
ARTICLE

Uncovering the 5 Major Causes of the Food Crisis in Venezuela

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Venezuela has been experiencing a food crisis for almost a decade. Rampant undernourishment of the population, coupled with empty shelves in the market, is gaining international attention as a humanitarian emergency. However, the causes of the crisis remain divided into two major arguments posited by the government and the opposition in a “blame game”. Both factions have made serious contributions to the outbreak of the food crisis. Through analysis of various data sources, this study was able to identify five major causes of the food crisis: (1) dependence on oil, (2) poor political infrastructure, (3) political power over welfare, (4) hoarding and reselling of goods in the black market, and (5) U.S. sanctions in the Venezuelan economy.

Keywords: Food Crisis; Venezuela; Bolivarian Regime

Introduction

Reports of an ongoing food crisis continue to plague the air of Venezuela. Food crisis, as defined by the Food and Agriculture Organization of the United Nations (2015) (FAO), exists when people do not have adequate physical, social, or economic access to food. Moreover, it's visible when people are experiencing a sharp rise of hunger and malnutrition (Timmer, 2009), which is currently exhibited in Venezuela's case. The majority of academic studies, media reports, and articles have attributed the food crisis to the Bolivarian Regime put in place by Hugo Chavez and continued by Nicolas Maduro. This is because food shortages occurred in the midst of Chavez's administration and worsened during the term of Maduro. Despite the evidence, the government has played an almost passive stance on the subject.

In 2017, *El Pais* reported research on the 2017 Survey on Life Conditions of Venezuelans, which began in 2014, conducted by researchers at the country's three notable academic institutions: Simon Bolivar University, Andres Bello Catholic University, and the Central University of Venezuela (Singer, 2018). In their research, they stated that more than half of Venezuelans live below the poverty line, some in extreme poverty. Furthermore, food insecurity has affected 80% of Venezuelan families.

For many families, going shopping for basic staples in the grocery feels as luxurious as it is to buy a car (Manetto, 2017). An 85% shortage of medicines has created an unprecedented public health crisis. Adding salt to the wound, most international aid agencies are prevented

from working inside the country, leaving Venezuelans to fend for themselves (Human Rights Watch, 2019).

This article addresses the food crisis in Venezuela.¹ In order to uncover the causes of the food crisis in Venezuela, we present several matters that contextualize the problem. These include an overview of the food crisis, an introduction to the Bolivarian regime, the oil industry, and the Bolivarian Social Funding Policies. A qualitative research approach was used to identify the major cause of the Venezuelan food crisis and to explain how these causes led to the crisis. The researcher takes into account that some Latin American news agencies are biased against the government. However, they are used throughout this study, as news agencies have firsthand accounts of the development and timeline of the food crisis. To ensure that both the government and the opposition are covered, articles and reports on sources defending each side were carefully reviewed. The majority of the materials utilized through this study are secondary, including research papers, journal articles, and media reports. A few primary sources are used, including an excerpt from a speech and the Venezuelan constitution.

Introducing the Bolivarian Regime

Hugo Chavez was elected as the new president of Venezuela in 1998. He kicked off his regime by proclaiming his influential and mass-supported desire to overhaul the Puntofijista, the neoliberal regime before him. The Puntofijista system was criticized as highly oligopolistic in nature as it primarily benefited the elite (Levine, 2002). Elfenbein (2019) expounds this statement by concluding that the liberal structure of the state meant that the government redirected the national budget from social protection and economic development programs to debt

payment. This meant that policies shifted and reduced the state's role in social protection, spurring weakened organized labor, increased prices, and social and income inequality (Ellner, 2008).

Chavez became the face of transformative hope in Venezuela as he coined his new regime, "The Bolivarian Revolution". The term "Bolivarian Revolution" was inspired by the revolutionary spirit of 19th-century Venezuelan leader Simon Bolivar, who fought Spanish colonialism (TRT World, 2019). With the Bolivarian Ideal in place, Chavez brought forward policies that he believed were needed to transform the society from a bottom-up process (Azzellini, 2013). *Misiones*, which were heavily funded by oil were the central policies in the Bolivarian regime. Chavez's vice president, Nicolas Maduro, took his place after his death in March of 2012, and continued to expand the *misiones* in pursuit of Chavez's Bolivarian ideal.

