

Venezuela's Eugenia Carmona on the 'Complete Chaos' Afflicting Her Country

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Not that long ago, Venezuela was the fastest-growing economy in Latin America. Today, it is a country in deep crisis. KWHS interviewer Emmie Stratakis recently sat down with Wharton student and Venezuela native Eugenia Carmona to discuss the economic and humanitarian challenges facing Eugenia's family and friends back home, and what she sees for the future of "one of the best countries in the world."

An edited version of the transcript appears below.

Knowledge@Wharton High School: Most of you probably know something about the economic crisis affecting Venezuela right now — considered the worst crisis in the country's history. You may even be able to recall certain phrases associated with it, like "hyperinflation" or "mass migration." And both of these are definitely true. The annual inflation rate is predicted to reach an astounding one million percent by the end of the year, and more than two million Venezuelans have left their country since 2014.

But this is not the whole story. Many people are not able to leave, and those left behind are suffering from a severe humanitarian crisis brought on by the plunging economy and controversial political decisions. Here with us to discuss the situation today is Eugenia Carmona, a Wharton student and a leader of a Venezuelan student group with a new initiative to spark international interest and help raise awareness and money.

In September, the group held their first event, which they called "Voices Against State Repression," in which Eugenia and two other students shared personal testimonies. Many attended and began contributing to the movement after hearing the jarring stories of what life has been like for these students at home. Eugenia, thank you so much for being here today.

Eugenia Carmona: Thank you so much.

KWHS: Can you tell us a little bit more about yourself?

Carmona: Yes, sure. I was born and raised in Venezuela. I went to high school there and graduated there. My entire family is still back home — my mom and my dad. I am a junior at Wharton. I am studying finance and business analytics right now. And lately we've been starting these initiatives in order to help our country move forward.

KWHS: First, to give some context, could you give us a brief overview of the political and economic environment, and what led up to this point?

Carmona: In 1999, Hugo Chávez rose to power through Soviet military rhetoric and took advantage of a socioeconomically divided population in order to secure his power. So throughout the time that he was president, he modified the constitution several times to allow for such things as indefinite re-election [so that he could stay in power

for many years]. And one of the first presidential measures that he took was to take over the state oil company and to fire more than 20,000 employees from it. This was just the beginning of a series of lootings and taking over of different companies in the country — especially private companies.

As he did this, corruption levels, of course went up very highly, and this corruption, paired with economic mismanagement just led to a contraction in the economy. In Venezuela, there is no independent central bank, so the president himself was in charge of controlling the interest rates. So as he did this, the inflation levels of course skyrocketed, and at the same time, our currency lost a lot of value against the U.S. dollar — and this started the complete contraction in our economy that has led us to the point where we are today. And furthermore, this created a black market [An illegal market in which goods or currencies are bought or sold in violation of rationing or controls] for U.S. dollars, which still exists. And this led to more and more inflation.

So, Chávez died in 2013, and at the same time, there was a global collapse in the price of oil, which was very detrimental to us, since our economy is 95% dependent on oil. After Chávez died, he left in power his successor — who he called his successor. His name is Nicolás Maduro, and he transitioned from being a bus driver with no formal education and not even a confirmation of a high school diploma, to being president of the country. And that is the person who is in power today.

Under the government of Maduro, the price levels have become unsustainable, and this has led to a lot of scarcity, especially in the food market. It created a second black market in the country, which is now the black market for food.

This has led to very, very long lines, like in supermarkets, and a lot of malnutrition. And this malnutrition, paired with the condition of public hospitals and the public health system in general has led to a severe humanitarian crisis that we are facing right now. And this crisis, paired with the insanely high crime rates that they have in the country, has led to the situation that we have, which is just essentially complete chaos.

KWHS: You've mentioned a lack of basic amenities in supermarkets and in hospitals. Have you personally seen the effects of this in daily life?

Carmona: Yes. So as you go through the streets of Caracas, you see that they are filled with lines of people just standing outside of supermarkets and pharmacies, because the government essentially regulates the amount of products that you can take out of supermarkets — that you can buy. So you can be lining up for five or six hours to just get one pack of rice or one pack of beans. So people are just in the streets lining up. It's really, really sad to see mothers fighting each other in order to get just some food so their babies can survive the night. I personally have seen this. And everyone who lives in Venezuela has been affected by it — my family personally. They have also been affected by the scarcity crisis. And my professors in high school, especially — I visited this summer — and I noticed a severe weight loss in most of them, and this was really, really sad to witness, as I grew up going to this same school for 14 years. But when you put it in context, the average Venezuelan has lost more than 27 pounds over the past year, which is an outstanding statistic. It's absurd. I mean, this is what the Venezuelan population has gone through, and the same situation is going on with medicine. So it's really hard to just endure the situation for most people.

KWHS: What have you done, being outside the country, with access to these amenities, to help?

Carmona: Personally, my dad is a type II diabetic, so every time I go home, I have to, for example, bring insulin to him — which is the substance that he needs to survive. And the same way I do this with my dad, I do this with several family members and friends who need basic amenities that you would never think of that are not present in the country. So like, we don't have Advil, we don't have Band-Aids, we don't have tampons, we don't have birth control. We have to bring all these resources home when I go back.

“In our dictionary, the word ‘safety’ was replaced by ‘danger’ a long time ago.” — Eugenia Carmona

That being said, I am part of the very, very lucky, small percentage of the population that can actually bring these resources to our families and the people that are there. But the greater majority of the people do not have this luck. And in order to help those people, while being here in the United States, I think I have a responsibility to my country and to all those people that are suffering so much to also raise awareness and raise money for them. And raise money to buy food and to just get medical supplies into the country. So I’ve been starting initiatives with other Penn students here, in order to maximize the help that we can provide to those people that don’t have the same luck.

