was disjointed at best and lacked an overall strategy, allowing the protests to persist while the Piñera government's legitimacy and popularity plummeted.

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<sup>21</sup> "Presidente Piñera desde Cúcuta: 'Maduro tiene los días contados,'" *Latercera.com*, February 23, 2019, accessed at: <https://www.latercera.com/politica/noticia/presidente-pinera-desde-cucuta-dictador-esta-dispuesto-sacrificar-la-vida-propio-pueblo-retener-poder/541286/>.



**Photo caption:** Hundreds of thousands of Chilean protesters swarm Plaza Baquedano in Santiago in October 2019 to protest government price hikes and economic inequality. **Photo credit:** Hugo Morales.

Meanwhile, the rolling protests have continued throughout the first quarter of 2020. The Piñera government, reeling from collapsing poll numbers, has agreed to hold a referendum on whether to rewrite the constitution, a key demand for the protestors. In the historical context, such moves have led to new constitutions used by Bolivarian populist regimes in Venezuela, Bolivia, Nicaragua and elsewhere over the last two decades to cling to power indefinitely. Credible allegations of excessive police violence against protesters and ongoing investigations into those incidents have served to further undermine the authority and popularity of Piñera.

But it was not just discontent from growing inequality that sustained Chile's unrest. One exacerbating factor was the use of social media, specifically Twitter where accounts from outside of Chile were fueling the flames of discontent. An analysis of 4.8 million tweets from 639,000 Twitter accounts with hashtags in favor of the protests in Chile during the peak of the unrest found that most of most of the accounts were not Chilean but Venezuelan, Nicaraguan and Cuban. On the other hand, the vast majority of tweets against the protests were Chilean.<sup>22</sup> This analysis is only a small window into the vast cyber enterprise used to push a very particular narrative, in this case against the Piñera government.

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<sup>22</sup> "Análisis Twitter Protestas en Chile," *ConnectalLabs*, November 26, 2019, accessed at: [https://github.com/connectalabs/riots\\_chile\\_analisis/blob/master/analisis\\_tweets\\_sobre\\_levantamiento\\_social.md](https://github.com/connectalabs/riots_chile_analisis/blob/master/analisis_tweets_sobre_levantamiento_social.md)



A second example of regional interference to stir domestic discontent was provided by Florencia Lagos Neumann, a Chilean activist and the former cultural attaché to the Chilean embassy in Cuba. In December 2019, Lagos Neumann gave a speech during the International Communication Conference in Caracas, where she described how despite identifying as a member of the primary collective at the negotiating table, she bragged about the organized nature of the protests in Chile and elsewhere while continuing to work with groups that are not negotiating with the government.

Another of the key individuals reported by Chilean intelligence to be coordinating the Chilean protests at the strategic level is Manuel Francisco Olate Céspedes (AKA Roque), a leader of Chile's Communist Party (PC). Olate was the organizer of the Chilean delegations, along with Bolivian and Argentine groups, that traveled to Colombia and Ecuador to be trained by the FARC from 2001 until the 2008 killing of senior FARC commander Raúl Reyes. Documents recovered from Reyes' camp showed Olate's extensive and ongoing ties to the insurgency and his instrumental role as the FARC liaison in the hemisphere.<sup>23</sup> In October 2010, he was arrested in Chile for terrorist financing (among other charges) after ties between Olate and the FARC were confirmed in a joint Chile-Colombia investigation. Chile denied Colombia's request for extradition and Olate was eventually released.<sup>24</sup>

In retrospect, given that the Chilean Communist Party had sent scores of its members to train with the FARC and these members ties to the FDSP and other local, radicalized, armed groups – coupled with Piñera's increasingly vocal opposition to the Maduro regime – the outbreak of violence was foreseeable. While the violence has ebbed significantly, the BJCE succeeded not only in crippling the Piñera administration but in placing the national constitution at the center of a debate that will further polarize the nation.