The Powerhouse of the Bolivarian Regime: Oil Industry

Venezuela possesses the largest oil reserves in the world (OPEC, 2018; Richter, 2019), setting a foundation to its economy. Venezuela is one of the founding members of the Organization of the Petroleum Exporting Countries (OPEC), and is a key player in the global oil market (OPEC, 2018). According to the CIA World Factbook (2020), Venezuela remains dependent on oil revenues, accounting for 98% of export earnings and half of the government's income. This dependency on oil is reflected on the country's 1999 constitution through the state-owned oil company:

TITLE IV SOCIOECONOMIC SYSTEM

Article 303: "For reasons of economic and political sovereignty and national strategy, the State shall retain all shares of Petroleos de Venezuela, S.A. or the organ created to manage the petroleum industry, with the exception of subsidiaries, strategic joint ventures, business enterprises and any other venture established or coming in the future to be established as a consequence of the carrying on of the business of Petroleos de Venezuela, S.A."

With a staggering amount of revenues amounting to US\$60 billion (Rodriguez et al., 2012) in 2011 alone, oil has become the most influential and important asset in the regimes of Chavez and Maduro. The oil industry has been used for the establishment of the domestic agenda, providing the country with the foreign exchange it needs to support and manage the important consumer goods, providing fuel to the Bolivarian Revolution (Nelson, 2018).

The Bolivarian Social Funding Policies

Misiones

Venezuela's national income increased during the oil boom in the 2000s. The oil prices ranged from \$10 a barrel during 1999 to \$133 per barrel in 2008 (Nelson, 2018). The government of Venezuela seized this opportunity to allocate their oil earnings to social programs and the

expansion of subsidies for food and energy. Chavez's earliest socialist funding policy implementation was the *misiones* or the "missions to save the people" (Penfold-Becerra, 2007). The *misiones* were crafted to serve the poor areas of the country, alleviate existing socio-economic problems, and encourage participation amongst communities.

Rajagopal (2017) stated that *misiones* consist of more than thirty social programs, covering a wide variety of subsidized aid. These ranged from literacy programs, provision of access to education in rural and urban areas (Mision Robinsons & Mision Ribas), free community health and medical care (Mision Barrio Adentro), low-income housing construction, jobs, and opportunities through the promotion of cooperatives (Mision Vuelvan Caracas), and subsidizing food and other consumer goods for the poorest areas in the country (Mision Mercal).

The *misiones* are financed through opaque and non-budgetary mechanisms. The president and his cabinet manage a special fund that receives the oil revenues directly from the state-owned oil enterprise, Petróleos de Venezuela, S.A. (PDVSA). This dependent relationship signifies that any movement or change from the oil sector will affect the programs' activities. The *misiones* have become the cornerstone of Chavez's popular support and his campaign strategy for winning subsequent elections at the regional and local levels in late 2004, as well as his re-election as president in December 2006.

The *misiones* act was also surrounded by the following major social funding policies.

Mercales Mision: The State-Subsidized Food Market

The establishment of state-subsidized food markets, or the *Mercales*, is Chavez's most important program promoting food security (Clark, 2010). Also termed as "national food", this policy consisted of hundreds of cheap and subsidized foods directly distributed to the poor through the creation of discount stores throughout the country (Penfold-Becerra, 2007). The Mission Mercal was passed through a presidential decree and created under Article 305 of the 1999 Constitution of the Bolivarian Republic of Venezuela, ensuring that the people to have access to basic food products at low prices (Embassy of Venezuela to the U.S., 2009).

