



Research Report

Forum: Security Council

Issue : The Situation in Venezuela

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Personal Introduction

Hi all,

My name is Isabelle Schipper and I will be your deputy chair at CalsMUN 2018. I am 16 years old and am currently in the fifth year at the Stedelijk Gymnasium Haarlem. Since this will only be my second-time chairing so I am very excited! I hope that CalsMUN will be an educational and fun experience for everyone. Hope to see you all there,

Isabelle



Security Council

The Security Council is one of the primary organs of the United Nations. The main goal of the United Nations is to maintain international peace and security. This often includes creating treaties, including sanctions or, in some cases, peacekeeping operations. The Security Council is the only UN body that has the power to install binding resolutions (= there will be consequences if nations do not oblige).

The Security Council consists of 15 members, including the 5 permanent Veto-powers (the P5). These are France, The United Kingdom, The United States of America, China and The Russian Federation. If one of these nations disagrees with a resolution, it has the power to veto it. This means the resolution does not pass even if all other member nations are in favour of it. (NB this is the main reason some critical issues do not get solved in the SC). The other 10 members are elected biannually.

In MUN, the Security Council is often a committee with quite experienced delegates (if you're not, don't worry- you'll learn fast!) In line with the real Security Council the P5 nations are allowed to veto amendments or resolutions (Please don't do this all the time as it leads to very unconstructive debate).

The Security Council is an Ad Hoc committee. The process of ad-hoc debate is:

1. Member state submits amendment (Clause)
2. Approved by chair
3. Debate on the amendment
4. Vote on the amendment (veto, in favour, against)
5. Amendment gets included in the resolution.



Issue: The Situation in Venezuela

Introduction

Venezuela is large country situated in south America, bordering the Caribbean Sea, Colombia and Guyana. Due to the large supplies of fossil fuels, Venezuela has experienced large economic growth in the past. However due to an overdependence on the oil industry the economy has collapsed, resulting in a huge inflation. Combined with the increase in authoritarian behaviour and de-democratization of the government this has caused mass-protests and emigration.

General Information

The Oil Curse

The problem dates back to the presidency of Hugo Chavez – the last president of Venezuela. The economic policy of this socialist president consisted on the exploitation of a single natural recourse, oil.



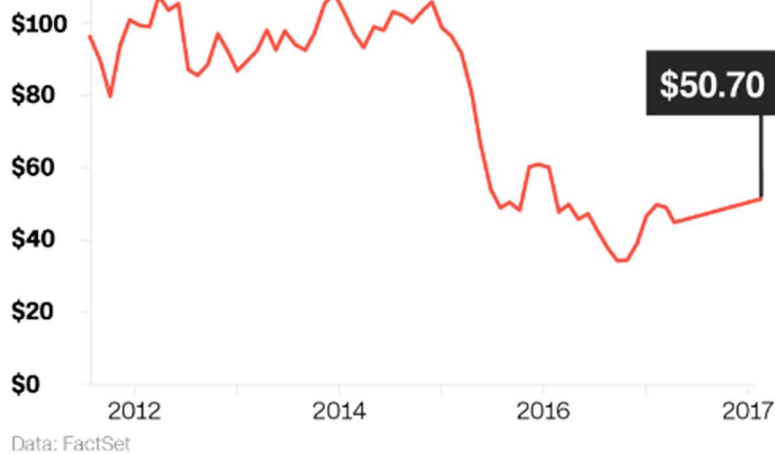
Due to the huge oil reserves (largest in the world) this went well for a very long time. As a result of the huge profits in the oil industry other industries were widely neglected. This was compensated by an almost 50% reliance on imports on necessary goods such as foods, toiletries etc. Even in the days of President Chavez this policy was the cause for economic strain. But with the oil prices at an ultimate low, a real food crisis has arisen. Because so little profits are made in the oil



business, the Venezuelan government is unable to import all the basic products. Fearing losing control, it has also denied all foreign help.

Plummeting oil prices put economy in reverse

Crude oil prices over last 6 years



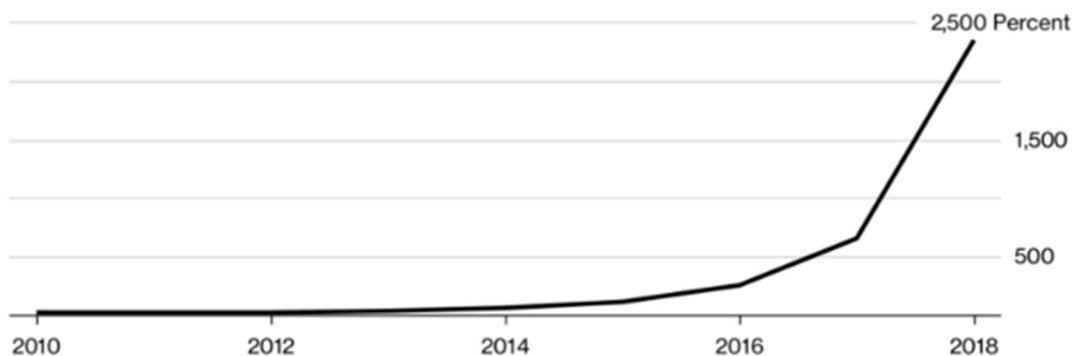
Inflation

According to the International Monetary Fund (see major countries & organizations involved) the inflation rate in Venezuela will reach 2300% in 2018. This is the highest inflation rate ever to be tracked by the IMF. This is data calculated by the IMF seeing as the Venezuelan government has stopped publishing inflation data since 2015.

