



How Iran Is Helping Venezuela Stay Afloat, For Now

May 4, 2020 **Ilan I. Berman** *The Washington Times*

Related Categories: Democracy and Governance; Energy Security; Human Rights and Humanitarian Issues; Iran; Latin America

What is Iran up to in Latin America? Even as it grapples with a massive domestic health crisis caused by the coronavirus pandemic, Iran's clerical regime appears to be working overtime to prop up its most significant strategic partner in the Western Hemisphere.

A new expose by Bloomberg has outlined how the cash-strapped regime of Venezuelan dictator Nicolas Maduro is now sending tons of gold to the Islamic Republic. Mahan Air, the dedicated airline of Iran's feared clerical army, the Islamic Revolutionary Guard Corps, is said to have ferried the equivalent of half-a-billion dollars in gold bars from Caracas to Tehran in the last week of April alone.

The shipments appear to be payment for Iran's assistance to Venezuela's struggling economy. Years of pervasive economic mismanagement and political misrule under Mr. Maduro have fundamentally destabilized the country, and caused a massive exodus of its citizenry in recent months. The country's main source of revenue, its oil industry, has been particularly hard-hit.

Venezuela's national oil firm, known as Petroleos de Venezuela SA, or PdVSA, is said to be struggling to stay in business — and its precarious situation has been made even worse by recent price shocks in the global energy market. Iran has apparently been a help in this regard and is now said to be providing the Venezuelan oil industry with shipments of much-needed blending materials, as well as with workers and refining equipment that the Maduro regime desperately needs.

The effort isn't simply transactional, however. Rather, it reflects Tehran's deep and abiding interest in keeping the Maduro regime afloat. Beginning in 2007, Mr. Maduro's predecessor, larger-than-life strongman Hugo Chavez, helped provide Iran with a crucial gateway into the Western Hemisphere at a time when the Islamic Republic was increasingly isolated on the world stage.

Over the years that followed, Iran's regime deftly parlayed that opening into a strategic foothold in South and Central America — one built on political and economic ties, as well as intelligence cooperation, with an array of anti-American and leftist regimes (including Bolivia, Nicaragua, Ecuador and — for a time — Brazil and Argentina).

Thirteen years on, Iran is still deeply interested in maintaining a strategic presence in the Western Hemisphere. But the region, once a permissive environment for both Iran and its proxies, has become increasingly hostile to the Islamic Republic's intrusion of late. Over the past year, four separate regional governments — Argentina, Paraguay, Honduras and Colombia — have all taken the important step of blacklisting Iran's most important proxy group, Hezbollah.

Several more (including, critically, Brazil, the region's most robust economy) might do so in the near future. This tightening of the legal noose represents a remarkable reversal of fortune for the Lebanese militia, which has enjoyed tremendous freedom of action in the Americas over the past three decades. And it has left Iranian officials worried that they could be losing the influence that they have so carefully cultivated in Latin America over many years.

All of which has made Iran's strategic partnership with Venezuela more vital than ever. That is why, despite being hard hit over the past two years by the Trump administration's "maximum pressure" campaign, and more recently by the impact of the coronavirus, which has caused a truly national catastrophe, the Iranian regime is nevertheless committing tremendous resources to helping prop up Mr. Maduro's corrupt one.

How long it can continue to do so, however, is another matter altogether. For the moment, Mr. Maduro is capable of paying Iran to help him prolong his hold on power, thereby defraying the costs of Iran's assistance. But his ability to do so won't last forever. At that point, keeping its fellow rogue in business will become a much, much heavier burden for the Iranian regime to bear.