

We affirm, Resolved: The United States should end its economic sanctions against Venezuela.

Our sole contention is that Lifting Venezuelan Sanctions Will Prevent an Economic Crisis.

Venezuelan sanctions are a tragedy instigated by the United States. [Michelle Jeria, United Nations Human Rights Chief](#) stated in August: [Venezuelan sanctions] significantly exacerbate the crisis for millions in terms of access to food and health...US measures...bring additional hardship to the Venezuelan people, who were already suffering from...hyperinflation and a deep recession.

However, lifting sanctions provides hope for Venezuela, in three ways.

First is by sparking the oil economy

Oil is the bedrock of the Venezuelan economy. [Depersio in June of 2019](#) quantifies: “oil comprises 95% of Venezuela’s exports and 25% of its...GDP”. Moreover, [Kumar of Reuters](#) reports prior to sanctions, “Venezuela’s oil exports to the [US were] the primary cash resource for its state-owned oil [companies]...On average, [the country] exported about 500,000 barrels of crude [oil] a day to the [US].”

Unfortunately, American sanctions have devastated the industry. [The Congressional Research Service in 2019](#) writes: the US has enacted targeted sanctions on PdVSA, the company controlling 90% of Venezuela’s oil market. Overall, [Rodriguez of the Washington Post](#) writes “after the latest round of...sanctions...oil production fell by 400,000 barrels per day, leading to \$8 billion in foregone export revenue.”

The struggling industry has rippling effects throughout Venezuela. [Vidisci of Foreign Affairs](#) concludes: “without the money it makes from exporting energy products, Venezuela has struggled to import everything else its people need. As a result, Venezuelans are facing widespread shortages of food, medicine, and other basic supplies.

Removing sanctions allows Venezuela to access its largest oil trading partner, restoring their economy to pre-2017 levels.

The second is by accessing international markets.

Along with oil sanctions, Trump has essentially sanctioned any international actors cooperating with the Venezuelan regime. [Crowley of the New York Times](#) reports: “while the sanctions prohibit doing business only with the Venezuelan state, they...harm the country’s...private firms...[struggling] to find suppliers...abroad.” The reason is simple. Crowley continues: foreign

“financial institutions will be cautious not to make dealings with Venezuelan private sector firms, which could be perceived as proxies for the Venezuelan government.”

[Rendon of CSIS](#) writes the threat of sanctions as well as the prohibition of buying Venezuelan bonds to provide the country with capital have isolated Maduro from critical international markets.

The third is by allowing aid

Although they're supposed to be calibrated to let aid into Venezuela and financial interactions with internal NGOs, US sanctions often impede important work, in two ways.

- A. Through outside aid. [Salama of the Wall Street Journal '19](#) writes that the Trump administration has been very poor in delineating financial lines to allow for aid to flow through, often times unintentionally blocking things such as food and medicine.
- B. Through blocking support for internal organizations. [Tokar](#) of the Wall Street journal this year writes: “U.S. sanctions...[have] made...banks skittish about doing business with...humanitarian organizations distributing food and...supplies [to Venezuela]. Independent nonprofit[s]...have had...bank accounts closed and transactions frozen as financial institutions take precautionary steps to comply with sanctions.” He concludes: “nonprofits...that don't have...name recognition...remain especially vulnerable”

Overall, because of these complications, [Fox of DW '19](#) finds: “300,000 people...lack access to medicines or treatment because of sanctions...[including treatments for] ... dialysis ... cancer ... and...HIV”

The impact to improving Venezuela is decreasing poverty.

[Parraga of Reuters two days](#) ago quantifies: due to sanctions, “Venezuela’s oil exports plummeted 32% last year”, [imports are now one-tenth of peak 2012 levels](#), and [their economy has shrunk 26%](#). Consequently, [Viscidi of Foreign Affairs](#) quantifies three-fourths of Venezuela now lives in poverty. [The CSIS](#) concludes sanctions have led to 40,000 deaths in one year alone, with more expected as the crisis worsens. Ultimately, the plummeting economy and refugee crisis would not exist in a world without sanctions.

Vote for the people of Venezuela, vote to remove sanctions, and affirm.

