



Venezuela's 2018 Presidential Elections

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Venezuela's next presidential election is scheduled for May 20, 2018. Even though Venezuela is mired in a deep economic crisis, President Nicolás Maduro of the United Socialist Party of Venezuela (PSUV), who has served as president since 2013, is expected to be reelected for a second five-year term. The election is being boycotted by the Democratic Unity Roundtable (MUD) coalition of opposition parties due to a lack of guarantees that it will be free and fair. However, Maduro does face competition from Henri Falcón, former governor of the state of Lara. The electoral process in Venezuela has been dismissed as illegitimate by the United States, the European Union, and many other countries. Its results could trigger further sanctions on Venezuela by some or all of these states.

Unfair Playing Field with Limited Competition

Although many prominent Venezuelan opposition politicians had been imprisoned, barred from seeking office, or forced into exile by late 2017, some MUD leaders still sought to unseat Maduro through an election. Those leaders negotiated with the PSUV to try to obtain guarantees, such as a reconstituted electoral council, that could improve conditions for the 2018 elections. Ignoring those negotiations, Venezuela's electoral council called for elections to be moved up to April 22, 2018. The MUD declared an election boycott, a move backed by the United States and many other countries. Even after the electoral council moved the date back to May 20, 2018, the MUD maintained its boycott.

Venezuela's presidential election is shaping up to be minimally competitive. President Maduro and the PSUV control the electoral commission, courts, constituent assembly that has taken over most legislative functions, 19 of 23 governorships, and most municipalities. State media is promoting government propaganda. There are no internationally accredited election monitors observing the process. Observers are concerned about potential voter intimidation because of the government's placement of food assistance card distribution centers next to polling stations.

Most analysts maintain that President Maduro is using other candidates as pawns to provide a veneer of legitimacy for a contest he is sure to win, although a few predict that Henri Falcón could win. Falcón,

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who served as a mayor and a governor, is a former ally of deceased President Hugo Chávez standing for the Progressive Advance (AP) party, which broke with the MUD in January 2018. If elected, Falcón has promised to accept humanitarian assistance, dollarize the economy, and foster national reconciliation. Despite positive polling, Falcón's prospects have been hindered by the MUD's failure to back his candidacy. The only other candidate is a little-known evangelical minister, Javier Bertucci.

The elections are occurring within a climate of state repression. Security forces and allied armed civilian militias have violently repressed protesters and imprisoned government critics from the opposition and from the PSUV. President Maduro has purged military officers who dissent and arrested executives at the state-owned oil company, *Petróleos de Venezuela, S.A* (PdVSA).

Postelection Challenges

Many observers predict that even if President Maduro is reelected, he will face growing threats to his control over Venezuela. Domestic challenges include hyperinflation, a worsening humanitarian crisis, failing public services, dissent within the military, and a collapsing oil industry. Maduro also will face increasing international isolation, as the United States, the European Union, and the Lima Group of 14 Western Hemisphere nations will not recognize the election results and may take coordinated actions, including targeted sanctions and travel bans, to punish the regime. Additional international risks include bondholders or companies moving to seize PdVSA's assets or suing for the payments they are owed.

U.S. Policy

The United States has continued to speak out about setbacks to democracy and human rights under the Maduro government. As the political situation has deteriorated, the Trump Administration has imposed targeted sanctions (asset blocking and visa restrictions) on Venezuelan officials responsible for human rights violations, antidemocratic actions, and corruption pursuant to Executive Order 13692. The Administration also has continued to impose sanctions on Venezuela-linked individuals and entities for drug trafficking. In August 2017, the Administration restricted the Venezuelan government and PdVSA's access to the U.S. financial market. As of April 2018, the Administration had announced that it plans to provide at least \$21.4 million in humanitarian assistance to Venezuelans who have fled to neighboring countries.

On May 7, 2018, Vice President Mike Pence dismissed Venezuela's upcoming election as "a sham." Following the election, the United States may toughen its position. Policy options could include imposing additional targeted sanctions; providing technical assistance to other countries willing to impose sanctions; and supporting further action by the Lima Group, Organization of American States, United Nations, and others. Some observers could urge the Administration to impose sanctions on Venezuela's petroleum industry, although others have cautioned that such sanctions could inflict further suffering on the Venezuelan people.

Congress may take further action on Venezuela following the elections. Some Members of Congress have called for U.S. democracy aid, which totaled \$15 million in the Consolidated Appropriations Act, FY2018 (P.L. 115-141), to be increased. Congress also may consider authorizing humanitarian aid to Venezuela and neighboring countries, as well as overseeing the humanitarian funding that already has been provided. In December 2017, the House passed H.R. 2658 (Engel), which would authorize humanitarian assistance for Venezuela; a similar Senate bill, S. 1018 (Cardin), was introduced in May 2017. Some Members have called for temporary protected status for Venezuelans in the United States (H.R. 2161 [Curbelo]).

For additional information, see CRS In Focus IF10230, *Venezuela: Political and Economic Crisis and U.S. Policy*; CRS Report R44841, *Venezuela: Background and U.S. Relations*; CRS In Focus IF10715,

Venezuela: Overview of U.S. Sanctions; and CRS In Focus IF10857, Venezuela's Petroleum Sector and U.S. Sanctions.

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