### *Ecuador*

Given the BJCE's deep hatred for Ecuadoran President Moreno, the unrest in Ecuador was widely anticipated. Moreno is viewed as a traitor to the Bolivarian project because he served as a loyal vice president and close personal friend to former president Rafael Correa – a stalwart of the BJCE – and ran for president promising a continuation of Correa's platform. However, upon taking office, Moreno almost immediately took a wrecking ball to Correa's legacy, realigning Ecuador with the United States and withdrawing from the Bolivarian alliance and the BJCE.<sup>25</sup>

While Moreno's government had been under increasingly threatening verbal attacks by Maduro, the government, overwhelmed with the Venezuelan migrant and refugee crisis and financially strangled by foreign debt payments to China, was ill-prepared to respond to the unrest. On October 3, 2019, a

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<sup>23</sup> For a more complete look the Chilean role in training with the FARC and developing an internal armed structure, including the role of Olate, see: "The FARC Files: Venezuela, Ecuador and the Secret Archives of 'Raúl Reyes,'" An IISS Strategic Dossier, International Institute for Strategic Studies, May 2011.

<sup>24</sup> <https://colombiareports.com/amp/colombia-requests-extradition-chilean-farc-ties/>.

<sup>25</sup> "Moreno delivers final blow to Correa's legacy" Latin American Newsletters, February 20, 2020, accessed at: [https://www.latinnews.com/index.php?option=com\\_k2&view=item&Itemid=6&id=83276&full=true&uid=33712&acc=1&at\\_id=821396](https://www.latinnews.com/index.php?option=com_k2&view=item&Itemid=6&id=83276&full=true&uid=33712&acc=1&at_id=821396)

fuel subsidy cut approved by Moreno as part of an IMF-backed austerity program went into effect, prompting immediate and widespread protests.<sup>26</sup> This economic measure provided the BJCE with the opening that they sought. Moreno responded to the increasingly violent protests by almost immediately declaring a state of emergency. As the protests continued and government buildings were under growing attack, Moreno moved the federal government's temporary headquarters to the western port city of Guayaquil on October 8.

Given the FARC's deep historic roots in Ecuador, the ELN's growing presence there in gold mining and cocaine trafficking, and the diminished but solid base of support for former president Correa, the BJCE had multiple avenues through which to work. While street protests are common in Ecuador – Ecuador's indigenous and civil protests have led to the ousting of three former Ecuadoran presidents – few mass protests included violent attacks on government buildings and physical threats to government leadership as these did. The successful targeting of the National Auditor's Office in Quito, where documents for multiple corruption cases against Correa were kept and burned in the attack, was of particular interest.

Among the groups involved in violence were a core who trained together with the FARC in 2018 at the clandestine New Life Camp near the town of La Merced as part of the School of Leadership Training 2018, according to Ecuadoran intelligence reports shared with the lead author. The group is in constant and direct contact with Correa who lives in Belgium to avoid prosecution in Ecuador, but who reportedly travelled to Venezuela and Cuba in late 2019. Even from afar, Correa tweeted dozens of times per day during the protests, often showing videos of alleged police brutality, calling for Moreno to step down, and supporting the protesters. In a video uploaded to twitter on 11 October, Correa stated that “it is Moreno that broke democracy and the law when he betrayed the government,” echoing the view of Moreno as a traitor, also demanding early elections and a return to the Bolivarian fold.<sup>27</sup>

The protests continued for 11 days, threatening the presidency of Moreno. On October 13, Moreno reached an agreement with the protesters, opting to withdraw from the IMF-backed austerity plan.<sup>28</sup> Unlike Chile's protests, which have been ongoing at a relatively low level of intensity, the Ecuadoran protests were relatively short lived but high intensity, ending in a negotiated agreement. This was only possible because one of the main protesting groups, the Confederation of Indigenous Nationalities of Ecuador (CONAIE) – a group with decades of protesting experience against governments – had once backed Correa but has since turned into a staunch adversary.