American sanctions prevent Venezuela from expanding the oil industry. Michelle DiGruttolo, a senior director at the Latin American Advisor explains this year: The latest sanctions will ensure that trading on both Venezuelan government-issued bonds and PDVSA bonds remains at a virtual standstill....sanctions will increasingly restrict access to cash and hinder his ability to move petroleum.

Only lifting sanctions can create an opportunity for economic restructuring.

<https://www.pbwt.com/bankruptcy-update-blog/an-update-on-the-venezuelan-debt-crisis-a-lack-of-regime-change-and-continued-u-s-sanctions-delay-prospects-for-a-near-term-debt-restructuring>

Without lifting sanctions, Venezuela's economy will be plunged into economic darkness.

Specifically, sanctions make Venezuela teeter on the brink of a debt default.

This would create massive pain not just for the target country, but Latin America as a whole.

Historically, defaults would have blocked off the light of hope.

We affirm **Resolved: The United States should end its economic sanctions against Venezuela.**

Our sole contention is American imperialism.

Jen Kirby, foreign reporter for Vox, elaborates that the Trump administration has been piling on sanctions on Venezuela in the hopes that the pressure will alienate Maduro and lead to a regime change within the country.

However, US sanctions against Venezuela are counterproductive.

[Guillame Long](#), president of the IRC corroborates that sanctions underestimate the resilience of Maduro's base and rests on the idea of overwhelming popular support for the opposition, modeling policies off of the Reagan era of the 1980's rather than the reality of the situation, where Venezuela is much more polarized than the US acknowledges.

[Michael Penfold](#), professor of Political Science at the IESA, finds that Maduro, not surprisingly, shifts blame for the deepening economic crisis and violence onto the United States to reduce pressure on his own administration. Thus, Penfold explains that imposing economic sanctions is playing into the hands of government officials by giving the government more excuses to jail opposition leaders and censor news. Overall, [Andrew Cawthorne](#) explains for Reuters that the sanctions are leading to nationalist sentiment that will rally strained support among the traditional power-base of Venezuela's poor and unite Socialist Party factions, allowing Maduro to take advantage of the situation with the United States.

US sanctions only make the crisis in Venezuela worse by dooming Venezuela's oil industry in four ways.

First — International Exclusion. [Mark Weisborot](#) from the CEPR reports that US sanctions have eliminated Venezuela's access to the financial industry, preventing them from borrowing any money to fuel oil production in times of crisis.

Second— Payments. Global correspondent for Foreign Policy [Keith Johnson](#) explains that because drilling companies are not getting paid as much or at all, drilling has greatly slowed.

Third — Technology. [Patricia Layla](#) from The Washington Post adds that sanctions have prevented American companies from selling Venezuela the important technology needed to refine oil and make it sellable.

Fourth— Market Access. The Economist Intelligence Unit writes that American sanctions a) prevent Venezuela from selling their high demand oil to America, depriving them of large sources of income, and b) have deterred major US companies from cooperating with or investing in Venezuelan oil.

Overall, [Krumanev 19](#) quantifies that American sanctions cut Venezuela's oil exports by 2/3rds and economist [Francisco Rodriguez](#), who did an analysis of 95% of the world's oil, finds that Venezuela's oil industry is on the steepest decline ever seen from a country not in war in the history of the world, specifically because of US sanctions on the industry. The Economist Intelligence Unit concludes that US sanctions are the biggest cause for the collapse of the Venezuelan oil industry.

Rodriguez continues that American threats to other nations is leaving Venezuela with no partners to turn to, causing the inevitable demise of its oil industry.

The collapse of Venezuela's oil is detrimental.

[Clifford Kraussek](#), energy expert for the New York Times finds that because 90% of Venezuela's hard currency comes from one oil company, US sanctions have the ability to cause a 26% reduction in economy size.

These sanctions are worsening the humanitarian crisis in Venezuela. [Watt in 2018](#) reports that prices are rising more than two million percent per year and the country's minimum wage, worth around \$6 per month, buys little more than a tray of eggs. Venezuelans are prevented from buying critical food and medicine, especially because [90% of Venezuelans are in poverty](#). [In fact](#), more than 300,000 people in Venezuela are at risk because of massive medicine shortages, $\frac{1}{3}$ of the doctors have fled the country, and medical equipment is rare. [9 out of 10](#) Venezuelans cannot afford food and almost 10 million Venezuelans only eat one meal a day. Overall, [Daniel Larison in 2019](#) concludes that the sanctions on Venezuela are a major contributor to the [40,000](#) Venezuelans that have died since 2017 and [Erica Sanchez](#) finds that almost 40% of Venezuelans have dropped out of school to support their families.