KWHS: To change the subject a little bit, you also mentioned crime earlier. How has safety changed in Venezuela, and have you, your family, or your friends been personally endangered by the crisis?

Carmona: Yes, for sure. I think that in our dictionary, the word “safety” was replaced by “danger” a long time ago. Caracas, which is my native city and the capital of the country, is considered the most dangerous city in the world. The crime rates in the country reached more than 27,000 in the past year, and this number is just the reported homicides. So, I believe it is a lot higher than that, actually.

In Venezuela, no matter who you are, where you live, you are never safe. And this precarious condition of safety is reflected in several aspects of daily life. So first of all, there is just life on the streets and what you could normally see in daily life. Everyone knows someone or of someone who has been either robbed or kidnapped or assaulted, which is crazy when you bring it outside of the Venezuelan context.

And in fact, one of our fellow Venezuelan Penn students — her grandmother was murdered under the Chávez administration. And such as these, there are several, several crimes. I have friends from high school who have been kidnapped, and it’s just a very, very unfortunate situation.

In the same way as that happens, just like with daily life in the streets, there is a lot of crime as far up as government officials. Personally, my father has this private property in an island north of Venezuela, and it’s just his land that he has always owned. It has been passed down in my family for years. And it was basically invaded by people who needed a place to live. It’s an invasion of private property, and my father has been trying to combat the fact that they were there and try to relocate them to another place. And in order to do that, he of course tried to reach out to the authorities. He ended up talking to the governor of the island, who asked him for a massive bribe in exchange. And he just refused to give that money to a government that would spend the money on like drugs and drug trafficking — and corruption.

As he denied to do that, this news that my father was trying to expel these people just came out, and ever since then, my father has received several, several death threats from the people that are invading his land. And every time he flies there for business, it’s scary to know that he’s putting his life in danger.

As a consequence of this — just like streets in Caracas are empty after 6:00 p.m. — there are no cars, and it’s a very unfortunate situation. Just one last fact about this — political prisoners have also suffered very terrible luck, and I think they are the ones that are most affected by the safety and torture crisis.

Recently, Lorent Saleh, who was a human rights activist, was released. He was in prison for a while under the Maduro administration. And he just exposed all his testimonies about being tortured by the government for several years. And I believe it’s very interesting to read, and we’ll publish the link, as well, so you can have access to that interview. I think it’s important.

KWHS: Apart from that article, why is it that we haven’t seen much about this in the media?

Carmona: The media was essentially shut down by the Chávez government. He started with the closing of a company, which was called Radio and TV of Caracas, which was actually owned and founded by a wonderful fellow Venezuelan — a Penn student, as well. Her family founded it in the '50s, and they were targeted for years and years and years, because they were just publicizing these messages that were anti-government, obviously, because of the whole crisis that was going on. This was the biggest TV channel in the country. It was forcefully shut down by the government. And in the same way that they have done that with that channel, they've done it with hundreds of media outlets that have any connection with the opposition.

Such was the case of my family, actually. My great-great-great grandfather founded the oldest newspaper in the country back in the 1800s, and it was shut down on December 31st of 2016 because the government believed that we were publicizing messages against them. The last edition was printed on that day, because they cut down the supply of paper so we could never publish anything again. That's why you can't see anything in the media.

KWHS: What can we do from outside of Venezuela to help?

Carmona: There are two main things that I consider really, really important that I think your average person can do. And I say this for all international students — also all American students here — and especially all the Venezuelan students who are abroad. So there are two main things that I consider important.

First of all, raising awareness, because I think there is a lack of awareness from the international community, in general. So I think just commenting on what is going on amongst your family, your friends, people that are close to you. It can have a long-term impact, as this reaches international organizations, and hopefully this can spark an international humanitarian intervention that can help our population move forward. And maybe just send a message to the government, and this can maybe have an impact.

I think that the second way that we can all help is by raising funds, given that the crisis is severe, and we need to solve this problem now. We cannot wait for the long-term results. And in order to raise funds, here at Penn, we have come up with a new plan, which essentially is raising money for the subsidiary of United Way in Venezuela. Essentially what they're doing is just feeding — giving nutritional supplements — to the children from when they are born until they reach four years of age, because that's the age that your brain is developing.

We are really targeting that right now, and we are raising funds through a Venmo account that is called @VenezuelaPenn. We have raised some funds through there, and we encourage all the students in other schools to do the same in order to help our country.

KWHS: What do you think will happen in the future for Venezuela?

Carmona: The future is very, very uncertain. We don't know what is going to happen. I don't think I am the right person to necessarily answer that question. It's very controversial. I hope, and I am optimistic about the fact that we will be able to get out of this situation, because I generally do believe that Venezuela is one of the best countries in the world. We actually have the largest oil reserves in the world. We were the fastest-growing economy of Latin America during a lot of the twentieth century. I do think we have a lot of potential for growth, and not just economic or in the business sense. I think we have great people. Everyone in Venezuela — the people — even with this crisis, they tend to be supportive of each other. They have Latin warmth that I think is hard to find in other places. And we have a myriad of natural resources. We have the highest waterfall in the world. We have the Amazon rainforest. We have beautiful beaches. We have great cities. With a little bit of investment, and if we put the effort into reconstructing our country, I think it is doable. I hope we can get out of this chaos and crisis that we are in right now with the support of all of you.

KWHS: Thank you so, so much for coming.

Carmona: Thank you so much for having me.