CONAIE leaders stated that Correa did not speak for their organization or the indigenous protesters as he had “criminalized and assassinated our comrades for 10 years,”<sup>29</sup> giving the indigenous group

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<sup>26</sup> Jose Llangari and Alexandra Valencia, “Ecuador declares state of emergency as fuel protesters battles police,” *Reuters*, October 3, 2019, accessed at: <https://www.reuters.com/article/us-ecuador-protests/ecuador-declares-state-of-emergency-as-fuel-protesters-battle-police-idUSKBN1WI25Q>.

<sup>27</sup> See: <https://twitter.com/MashiRafael/status/1182674533322493958>.

<sup>28</sup> José María León Cabrera and Clifford Krauss, *ibid*.

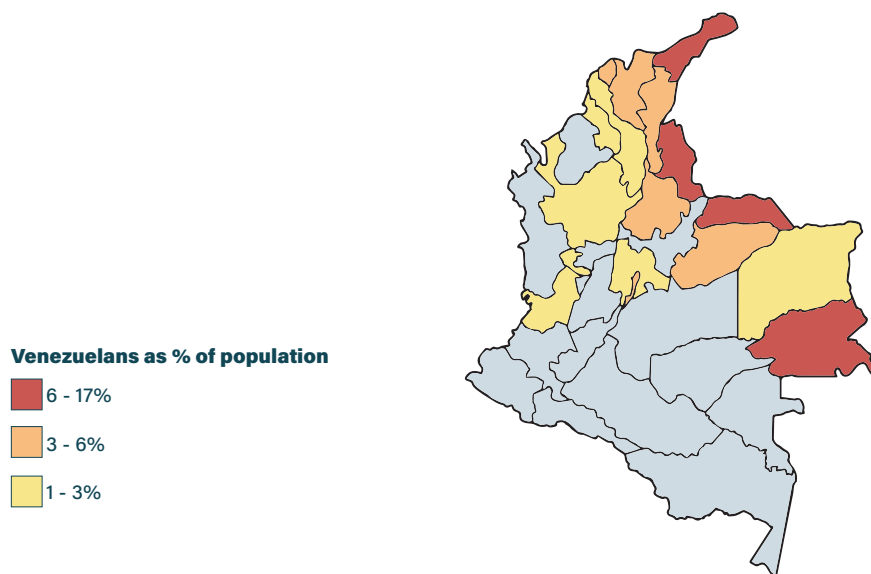
<sup>29</sup> See: <https://twitter.com/MashiRafael/status/1182789131535077376>

a motivation to settle with the government and break the cycle of violence. The indigenous leadership also noted that its past protests had not been violent and disassociated the movement from the burning of buildings and vandalism. While the Moreno administration's initial reaction was to panic and flee the capital, the BJCE and Correa appear to have overplayed their hand. While shock forces were mobilized and initially effective, the movement did not immediately carry over into long-term instability.

### **Colombia**

No country has been more impacted by the Venezuelan humanitarian and economic crisis, nor more reviled by the BJCE than Colombia. President Duque, a skeptic of the 2016 peace agreement with the FARC, which was signed by his predecessor Juan Manuel Santos, is particularly disliked for his hemispheric leadership in opposing the Maduro regime and his close alliance with the United States. Moreover, while the Venezuelan refugee crisis has affected countries throughout the hemisphere, it is most costly to Colombia.

The humanitarian crisis is costing the Colombian government hundreds of millions of dollars, meaning that most items in Colombia's budget, including for defense and security, are undergoing severe cuts. The International Organization for Migration (IOM) and the United Nations High Commissioner for Refugees (UNHCR) joint platform now estimates that Colombia is hosting 1.63 million Venezuelans as well as attempting to integrate several hundred thousand returned Colombians who previously fled to Venezuela during the height of Colombia's armed conflict.<sup>30</sup> Colombia has repeatedly stated that the border will remain open regardless of the number of Venezuelans who flee, in contrast to Ecuador and Peru who effectively closed their borders in the second half of 2019. This means that this migrant and refugee crisis will likely continue to deteriorate in the coming months and years.