Chavez's attempt to shift from neoliberalism was further embodied when he formed bilateral agreements with neighbors Brazil and Argentina. By 2006, almost 16,000 stores in Venezuela were selling subsidized food at about 25%–40% cheaper than market prices. In this agreement, Venezuela offered them oil and the former two offered food in return. Mercal offers milk, tomato sauce, bread, fish, fruit, meats, flours, seafood, bread, cheese, cereal, eggs, pasta, coffee, margarine, sugar, oatmeal, raisins, cooking oil, chicken, salt, and rice, all priced between 25%–50% below traditional supermarket prices (Wagner, 2005).² The government was deeply committed to sustaining the Mercal market's prices through \$24 million monthly subsidies from their own country's oil revenues. These subsidies also came in the form of price controls imposed by Chavez's government on the imported goods. These price controls have generated

ongoing conflict with the private sector and is often blamed for the ballooning rates of inflation in Venezuela (Mars, 2016).

The “Agro-Food” Policy of Chavez: Reinventing Agricultural Production

More than oil, Venezuela is also abundant in agricultural resources, particularly cacao and coffee. Agrarian reform was not a policy pursued by Chavez's predecessors, despite the country having agrarian roots. On the contrary, they were more focused on maximizing agricultural outputs rather than the conditions of the grassroots farmers. By year 1998, small- and large-scale farms made up 75% of the country's landholders, but the majority of the farmers only held 6% of the land, while 5% of landowners controlled 75% (Delahaye, 2001). Chavez believed that this system would not yield optimal results for production, and a land reform must be instituted.

In 2001, Chavez implemented a 2001 Land Law, with the aim to distribute underutilized rural land property in favor of peasant or farmer-led drive (Purcell, 2017). For Chavez, allowing the farmers to lead agricultural production and distribution with no government oversight would ensure that the land would be put into productive use. He did not believe in letting the “invisible economic hand” gain control. A non-believer and a constant critic of free-market policies, Chavez constantly voiced his opposition to neoliberalism, especially in his speeches. This further establishes his ideology and the reason behind his Bolivarian policies, which is a stark shift from neoliberalism. Among the most notable is his speech at the opening of the 2004 XII G-15 Summit (Chavez, 2004):

This is the harsh and hard face of the work economic order dominated by the Neoliberalism and seen every year in the south, the death of over 11 million boys and girls below 5 years of age caused by illnesses that are practically always preventable and curable and who die at the appalling rate of over 30 thousand every day, 21 every minute, 10 each 30 seconds... The great possibilities that a globalization of solidarity and true cooperation could bring to all people in the world through the scientific-technical wonders has been reduced by the neo-liberal model to this grotesque caricature full of exploitation and social injustice.

Adhering to this mindset, Chavez assigned the Ministry of Popular Power for Agriculture, the main coordinator of the policies promoting food security, to offer services such as credits, expertise, and agricultural inputs at low costs to farmers. The government also worked with Cuba, exchanging oil, once more, for Cuban expertise (Wilpert, 2006). Since this land reform, the government has distributed over a third of the land holdings, largely benefitting 180,000 peasant farmers (Schiavoni & Camacaro, 2009). However, during this process, around 200 farmers were assassinated by mercenaries hired by local landowners who were bitter about the Land Act (Clark, 2010).

The core of the Agro-Food policy is the Production Enterprises or *Empresas de Produccion Social (EPS)* that are led by farmers instead of private capital. An EPS is a food processing facility that purchases goods from farmers at a minimum price. Consequently, the final products are distributed and sold through food processing facilities that purchase produce from farmers at a fair minimum price. The output products are sold relatively cheaper through the government's Mercal markets. However, it is worth noting that the bureaucratic state members were responsible for the creation of the EPS, thus also being responsible for the implementation of its processes. This meant that it veered away from the idea of being farmer driven. Because the bureaucratic state members were responsible for its creation, they also led the implementation of the processes of the enterprises, veering away from being farmer driven.

For basic smaller entities than the EPS, another strategy centered in the agricultural policy is the establishment of the *Unidades de Produccion Social (UPS)*. UPS operates as a state marketing board that presents where farmers can market their products at a regulated floor price (Purcell, 2017). The strategy's intent is to provide consumers with cheaper goods and market price stability.

