

Vaulting Ambition

20th July 2020

The business of politics and the politics of business continue unabated despite the coronavirus crisis, and recent events in London's High Court have proven that for some, it is all about the money, money, money. Venezuela holds \$1bn USD of gold bullion in the vaults of the Bank of England, but an attempt to retrieve this by the Maduro government was rejected since, in the eyes of the court, the UK had officially recognized Juan Guaido, and thus Maduro had no claim to it.



Few observers seriously believed the assertion that this money was needed to tackle domestic Covid-19 outbreaks – but such a decision, whatever its merits, might be calculated more for the UK's political posturing and not out of a genuine desire to make a difference.

Unquestionably, disallowing Maduro the bullion is the right thing to do. His government has a track record of corruption on a grand scale and a supposedly socialist government does nothing to help the millions living in poverty – it hardly needs saying that Venezuela's coronavirus response was one of the worst in the world and that this \$1m USD was not destined for its healthcare service. However. The reason given for the denying of the funds was the assertion that the UK no longer considers Maduro to be the rightful leader of Venezuela and, by extension, all of the apparatus of the state which he commands to be misused. This would be fine, except that there has been no reputation of diplomats (either expelling Maduro's representatives from London or bringing the UK's home from Caracas), no attempts at the United Nations to attempt to pass a resolution on the matter and no indication that the UK will re-apply European sanctions following its final break from EU jurisdiction in December. Keeping the bullion in the Bank's vaults may hit Maduro where it hurts, but by itself it is far from enough.

Political protestations and shows must be made, all parties understand this (likely even Maduro). Britain gets to take a strong stand against what it perceives as a corrupt and authoritarian regime, Venezuela gets to rail against what it perceives as a coup-fomenting power under the American thumb. But action such as this, without sustained and open pressure in the courts, the diplomatic chambers and public forums, risks being seen as performative. What, for instance (leaving aside the question of whether Maduro or Guaido is the 'rightful' President), does Guaido get out of this? He might have the knowledge that the bullion is considered his, but without taking control of the economic and political structures in Venezuela he cannot make use of it, rendering the gesture nice but perhaps ultimately futile.

This undoubtedly is known by the government, which would welcome the court ruling: this way, Britain emerges in credit without actually having to make good on its expressed intentions. This kind of ‘performative politics’ is held up as taking principled stands against distasteful regimes, when in fact it is dipping the merest toe in the water to create the impression of depth. Similar perhaps, to the billionaires who make great hay out of donating the occasional million dollars to charity when they know, just as much as everybody else, that they could do so much more.

Venezuela’s problems will not be solved by any one directive, and the core of the decision is itself good... but when it remains resolutely unmatched by sustained and meaningful action, one can only conclude that the attitude to a regime such as Venezuela is “wait and see”, which is – and particularly so in the current climate – rarely good enough.

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