**Figure 5:** Colombian departments by percent Venezuelan (source: OIM/UNHCR, Colombian Migration Czar)

<sup>30</sup> "Plataforma de Coordinación para refugiados y migrantes de Venezuela," *ibid.*

In addition to the refugee crisis, Colombia continues to battle well-armed and resilient internal non-state armed groups. The largest are the FARC and ELN. Marxist insurgencies have been actively combatting the Colombian government militarily and politically for more than five decades. The FARC has two large and several small blocs of armed “dissident” groups that refuse to adhere to the 2016 peace agreement with the government of Colombia. These groups operate in Colombia, Venezuela and Ecuador. Each group has ties to different political front groups. The ELN never negotiated a peace agreement with the government.

Both the FARC dissidents and ELN, each numbering more than 2,000 members, have highly disciplined, well-trained front groups that have operated on the edge of legality for years. These groups are primarily concentrated in the National University in Bogotá, other public universities, and labor unions affiliated with the Communist Party. While the FARC and its allies have traditionally dominated the political action theater of operations, Colombian police and military intelligence sources said the ELN has shown significant and alarming growth in creating and using new aligned political and civic groups.

Each main FARC dissident group is led by longtime senior FARC commanders who participated in the peace process, signed the agreement, then declared themselves against it. The largest is led by Gentil Duarte who controls forces both in southwestern Colombia/Venezuela and the central eastern Colombia/Ecuador border region. His group is directly involved in drug trafficking and illicit gold mining. The second, newer group is led by Iván Márquez, who was the FARC’s second in command and spokesman during the peace talks. Since signing the agreement, he has been tied, along with his top lieutenant Jesús Santrich, to cocaine trafficking operations. His group – while smaller – operates under the direct political protection of Tarek El Aissami in Venezuela and maintains international relations across the hemisphere with BJCE allies. This group recently welcomed into its ranks one of the most senior female FARC commanders Anayibe Roja Valderrama (AKA Sonia), who was captured by Colombian forces in 2005, extradited to the United States and convicted of drug trafficking. She was released from prison and returned to Colombia in January 2019. She was supposed to be tried for money laundering and other crimes under the special court system designed during the peace process for FARC commanders, but in August she appeared in a video with Márquez announcing the formation of his dissident group.<sup>31</sup>

The primary visible front group during the protests is the *Marcha Patriótica* (Patriotic March – MP), founded in 2012 at the beginning of the peace process and closely tied to the Colombian Communist Party (PCC).<sup>32</sup> One of the primary leaders is former Senator Piedad Córdoba, who is very close to the FARC, particularly Iván Márquez. The *Marcha Patriótica* is also close to the BJCE and is a member of the FDSP. The ELN maintains close ties to another collection of sympathetic groups under the umbrella organization title of the *Congreso de los Pueblos* (Congress of the Peoples – CP). Founded in the early 2000s, the CP has a much narrower geographic presence than the FARC and MP but has much

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<sup>31</sup> See: <https://www.rcnradio.com/judicial/sonia-se-presento-ante-la-jep-para-reiterar-que-no-ha-vuelto-las-armas>.

<sup>32</sup> Evan Pheiffer, “Colombia’s *Marcha Patriótica*: a politics of amnesia or apocalypse,” *Le Monde Diplomatique*, accessed at: <https://mondediplo.com/outsidein/colombia-s-marcha-patriotica-a-politics-of> .

deeper roots in the communities where it is active. The collective operates primarily in areas that are – or were historically – occupied by the FARC and the ELN.<sup>33</sup> In one sign of an emerging common strategy between the ELN and FARC groups, likely brokered at the FDSP meetings, is the fact that the CP twitter profile frequently retweets messages from the FARC political party’s page<sup>34</sup> and have released joint statements with the FARC and other sympathetic groups calling for the creation of a common agenda.

