

Last week saw a seismic shift in the fortunes of Venezuela's ruling Socialists United Party (PSUV). The future is not bright for these guys.

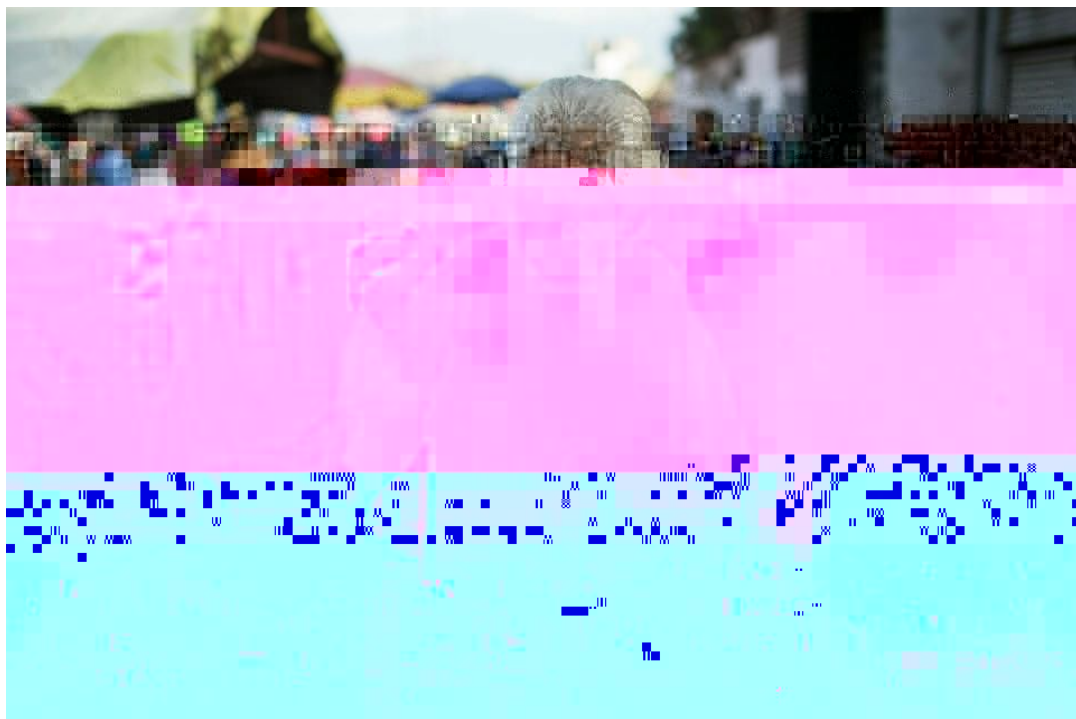
The leadership of the U.S. and European Union called for new elections and no longer recognized Nicolas Maduro as the country's president. But way more important than that was the fact that out of the hundreds of thousands of people that protested against PSUV, thousands were from the shanty towns and some were from the so-called "collectives"—PSUV's makeshift, subsidized vigilantes who, until now, have been in Maduro's back pocket.

For the past year, they have all witnessed their friends and family get laid off, go without food, go from working class to destitute, or high-tail it with nothing but the clothes on their backs into Brazil and Colombia. Over 3 million of them have fled Venezuela thanks to the mayhem of the Maduro Administration.

PSUV is a shadow of its former self. Gone are the heydays of the oil boom and El Comandante Hugo Chavez, the Che Guevera of the 2000s. All that money is gone or hidden in safes in some general's mansion in Los Roques.

The only thing keeping Maduro in power is the military brass. For many Venezuelans, and surely for some of the foreign policy establishment in Washington, these guys are up to no good. Some are in the narco trafficking trade, left open from the fall of the Cali and Medellin cartels of Colombia. PSUV has gone from Chavez's experiment with Cuba-style socialism, to what many consider nothing but a criminal gang.

Find me a PSUV official who is broke. Venezuela, on the other hand, has defaulted on every bond issue except the PdVSA 2020s, maturing next year. Guess who is going to have to pay for that? Not the wealthy (what's left of them), who live their lives in dollars.



A woman is offered cash as she begs at a wholesale food market in Caracas, Venezuela, Monday, Jan. 28, 2019. Economists agree that the longer the standoff between the U.S.-backed opposition leader Juan Guaido and President Nicolas Maduro drags on, the more regular Venezuelans are likely to suffer. (AP Photo/Rodrigo Abd) photo credit: ASSOCIATED PRESS

It's not easy to survey Venezuelans. Many have fled. Some won't talk. In May 2017, Vanderbilt University's Latin America Public Opinion Project (LAPOP) survey showed that only 18% admitted they would vote for PSUV. That was a year before a vote was actually held. Maduro's courts disqualified numerous opposition candidates who had a chance to beat him. He was sworn in for his second term on January 10.

The LAPOP poll was conducted in 2017.



"There seems to be the view in Washington that the only thing keeping PSUV afloat is their drug money, and the rest is oil, Russia and China," says Lupu.

Russia and China have been financing Venezuela in order to help PdVSA oil production. Russia also promised free shipments of grain.



Jorje Arreaza, Venezuela's foreign minister, speaks during a United Nations Security Council meeting in New York, on January 26, 2019. Secretary of State Mike Pompeo took the U.S. effort to recognize Juan Guaido as Venezuela's rightful leader to the United Nations, part of a broader campaign to replace President Nicolas Maduro, and said the choice is between freedom and mayhem. Photographer: Jenah Moon/Bloomberg photo credit: © 2019 Bloomberg Finance LP © 2019 Bloomberg Finance LP

Despite calls from European leaders like Emmanuel Macron for PSUV to allow elections, something they promised two years ago, there appears to be no obvious scenario for them to step down. It would require some sort of national reconciliation between the opposition parties, including left-wing opposition parties and the ruling Socialists United. A national reconciliation would also require amnesty for PSUV officials, both elected and appointed, who are known drug traffickers.

"It's a fairly large group of people you'd have to provide protections for," says Lupu about PSUV. "You have a population—the vast majority now—that wants something different than this government."