Value life and affirm.

Nurah and I negate **Resolved: The United States should end its economic sanctions against Venezuela.**

Contention one is a military intervention.

Foreign policy expert [Andres Opp](#) finds that while Trump cares very little about spreading democracy, he has a particular interest in Venezuela because of his desire to win Florida's Cuban-American and Venezuelan-American votes in the 2020 election. That's why Trump is ramping up his aggressive rhetoric against Venezuela, leaving military action on the table. In fact, [Macleod](#) reports that the United States has already supported multiple coups to depose of the current Venezuelan government.

[Sesin and Ledermin](#) corroborate that current Venezuelan-Americans appreciate Trump's harsh stance against Maduro, which the Trump administration is counting on for votes, which is why Andres finds that the Trump administration is concerned about losing ground in Venezuela or seeming weak to his base.

Without sanctions, Trump's hardline stance would fall apart and his only alternative would be a military intervention.

This closely mirrors the 1989 US invasion of Panama to oust Panama's military dictator. However, [Jeremy McDermott](#) explains that a military intervention in Venezuela would be much worse than Panama, having international repercussions because of Russia, China, and Columbia's influence in Venezuela. He concludes that a situation like Panama replicated in Venezuela would look more like the Iraq war than anything else.

The Iraq war killed [2.4 million people](#). A situation like this would be disastrous.

Contention two is the oil crisis.

Abigail Wheeler of Wesleyan University explains in 2017 that Venezuela relies solely on the oil sector for revenue. In fact, economist [Greg Depersio](#) quantifies that 95% of Venezuela's exports and 25% of Venezuela's total GDP come from oil revenue. Unfortunately, Wheeler continues that this sort of system will inevitably lead to boom bust cycles, where a fall in oil prices will cause the economy to lose revenue.

This is specifically bad in Venezuela, because the volatility of oil prices tends to lead to poor governmental decisions because of the corrupt system and lack of accountability. Patronage, clientelism, and embezzlement proliferate as Venezulean politicians engage in inefficient redistribution to buy political support or use oil revenue as their personal piggy bank.

Thankfully, OPEC is stabilizing prices. KUNA in 2019 explains that in order to increase demand for oil in the next 3-5 years, OPEC decided to make producers cut oil production. US sanctions ensure that Venezuela is also cutting its oil production in 2 ways.

First--Payments. Global correspondent for Foreign Policy [Keith Johnson](#) explains that because drilling companies are not getting paid as much or at all in the tight economy, drilling has greatly slowed.

Second--Market Access. The Economist Intelligence Unit writes that American sanctions a) prevent Venezuela from selling their high demand oil to America, depriving them of large sources of income, and b) have deterred major US companies from cooperating with or investing in Venezuelan oil.

This is really good because Teran in 2019 reports that if US sanctions are lifted, Venezuela would immediately flood the market with an additional 1 billion barrels of oil per day, leading to massive instability within the oil sector.

Stability in oil is really important for two reasons and the first is the global market

Steven Auston explains for the UN in 2015 that because modern oil exploration is financed through bonds and bank loans, reducing oil prices would trigger a stock market collapse if and when producers default on their loans, snowballing into an effect similar to the 2008 recession. Unfortunately, the IMF finds that something of this caliber would push 900 million people into poverty.

Second is geopolitics.

Terry Karl of Stanford University in 2016 explains that whereas expensive oil provides political stability, collapsing the value of oil destabilizes regimes. For countries heavily dependent on oil revenue, low prices create weak currencies, inflation, growing debt, deficits, rising food prices, and soaring poverty. Unfortunately, he concludes that low prices are a catalyst for the rise of global conflict that could take millions of lives, giving countries every incentive to take aggressive nationalist political action abroad to deflect attention from deteriorating economic conditions at home. In fact, he finds that Putin's plunge into Syria was a direct cause of oil instability.

Thus, we urge a neg ballot.