In that complex national context, indigenous groups and labor unions in Colombia announced a national strike on November 21 to protest proposed austerity measures, necessary in part because of housing and feeding millions of Venezuelan refugees.<sup>35</sup> As in Ecuador and Chile, there was genuine discontent with the government. Those participating were also protesting the dramatic increases in deaths for social and indigenous leaders since the 2016 peace accords. While the strike announcement came from indigenous groups and labor unions in early November, the number of groups protesting quickly grew to include a wide range of organizations including labor unions, student groups, indigenous communities, gender rights organizations, and others.<sup>36</sup> Many groups, particularly those linked to the FARC, ELN and other radical populist movements demanded a constitutional convention to rewrite the magna carta (already rewritten in 1993) and/or for president Duque to resign.

Like Chile, the national strike movement continued over several weeks and, after an initial burst of violent activism, grew both smaller and more peaceful. Both the MP and CP remain active in calling for ongoing civic protest though the protests were disparate at best going into 2020. Multiple public opinion polls show an overwhelming rejection to violence in the marches, perhaps due to the nation’s long history of internal armed conflict. It appears that, at least for the time being, the different groups have decided that weakening the Duque government and becoming part of a national dialogue on changing the government is enough.

### ***Bolivia***

The outlier in this wave of Latin American civic unrest is Bolivia as the protests unexpectedly swept out president Evo Morales, a stalwart and durable leader of the BJCE during his 14 years in office. While Chile, Ecuador, and Colombia demonstrated similar economic characteristics for prompting protests and similar exacerbating factors for prompting violence, in Bolivia the primary factors were political. A Morales resignation was neither planned nor expected, either by his supporters or opponents. On October 20, 2019, Bolivia held presidential elections there were almost immediate reports of flagrant voter fraud by OAS election monitors as well as Bolivian observers. After the computer system tallying the vote went down for more than a day, and subsequently showed Morales winning the election when the

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<sup>33</sup> “El Congreso de los Pueblos: ¿un movimiento bajo sospecha?” *ibid.*

<sup>34</sup> See for example: <https://twitter.com/PartidoFARC/status/1183215951791165441>.

<sup>35</sup> Adriaan Alsema, “Weather forecast for Colombia: perfect storm expected on November 21,” *Colombia Reports*, November 4, 2019, accessed at: <https://colombiareports.com/weather-forecast-for-colombia-perfect-storm-expected-on-november-21/>.

<sup>36</sup> Steven Grattan, “Colombia protests: what prompted them and where are they headed?” *Aljazeera*, November, 26, 2019, accessed at: <https://www.aljazeera.com/news/2019/11/colombia-protests-prompted-headed-191126163204600.html>.

server came back up, protests erupted throughout the county, primarily concentrated in the Santa Cruz region though, which is the economic engine of the country. An OAS investigation documented significant irregularities in the vote count and called for new, clean runoff elections that, despite his party's initial fraud, Morales was expected to win.<sup>37</sup>



**Photo caption:** Bolivian President Evo Morales and Venezuelan President Nicolas Maduro are two regular attendees at the Foro de Sao Paulo. **Photo credit:** InfoBaires24, Argentina.