Venezuela's Out of Control Inflation

Consumer prices are forecast to jump 2,349.3% in 2018

■ IMF Venezuela inflation projection



Source: International Monetary Fund World Economic Outlook. 2010-2015 figures from April report, 2016-2018 figures from October report

Bloomberg

The result of this inflation is an increasing amount of poverty resulting in malnourishment. Since the local salaries are unable to keep up with the inflation rate,



most food items have become way too expensive for most people. The average Venezuelan citizen has lost almost 19 pounds due to this food crisis. This phenomenon is dubbed the 'Maduro Diet' as the president said it will make you tough.

Power Play

Going hand in hand with the economic situation is the politic situation. Venezuela is divided into 2 groups: The Chavistas and the opposition. The Chavistas have always supported Hugo Chavez and Nicholas Maduro for their attempts to lift Venezuela out of poverty. They are also for the PSUV (United Socialist Party), the leading party in Venezuela, of which both presidents are members. However, there is also a large group that claims that since the PSUV came into power in 1999 they have tried to usurp the populations democratic rights.

Since power was transferred to Maduro, support for the PSUV has wavered. Maduro doesn't have to power to inspire the population as Chavez had done and the economic crisis has eroded a lot of loyal followers. This has caused tensions between the government and the population.

These tensions heightened further when the Supreme Court ruled that is was taking over the powers of the National Assembly on the 29th of march. The national assembly can be seen as the 'tweede kamer' in the Netherlands and is mostly controlled by the opposition. However, due to the mass-protests this ruling was reversed 3 days later.

In light of these events the opposition released 4 key demands:

- General Elections in 2017
- Release all political prisoners
- Allowing foreign help into the country
- Removing all judges involved in in the 29th of march ruling from office.

Maduro did not comply with these requests. Instead he created a 'Constituent Assembly', a body with the task to draw up a new constitution. Opposition fears that this is a ploy to increase Maduro's power and push back presidential elections (December 2018).

Results

Due to the food shortage, many people are trying to leave Venezuela. 57% of the population (12m people) have reported wanting to leave the country, to a survey. They are also the third largest group of people applying for visa's to the USA. People with less economic means are mostly trying to get to other Latin-American nations.



Previous Attempts to solve the issue

Seeing as this is a very recent issue, that has not yet been resolved, there aren't really any previous attempts to solve the issue. The United States have tried using diplomatic and economic tools to get Maduro to restore democracy to the nation.

Possible Solutions

Some possible solutions to solve this problem could be to either support Maduro to help dim the unrest or to help the opposition to write out new elections as soon as possible. This raises the questions whether or not the UN has the power to do that, seeing as Maduro was a democratically elected leader. What should first and foremost be done is to get the necessary food and medical supplies to the starving population.

Major organizations/countries involved

Organisations

IMF (International Monetary Fund)

Although the Venezuelan government have not formally asked for foreign help, the IMF has started working on a plan that could solve the crisis. This, however, would require 30bn of international help.

Countries

The United States of America

Since the outbreak of unrest in South-America due to a migration crisis would be very unbeneficial for the US, they have a large stake in seeing this issue solved. Regarding their history with other socialist leaders in Latin America (aka Cuba), they are not afraid to start military actions. The Trump Administration has already put sanctions against Maduro and other officials.

Chile

Chile's fairly easy immigration process has made it a lucrative destination for migrants. Due to the extremely long trek across the continent mostly young people have decided to head there. Chile has offered some good scholarships to Venezuelan refugees.



Columbia

After the Venezuelan government reopened the borders to Columbia in 2014, many people have migrated to this nation. While Columbia has benefitted from Venezuela's skilled oil industry workers, it can't cope with the mass flow of refugees any longer. Therefore they have started deporting Venezuelans without official papers.

Venezuela

Of course Venezuela is the largest party involved in this. The most positive outcome for this nation is that the presidential elections actually continue next year and the problem resolves itself. Since that is very unlikely to happen it is torn between its government and its starving population.

Timeline of related events

1999: Hugo Chavez becomes president of Venezuela

2013: Chavez dies, Maduro takes over

2015: Oil prices Plummet

29th March 2017: Supreme Court Ruling concerning the National assembly

1st April 2017: Supreme court reverses ruling

1st of may: Maduro announces the creation of the constituent assembly

December 2018: Scheduled presidential elections

Key terms

Inflation: The reduce of the worth of money in a country



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