

# Venezuela: Massive Embezzlement Scandal Threatens Juan Guaidó's Political Future

The big event that was supposed to be Guaidó's watershed moment has instead turned out to be a public-relations failure far worse than his quickly quelled attempted military coup.

By [Alexander Rubinstein](#)

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*The political party of **Juan Guaidó** — *Voluntad Popular (Popular Will)* — was never all that popular to begin with. The [sixth largest](#) political party in Venezuela, Popular Will is heavily [financed](#) by the United States Agency for International Development (USAID). Now, a recently exposed embezzlement scandal in Colombia risks to further alienate the party from the Venezuelan people.*

What was supposed to be Guaidó's watershed moment has instead turned out to be a public-relations failure far worse than his quickly quelled attempted military coup, which [MintPress News reported](#) caused even the *New York Times* to describe Guaidó as "deflated."

What happened in Colombia appears to be so damning that not only is the Colombian intelligence service leaking documents exposing wrongdoing by Popular Will representatives appointed by Guaidó, but the Organization of American States (OAS) — which is typically just as pro-opposition as the Colombian government — has called for an investigation.

In a [tweet](#) issued June 14 at 10:47 p.m. Venezuela time, Guaidó called on his ambassador to Colombia — whom he had shut out of the aid event — to formally request an investigation by Colombian authorities, whose already-existing investigation is the reason the story came out in the first place. That was more than [four hours](#) after Secretary General of the OAS **Luis Almagro** called for an investigation that would clarify the "serious charges," identify those responsible and effectuate accountability.

But Guaidó had already been well aware of the charges, having dismissed his appointees who appear to be ringleaders of the embezzlement scheme. According to the report, he was contacted by the journalist who exposed the scandal 30 days before the story was published.

## What happened in Cúcuta isn't staying in Cúcuta

There's barely a peep about the scandal in the Western press. A Google News search for "Juan Guaidó scandal" and "Popular Will scandal" turned up nothing of relevance at the time of this article's writing. But on Latin America social media, everyone is buzzing about it. American journalist **Dan Cohen** appears to be the first to highlight the scandal to an English-speaking audience.

It started with a request from Juan Guaido to billionaire investor and [regime-change enthusiast](#) **Richard Branson**.

Associates of Venezuelan coup frontman Juan Guaidó embezzled funds raised in Cúcuta, Colombia for humanitarian aid and lavishly spent it on hotels, nightclubs and expensive clothes. This is a monumental scandal! Great work by [@OrlvndoA](#). <https://t.co/W8Rm3o306N>

— Dan Cohen (@dancohen3000) [June 15, 2019](#)

The stated purpose of the concert was to help raise funds for humanitarian aid and spotlight the economic crisis. At least that's how it was billed to Americans. To Venezuela's upper class, it was [touted](#) as the "trendiest concert of the decade."

It was to be a congregation of the elite with the ostensible purpose of raising funds for the poor. One director of Popular Will [told](#) *Vice News* in 2014 that "the bulk of the opposition protesters are from the middle and upper classes and are led by Venezuela's elite." The class character of the opposition has not changed since.

Meanwhile, USAID was to coordinate the delivery of aid alongside Guaido; and **Elliot Abrams**, who in Guatemala used "humanitarian aid" as cover for the delivery of weapons into the country, is running the White House's policies toward Venezuela. And so the aid was widely criticized, even by the International Red Cross, as politicized. By others, it was called a Trojan Horse.

The concert was held in Colombia across a bridge linking the country to Venezuela. International media had claimed Venezuelan **President Nicholas Maduro** had the bridge shut down to prevent the delivery of aid, and **Secretary of State Mike Pompeo** demanded that the "Maduro regime must LET THE AID REACH THE STARVING PEOPLE." But the bridge, in fact, has [never been opened](#) for use.

Nonetheless, Richard Branson sought to raise \$100 million and promised that Guaido "will be coming to the other side of the bridge with maybe a million of his supporters." In the end, it was a little more than 200,000 who came.

Meanwhile, Guaido told the President of Colombia, **Ivan Duque**, that more than 1,450 soldiers had defected from the military to join them. But that figure was also inflated. A new report by *PanAmPress*, a Miami-based libertarian newspaper, reveals that it was just 700. "You can count on your fingers the number of decent soldiers who are there," one local told the outlet.

Despite the low turnout, organizers lived it up in Colombia. Representatives from Popular Will, which rejects the socialist leadership of Venezuela, found themselves living like socialites across the border.

There were earlier signs of excess and debauchery. One Popular Will representative was hospitalized and his assistant found dead after overdosing while taking drugs with prostitutes, although **Senator Marco Rubio** (R-FL) claims they were poisoned.

FyreFest walked so Richard Branson's aid concert could run.  
<https://t.co/ZBaDaFq9Wm>

— celine and julie go bowling ☐ (@MissPavlichenko) [June 15, 2019](#)

The inflated soldier count meant more funds for the organizers, who were charged with putting them up in hotel rooms. Guaido's "army was small but at this point it had left a very bad impression in Cucuta. Prostitutes, alcohol, and violence. They demanded and demanded," the report said.