Morales reluctantly agreed to a new vote, but by then, massive marches and protests had prompted the military and police to withdraw their support from the president. By October 30, two anti-government protesters were killed in Santa Cruz. On the same day, a letter signed by 2,933 military officers was presented to Morales stating that the armed forces were unwilling to crack down on anti-government protesters.<sup>38</sup> Finally, Gen. Williams Kaliman, commander of the armed forces and loyal Morales supporter, publicly ‘suggested’ Morales resign. The president, vice president, most of his cabinet and senior congressional leadership resigned before fleeing the country. This very abrupt and unexpected

<sup>37</sup> For a more complete look at Morales’ presidency and the run up to the elections see: Douglas Farah, “Bolivia: Silent Partner in the Bolivarian Joint Criminal Enterprise,” Interamerican Institute for Democratic Institute, October 2019, accessed at: [https://www.ibiconsultants.net/\\_pdf/democracy-paper-20\\_interior-pages.pdf](https://www.ibiconsultants.net/_pdf/democracy-paper-20_interior-pages.pdf)

<sup>38</sup> Mónica Machicao and Ernesto Lodono, “Bolivia’s Democracy Faces Pivotal Test as Unrest Spreads,” *The New York Times*, November 1, 2019, accessed at: <https://www.nytimes.com/2019/10/31/world/americas/bolivia-election-protests.html>.

move plunged the country into a constitutional crisis with a power vacuum for the presidency and Congressional leadership.

Given the likelihood that Morales would win in a runoff, it is not entirely clear why he opted to flee. The most coherent explanation is that, having lost touch with his hardcore supporters due to his extravagant lifestyle, increasing corruption and unwillingness to break the bottleneck with senior leadership to provide opportunities to a generation of young party members, Morales was totally isolated and afraid his own people were turning on him. On November 11, the day after Morales resigned, Jeanine Añez, an opposition senator who was the Senate's second vice president and senior remaining legislator in the constitutional order, announced herself to be Bolivia's interim president.<sup>39</sup> The MAS and Morales appear to have been caught off guard by the constitutional order.

Since her term as interim president began, she has made several bold moves, including forcing Venezuelan officials to leave the country while alleging that the Cubans in Bolivia were stirring the unrest in the country.<sup>40</sup> At the same time, the interim president has been criticized for her racist comments both in previous tweets against Bolivia's indigenous population and in her apparent desire to weaken the majority indigenous religious and cultural symbols in the state.<sup>41</sup> About ten days into her term, on November 20, the interim government began the process of calling for new elections and the MAS surprisingly announced that neither Evo Morales nor his vice president Alvaro Garcia Linera would be candidates for the MAS.<sup>42</sup>

Finally, showing how much ground Morales had lost, on November 23, a bill passed unanimously in both chambers of Bolivia's Congress – each with a two-thirds majority of MAS members – that paves the way for Bolivia to hold new elections on May 3, 2020.<sup>43</sup> Heading into 2020, the unrest in Bolivia seemed to have slowed and democratic order appeared to be returning. This changed in late January when interim president Añez announced that she would run in the upcoming elections, backtracking on her initial pledge to not run.<sup>44</sup> Two days later, she requested that all of her interim ministers resign as she

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<sup>39</sup> Ciara Nugent, "Bolivian president Evo Morales has resigned after nearly 14 years in power. Here's what to know," *ibid.*

<sup>40</sup> Daniel Ramos and Gram Slattery, "Bolivia blames Cubans for stirring unrest, ousts Venezuelan officials," *Reuters*, November 15, 2019, accessed at: <https://www.reuters.com/article/us-bolivia-election/bolivia-blames-cubans-for-stirring-unrest-ousts-venezuelan-officials-idUSKBN1XP1K3>.

<sup>41</sup> "The Bible makes a comeback in Bolivia with Jeanine Añez," *Open Democracy*, November 20, 2019, accessed at: <https://www.opendemocracy.net/en/democraciaabierta/qui%C3%A9n-es-jeanine-a%C3%B1ez-y-por-qu%C3%A9-desprecia-los-pueblos-ind%C3%ADgenas-de-bolivia-en/>.

<sup>42</sup> "Evo Morales will not be candidate in new Bolivia elections, his party says," *Reuters News Service*, November 21, 2019, accessed at: <https://www.theguardian.com/world/2019/nov/21/evo-morales-bolivia-candidate-movement-for-socialism>.