The government also made ambitious investments in the Agro-Food policy's Plan Café. This policy aims to help small and medium scale farmers sell their coffee products to the UPS. As previously stated, because of the floor price under the UPS board, the final products are sold to consumers for very low prices. It was set up by Chavez to mitigate the decline in coffee production and encourage new production.

Maduro's social funding policies still dependent on oil PDVSA is Venezuela's state-owned oil company. PDVSA, under Maduro's regime, remained to be the financial engine of social spending for Venezuela. The government also maintained close ties and relied on deals with Russia and China as an exporter of cheap oil and gas. During Maduro's regime, his government maintained close ties and relied on deal with China, United States, India, and Singapore as expected as an exporter of cheap oil and gas.

However, as they continue to rely heavily on oil revenues, global oil prices started dropping in 2014 (Cara Labrador, 2019). The fall in oil prices resulted to sluggish economy led by commodity price shocks, local currency devaluation, and necessities in short supply, which created serious unrest and unease among society (Mu & Hu, 2018).

Maduro's CLAP Policy

To address the country's economic crisis, doubling inflation rates, and food shortages that resulted from the drop in global oil prices, Maduro introduced another program in 2016 called “CLAP” or the “Comité Local de Abastecimiento y Producción (Local Committee for Production and Supply)” (Jimenez, 2016). Jimenez further states in his article that CLAP aims to strengthen the subsidized food distribution system and provide direct house to house

food distribution to communities based on the evaluate needs.

Under this system, the government directly purchases foods from both the public and the private suppliers and arranges them in packages. Through the coordination with community organizations, the mixed food packages are being distributed among individual households. CLAP is delivered in medium-sized boxes composed of imported basic food items – rice, flour, sugar, etc. – which Venezuelan families are now dependent upon (Rendon, 2018). The role of CLAP boxes in contributing to the food crisis is discussed in the appropriate section below.

Although not all social funding policies of Chavez and Maduro's regime were mentioned, the researcher chose the most oil-reliant, globally recognized, and widely used policies of Venezuelans (Rajagopal, 2017). The policies and programs implemented displayed various enacted measures to attain food security grounded by endogenous development and participatory democracy – the two tenets of the Bolivarian ideal. These policies have been realized through state patronage, subsidies, price controls, and oil trade-offs, as well as an increased social role. As O'Brien (2016) acutely puts it, "Never has a country that should have been so rich been so poor".

The succeeding section will discuss how Chavez and Maduro's social policies, along with two other major causes, led to the Venezuelan food crisis.

Causes of the Food Crisis

Food Crisis Cause #1: Dependency on Oil

The near-decade-long rise in oil prices allowed the Bolivarian regime, specifically under Chavez, to increase both spending and borrowing. Friesen (2018) stated that with the global oil boom, Chavez continued to implement his social funding programs and subsidized almost all goods and services for consumers to purchase at a relatively low price. He also introduced nationalization of more private industries to ensure price controls. However, in the same article, Friesen adds that these actions sowed the seeds for the future inflation crisis. Hugo Chavez, make good on his pledge to harness the nation's oil wealth to fund welfare programs aimed at redressing inequality and poverty.

Chavez utilized the nation's oil resource wealth to fund social programs, notably the *misiones*, and address class inequality. From subsidies for numerous projects on health, food, housing, and agriculture, the government's spending obligations were high. Then, the global price of oil dropped. As the currency's value fell, the cost of imported goods rose (Morgenstern, & Polga-Hecimovich, 2019). Chavez's regime left no hope for an independent recovery of the resource-rich nation, provided that Chavez's social policies and numerous price controls remain rampant even in Maduro's administration (Rajagopal, 2017).

Like many petrostates,³ Venezuela has struggled to diversify its economy, leaving it vulnerable to boom-bust cycles. Venezuela failed to diversify their economy, relying only on oil production to fund its policies and keep the economy moving (Sabga, 2019). This has left Venezuela vulnerable to boom-bust cycles of oil prices.