They also left a bad taste in the mouth of the authorities. The Colombian government was supposed to pay for some of the hotels, the UN High Commissioner for Refugees was to cover the costs of others, while Guaido's people were only going to pony up the cash for two of the seven hotels.

But Popular Will never paid, leaving one hotel with a debt of \$20,000. When the situation became completely untenable, the hotel kicked 65 soldiers and their families to the curb. One soldier anonymously told the outlet that the party was not taking care of their financial needs as promised.

Guaido's ambassador to Colombia took money out of his own pocket to try to resolve the dispute, but the check bounced.

The responsibility of taking care of the needs of the defectors went to Popular Will militants **Rossana Barrera** and **Kevin Rojas**, as decreed by Juan Guaido in a signed statement. They were also charged with overseeing the humanitarian aid.

Barrera is the sister-in-law of Popular Will member of **Congress Sergio Vargara**, Guaido's right-hand man. She and Rojas were managing all the funds.

But the pair started to live well outside their means, a Colombian intelligence source told the outlet.

"They gave me all the evidence," writes PanAmPress reporter Orlando Avendano. "Receipts that show excesses, some strangely from different check books, signed the same day but with identical writing styles."

Rojas and Barrera were spending nearly a thousand dollars at a time in the hotels and nightclubs. Similar amounts were spent at times on luxurious dinners and fancy drinks. They went on clothes shopping sprees at high-end retail outlets in the capital. They reportedly overcharged the fund on vehicle rentals and the hotels, making off with the extra cash. Barrera even told Popular Will that she was paying for all seven hotels, not just the two. And they provided Guaido with the fake figure of more than 1,450 military defectors that needed accommodation.

In order to keep the funds flowing, Rojas and Barrera pitched a benefit dinner for the soldiers to Guaido's embassy in Colombia. But when the embassy refused to participate, Barrera created a fake email address posing as a representative of the embassy, sending invitations to Israeli and U.S. diplomats. They canceled the event after Guaido's embassy grew wise to the scheme and alerted those invited.

“The whole government of Colombia knew about it: the intelligence community, the presidency, and the foreign ministry,” writes PanAmPress, calling it an “open secret” by the time Guaido dismissed the pair.

But that was after Guaido had been defending them staunchly, trying to avoid a firing by transferring responsibilities to the embassy.

Berrera was called to the embassy for a financial audit, represented by Luis Florido, a founding member of Popular Will. She turned in just a fraction of the records uncovered by Colombian intelligence, accounting for only \$100,000 in expenditures. “The [real] amount is large,” the outlet reports, citing an intelligence agent who says far more was blown.

Meanwhile, “at least 60 percent of the food donated” by foreign governments “was damaged.”

“The food is rotten, they tell me,” the PanAmPress reporter said, adding that he was shown photographs. “They don’t know how to deal with it without causing a scandal. I suppose they will burn it.”

It isn’t yet known exactly how much was embezzled by Popular Will, but it is likely the truth will come out in due time, and more investigations are likely underway. On Monday, Venezuelan defectors said they will hold a press conference in Cucuta, showcasing more corruption by Popular Will. For now, however, the fallout remains to be seen.

## **Guaidone?**

One thing is certain: the scandal threatens to end Juan Guaido’s 15 minutes of fame. The de facto opposition leader had little name recognition inside Venezuela and never won a political position with more than 100,000 votes behind him. But the overnight sensation never had a lengthy life expectancy anyway.

Though he received so few votes (Venezuela’s population is nearly 32 million), Guaido became the president of the National Assembly because the body is controlled by a coalition of opposition groups, despite President Nicolas Maduro’s PSUV Party being the largest in the country. That was in January, and the length of the term lasts only one year. In 2015, the opposition coalition decided that after each term, the seat would be rotated to a representative of a different opposition party. While there is no law barring Guaido from being appointed president of the National Assembly again, tradition runs counter to it and another party may want to seize on a chance to get into the limelight.

Supporters of the coup — and Guaido’s self-declaration as interim president — claim that Maduro is derelict of his duties, which justifies a transition of presidential power according to the constitution. But the article that allows for such a transition in certain cases stipulates that “a new election by universal suffrage and direct ballot shall be held within 30 consecutive days.”

To date, Guaido has run 145 days past his deadline to have elections held, and the opposition has [made it clear](#) they are not willing to accept new elections if Maduro runs.

This, of course, makes little dent in Guaido’s legitimacy in the eyes of the U.S. and other countries that have recognized his presidency. U.S. allies in Latin America have shown over

the past few years that they have little regard for the sanctity of their constitutions. In 2017, a U.S.-backed candidate in Honduras, Juan Orlando Hernandez, ran for re-election in explicit violation of that country's constitution and only wound up winning through fraud. Last week, Ecuador made the decision to allow the U.S. military to operate from an airfield in the Galapagos Islands despite a constitutional provision stating that the "establishment of foreign military bases or foreign facilities for military purposes shall not be allowed."

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