<sup>43</sup> Mitra Taj and Daniel Ramos, "Breakthrough in Bolivia as bill for new elections sails through Congress," *Reuters News Service*, November 23, 2019, accessed at: <https://www.reuters.com/article/us-bolivia-politics/breakthrough-in-bolivia-as-bill-for-new-elections-sails-through-congress-idUSKBN1XX0J1>.

<sup>44</sup> Daniel Ramos and Monica Machiacao, "Bolivia's interim President Añez shakes up election race with plan to run," *Reuters News Service*, January 24, 2020, accessed at: <https://www.reuters.com/article/us-bolivia-politics-anez/bolivias-interim-president-anez-shakes-up-election-race-with-plan-to-run-idUSKBN1ZO026>.

initiated a “new stage of democratic transition,” for Bolivia.<sup>45</sup> Beyond the anti-democratic backsliding by the interim government, it is also wracked with internal divisions and infighting, consuming valuable time and energy while the MAS, experienced in wielding power and pressure, reorganizes itself around Morales’ hand-picked candidate, Luis Arce.<sup>46</sup>

While Morales’ bid to run for a senate was disallowed by the electoral council, he has a broad public platform in neighboring Argentina under the protection of BJCE leader Cristina Fernández de Kirchner.<sup>47</sup> He will likely continue to play the role of victim of a U.S.-led military coup that is plunging the region back to the military dictatorships of the 1970s. Such rhetoric is the consistent narrative line that the BJCE is pushing in Chile, Ecuador and Chile. In short, their argument goes that any curbing of protests constitutes massive repression, all under the guidance of the imperial masterminding of the United States. It is likely that if the MAS decides to call for massive unrest, its members will mobilize. In retaliation, the newly empowered opposition civic groups in Santa Cruz and elsewhere in Bolivia could then respond violently to the MAS moves. The likelihood of ongoing violence and instability is high and will remain so even if new elections occur in 2020.

### ***Conclusions***

The Bolivarian Joint Criminal Enterprise, led by the Maduro regime has found a financial reprieve from the biting U.S. sanctions, likely through increased sanctions evasion efficiency with the help of extra-regional actors like North Korea along with the use of crypto currencies in collaboration with Russia. This has occurred at the same time that an estimated 15.5 percent of the Venezuelan population has fled the country over the last five years. Despite the economic collapse for the average Venezuelan, the new-found revenue sources signify that a short- or medium-term regime change in Venezuela is unlikely. To solidify its position, the BJCE is marshalling at least some of those resources to wage an asymmetrical campaign to delegitimize U.S. allies and regime opponents across the hemisphere.

Building on the massive Venezuelan migrant and refugee crisis that has crippled the region economically, the primary BJCE strategy is to identify growing social and economic protest movements caused by the resulting financial crises that can be turned into violent, prolonged social disturbances, at least on the margins. At the same time the BJCE is hosting solidarity forums to solidify its regional and international alliances, develop common strategies and tactics and strengthen the anti-U.S. hemispheric network. Russia, China, North Korea, Turkey, and Iran all play significant roles in this network. The strategy’s implementation – which relies on the hemispheric political structure of the FARC and other

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<sup>45</sup> Adam Jourdan, “Bolivia’s interim leader Anez asks ministers to resign after announcing election run,” *Reuters News Service*, January 26, 2020, accessed at: <https://www.reuters.com/article/us-bolivia-politics/bolivias-interim-leader-anez-asks-ministers-to-resign-after-announcing-election-run-idUSKBN1ZQ04D>.

<sup>46</sup> “Quiénes son los ocho candidatos que se postularon a la presidencia de Bolivia,” *Infobae*, February 4, 2020, accessed at: <https://www.infobae.com/america/america-latina/2020/02/04/quienes-son-los-ocho-candidatos-que-se-postularon-a-la-presidencia-de-bolivia/>.