Food Crisis Cause #2: Poor Political Infrastructure

The second cause of the food crisis in Venezuela is the poor policy infrastructure, particularly for the Land Act and the Agro-Food policy. When the Land Act was implemented in 2001 as an important component of the Agro-Food policy, Chavez hoped that distributing land amongst farmers would result in maximum production of agricultural goods at a lower cost. However, Chavez did not anticipate that the immediate distribution of land would cause a conflict between landowners and peasant farmers. This conflict eventually led to the death of 200 farmers. Previous landowners hired mercenaries to assassinate the peasant farmers after seeing the act as a sudden attack against private property. In regards to the land redistribution process, Greg Wilpert (2006), founder of a Venezuelan news agency, argued that "...problems with the legal framework, general insecurity, and impunity, weak peasant organization, poor infrastructure and support, and economic problems" have prevented progress.

In addition to the weak process of implementation of the Land Act, there has been difficulty in depopulating the urban areas to replace the farmers in the rural areas. This is because a majority of Venezuelans fled to the urban centers where they could easily get a hold of cheaper and subsidized goods, as well as acquire employment. In fact, Lavelle (2014), stated that oil-producing regions in Venezuela experience higher local wages, further eroding agriculture profitability. Because of the diminished productive capacity, a shortage of agricultural goods in the market took place.

Chavez was also in pursuit of the Agro-Food policy that sought to offer generous amounts of credits from oil revenues to smallholder farmers to start cooperatives (Pineiro-Harnecker, 2005). With this Agro-Food policy, Chavez sought to revive the agricultural sector and offer incentives for farmers. Further, he aimed to sell agricultural goods at a lower cost in his *mercals*. As a result, there has been an exponential rise in the number of cooperatives, from 877 in 1998 to 69,231 in 2006 (SISOV, 2010).

Regardless, a year later, it was discovered that many, if not the majority, of these cooperatives were actually small businesses disguised as such, in order to milk their government's assistance. Because of this, many of the cooperatives did not become economically viable and sustainable (Lavelle, 2014). Isaacs et al. (2009) argue that cooperatives failed due to lack of peasant and farmer training and a more efficient system that monitors the cooperatives being started. Ultimately, the fall of the agricultural sector could be attributed to the government's weak oversight and their mere offers of generous credit to poorly trained and inexperienced farmers. The collapse of these cooperatives resulted to a loss of tens or hundreds of millions of dollars, accompanied by market shortages (Pineiro-Harnecker, 2009).

Food Crisis Cause #3 Political Power over Welfare – Carnet de la Patria Policy and CLAP Policy

The third cause of the food crisis in Venezuela is the political use of welfare. Despite Maduro's proposed premise that Carnet del la Patria and the CLAP policy would

alleviate scarcity and starvation, many news and academic articles have condemned these policies as weaponizing hunger and prioritizing a political agenda of power maintenance. Researchers and news writers have labeled ID cards as government surveillance (Ragas, 2017). Because CLAP boxes are only given to people who vote for the government through their ID cards, it becomes an ultimatum that restricts their liberty to vote in place of receiving food.

Since majority of the goods in the CLAP boxes are from neighboring countries, this exacerbates the country's dependence on industrialized foods, instead of focusing on a strategic and transformative food policies. In fact, CLAP deliveries have even become avenues for corruption. Findings and investigations have suggested that those overseeing the program are making profits by increasing the price of the CLAP boxes sold. What was once a \$12 CLAP box would become \$35, a change made by the facilitators of the programs themselves (Aponte & Martinez, 2018; Rendon, 2017).

Although it was Maduro's objective to reduce the country's dependence on foreign food, this hasn't been actualized through the existence of CLAP. In reality, 90% of products inside the box were goods imported from Mexico and neighboring Colombia. In the same way, this also raises the concern on health, because there have been assertions that the distributed food often fails the basic health quality standards, which involves spoilage and unsanitary conditions (Rendon, 2018).