<sup>47</sup> “Evo Morales: el Tribunal Electoral de Bolivia rechaza la candidatura del expresidente boliviano en las elecciones de mayo,” *BBC News*, February 21, 2020, accessed at: <https://www.bbc.com/mundo/noticias-america-latina-51582026>



revolutionary groups – has significantly weakened the governments of Chile, Colombia and Ecuador, forcing each U.S. ally to make significant concessions while using scarce resources to address the unrest. As a result, these anti-Maduro governments have less time and fewer resources to confront the Maduro regime, the broader BJCE network, or the economic crises in their own countries.

The overall result of the BJCE's strategy has been to significantly weaken the nations that are most strongly aligned with the United States and open new spaces for U.S. adversaries to operate. Going forward, the BJCE has publicly identified its next targets to include Brazil, Peru and Honduras. These warnings should be taken seriously, while understanding that the challenges in Colombia, Chile and Ecuador will continue to be a priority for destabilization from the Maduro regime and regime allies. Such trends will likely continue in the coming year unless the U.S. and its allies are more successful in shutting off the flow of financial resources to the Maduro regime. The BJCE must be treated as a regional and international network rather than a series of isolated cases of unrelated authoritarian and corrupt actors. The expansion of the BJCE has significant and lasting effects for U.S. security interests as well as the stability of the region. For the United States, such challenges include the ability of the U.S. to counter the flow of cocaine and other illicit products as well as the United States' ability to create stable, prosperous and democratic governments operating under the rule of law. These goals can only be accomplished with strong partners, most of whom are now under sustained attack.

## Annex 1 – Venezuelan Migrant Flows

Country	Population	Dec. '19	Feb. '20	Percentage	% Change
Colombia	49,648,685	1,630,903	1,630,903	3.28%	0
Peru	31,989,256	863,613	861,665	2.69%	-1,948
Ecuador	17,084,357	385,042	385,042	2.25%	0
Chile	18,729,160	371,163	371,163	1.98%	0
United States	327,167,434	351,144	351,144	0.11%	0
Brazil	209,469,333	224,102	253,495	0.12%	29,393
Argentina	44,494,502	145,000	145,000	0.33%	0
Panama	4,176,873	94,596	94,596	2.26%	0
Mexico	126,190,788	71,526	71,526	0.06%	0
Dominican Republic	10,627,165	30,000	34,000	0.32%	4,000
Trinidad & Tobago	1,389,858	21,000	24,000	1.73%	3,000
Guyana	779,004	17,000	22,000	2.82%	5,000
Aruba	105,264	16,000	17,000	16.15%	1,000
Curacao	161,014	16,000	16,500	10.25%	500
Uruguay	3,449,299	13,664	13,664	0.40%	0
Paraguay	6,956,071	3,818	3,818	0.05%	0
<b>Total</b>	-	<b>4,769,498</b>	<b>4,810,443</b>	-	<b>40,945</b>

The number of Venezuelans in each country as well as the rate of Venezuelans in relation to host populations  
**Source:** IOM/UNHCR platform and World Bank population estimates (last updated: February 5, 2020)

## Annex 2 – The Petro

As a way to avoid the financial constraints of US sanctions imposed in late 2017, Venezuelan president Maduro announced in early December 2017 that he was developing an official cryptocurrency for the nation, known as the Petro. By January 2018, Maduro announced 100 million “tokens” would be released in the initial sale of the Petro – given the oil backing of the currency, analysts calculated the cryptocurrency’s total value to be about \$6 billion.

In a departure from the design of other popular cryptocurrencies (like Ether and Bitcoin), the Petro was auctioned as a “pre-mined currency,” meaning the government would produce and control it.” The US officially banned all Petro transactions in March 2018. Until recently, only one sanctioned Russian bank, Evrofinance Mosnarbank, handled the currency. Evrofinance consists of a consortium of sanctioned Russian banks (50.1 percent) and a sanctioned Venezuelan state entity (49.9 percent). International investigative reporting found that Russian support was a driving force behind the Petro.





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