The Economic War: Added Pressure from Internal and External Opposition

The fourth and fifth causes of the food crisis stem from the economic war between Venezuela and the opposition. As with any radical shift from neo-liberalism, the Bolivarian Regime of Chavez and Maduro was bound to receive criticism against internal and external liberal opposition. The private entities benefiting from the *puntofijista* regime responded negatively to the social funding policies of Chavez and even Maduro. The pro-government groups argue that the food crisis can be explained in terms of the social and economic dynamics that come to play outside government policies.

This argument is coined as the "economic war". It holds that business sectors friendly to the opposition are waging an aggressive and protracted campaign of economic sabotage to deliberately stir up social unrest to destabilize and discredit the governing Chavista regimes (Bolton, 2016). In her book, "The Visible Hand" (2017), Pasqualina Curcio-Curcio explains that the shortages were not to be blamed entirely on the government but were manufactured by the private sector too. As much as the opposition denies this case, evidence still exists that while they are not wholly to blame, the opposition has had a hand in aggravating the food crisis.

The Oil Lock-Out

One of the earliest displays of the opposition against the Bolivarian regime was the violent oil lock-out strike in 2002. Workers at PDVSA rallied to force a new presidential election to get rid of Chavez. To enhance their

collective force, PDVSA stopped its oil production for two months, which caused an almost \$14 billion loss in oil revenue. (Kozloff, 2006). Furthermore, the oil lockout resulted to the Chavez administration's reduced capacity to push for their social programs or *misiones*, as these were heavily funded by oil revenues. This also caused a scarcity outbreak in regards with the delivery of goods, especially food, which were left to rot unattended in warehouses. Because petroleum wasn't available, transportation of goods from the production centers to the shops or markets were halted. In the aftermath of the strike, the government fired 18,000 PDVSA employees, 40% of the company's workforce, for "dereliction of duty" during the strike. The oil lockout strike collapsed in February 2003, and Chavez remained seated as president. This event is considered as one of major catalysts of the Chavez opposition (Vera, 2014).

Food Crisis Cause #4 Hoarding and Re-selling of Goods in the Black Market

The Bolivarian government's price controls for goods and services has wounded the profit gains of producers. This has created a disincentive for the private industry to 1) invest in production and 2) produce goods. Underproduction became a phenomenon in Venezuela until little to no food was left. Instead of selling their products in *mercal* stores, many producers hoard their products and resort to selling them in the black market where prices are controlled by the producers (Kaplan, 2016). Francisco Luzon, a Venezuelan working class, said in an interview with Al Jazeera (Arsenault, 2014):

There is some truth about the economic war from private entities, as they want to increase profits. Distributors buy large quantities of products here and sell them in Colombia. Selling contraband is a serious problem. People here are taking large quantities of products meant for Venezuelans and selling them in Colombia.

The disproportionate prices in the Venezuelan market due to strong state and exchange-rate issues has enticed black-marketers and hoarders to smuggle them across neighboring borders, particularly Colombia. While black markets were artificially made to raise exchange rates and promote capital flights to reduce production (Nakatani & Herrera, 2008), producers now rely on black markets to receive dollars. However, what the Bolivarian government refers to as hoarding, speculation, and sabotage is referred to simply as disinvestment by liberal economic analysts. According to the liberal economic analysts, the producers who hoard are simply rational actors responding to the opportunities for arbitrage offered by the isolated application of price controls (Levingston, 2014).

Food Crisis Cause #5: U.S. Sanctions and Their Impact on the Venezuelan Economy

The fifth cause of the food crisis in Venezuela is U.S. imposed sanctions. Among Venezuela's major challenges is its tension with the United States, a well-known cham-

pion of neoliberalism and democracy. Ever since Chavez's administration, the U.S. has been determined for a regime change in Venezuela. Qg: Divya Malhotra from the Centre of Air Power Studies (2017) foresaw that the U.S. would soon use the humanitarian crisis in Venezuela as proof of the failure of Venezuela's socialist regime. The paper stated that given that the West has labelled the current situation in Venezuela a "humanitarian disaster," further sanctions would reduce the petro-dollars coming into the country. Given that the U.S. is one of Venezuela's major importers, this has negatively affected the implementation of social programs because of inadequate funds to support such initiatives.

In August 2017, U.S. President Donald Trump's administration levied financial sanctions on the Venezuelan government and the state-owned oil and gas company, PDVSA, limiting their access to U.S. financial markets and their ability to remit or even service outstanding debt obligations (O'Neil, 2018). The sanctions were one of Trump's bids to pressure Maduro out of presidency (Eaton, 2019; Macias & Imbert, 2020).

In addition, President Trump announced a full embargo against the Venezuelan government, blocking all transactions with some exceptions for humanitarian aid (Rendon, 2019). Because oil is the sole driving force of the economy, imposing sanctions on PDVSA drove down the country's economy further, exacerbating the crisis.

Venezuelans, even those who supported the government opposition have expressed their dislike for the U.S. sanctions as these terribly affect the government's ability to earn oil revenues that could import food. These actions could cause further hardship for Venezuelans if the regime does not fall quickly (which has been the experience with other sanctioned regimes), resulting in more refugees (O'Neil, 2018).

Conclusion

Venezuela continues to suffer a food crisis and the "blame war" between the government and the opposition helps no one. While a majority of the media, journal articles, and reports attribute the crisis to the supposed failure of the Venezuelan government under Chavez and Maduro, this article sought out and studied both sides of the debate to uncover the truth.

This article tackles the five major causes of the food crisis while taking into account the faults of both the Chavez and Maduro administration, as well as external and internal opposition. The first major cause of the food crisis is the administration's dependence on oil, a volatile resource, to support its social programs and policies. As soon as revenues from oil dried out, there was no more fuel to keep the programs running.

The second cause is poor political infrastructure over Venezuela's agricultural policies. Distributing land and loans for farmer cooperatives who were poorly trained and inexperienced led to a loss of a million dollars and the fall of the agricultural industry, creating market shortages (Piñeiro Harnecker, 2009). Prioritizing political power over welfare is the third cause of the food crisis. Majority of the goods in the CLAP boxes are from neighboring countries,

exacerbating the country's dependence on industrialized foods, instead of focusing on a strategic and transformative food policies. In addition to that, CLAP boxes have also become avenues to corruption.

The fourth and fifth major causes of the Venezuelan food crisis relate to the economic war. Activities of external and internal opposition contributed largely to the food crisis. The hoarding and re-selling of goods in the black market (fourth cause) by the opposition to make a profit led to food shortages in the *mercals*. Private industries despised the nationalization of companies, feeling as it is an attack on private property. This was followed by price controls, wherein producers lost the incentive to produce due to poor profit earnings. The fifth and final major cause of the food crisis is the U.S. sanctions. A major player in the economy and a key exporter of Venezuela's oil, the U.S. sanctions largely affected the food crisis. U.S. sanctions on Venezuela's oil has inspired countries like Canada and the EU to do the same (Sabga, 2019). In addition, Al Jazeera (2019) reported Bachelet stating that sanctions will worsen the crisis in Venezuela given that most of the earnings derive from a large share of U.S. exports, directly affecting Venezuela's purchasing power of imported goods.

The main objective of this article was to discuss the causes of the food crisis in Venezuela. Solutions to this food crisis were not the focus of this article. Other papers could fill the gap by exploring recommendations to resolve the food crisis. Some possible solutions include (1) cooperation between the pro-government and the anti-government forces; (2) reforms in the Maduro government; (3) toppling the Maduro government; or (4) support of international organizations to provide humanitarian and other assistance.

Notes

- ¹ This article is based on the author's undergraduate thesis submitted in 2019 entitled: Venezuela's Food Crisis: An Analysis of Chavez and Maduro's Bolivarian Social Funding Policies and Their Implications on Food Sovereignty.
- ² A news website from Venezuela that was founded by Gregory Wilpert.
- ³ States that are known to be dependent on oil revenues.

Competing Interests

The author has no competing interests to declare.

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