

The Pentagon takes control of Venezuela's oil: Imperialist thievery and the bankruptcy of bourgeois nationalism

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On June 24, the strongest earthquake to strike Venezuela in 125 years killed more than 6,500 people and left tens of thousands missing. Two months later, with much of the population still living in tents on plazas and sidewalks, Donald Trump announced that the United States government is taking control of Venezuela's oil.

On Friday evening, Trump boasted on social media that Washington had secured "majority U.S. control of more than 65 billion barrels of proven oil reserves in Venezuela." This amounts to one-fifth of Venezuela's reserves, the largest in the world. However, Washington is effectively asserting control over the entire industry.

The Wall Street Journal has since documented that a private company led by Venezuelan businessman Alejandro Betancourt will receive century-long rights to develop 17 oil fields. The Pentagon's Office of Strategic Capital will take a 35 percent stake through penny warrants—equity at virtually no cost—along with preferential rights to buy 20 percent of the output at cost.

In sum, the Department of War of the United States is seizing the oil of a country it invaded eight months ago, not as mere broker or financier, but as an owner.

This is the clearest demonstration yet that the incipient third world war now unfolding is a war of colonial conquest and repartition. The oil is being seized to fuel Washington's wars against Iran, Russia and China.

The measure is also inseparable from the trade war against Canada, the renaming of the Gulf of Mexico and Lake Ontario, and Trump's National Security Strategy that asserts American domination over the entire hemisphere. The Americas are being converted into a resource base and staging ground for global war by US imperialism.

Two things stand exposed. The first is the gangsterism of the US ruling class, which has abandoned its former pretense of upholding international law, human rights and democracy. The second is the venality and cowardice of the Latin American bourgeoisie and its petty-bourgeois apologists—above all the Chavista movement, hailed for two decades by Pabloite, Stalinist and academic tendencies as a new road to socialism. It now presides over the surrender of Venezuela's national wealth to the Pentagon.

The terms of the seizure

The deal was negotiated in secret by US Secretary of State Marco Rubio and Delcy Rodríguez, who was installed after US special forces abducted President Nicolás Maduro on January 3. The agreement was reached in a phone call. No vote was taken. Venezuelan state oil company (PDVSA)

executives, not to speak of the working class, learned of the handover from the press.

The decision is in gross violation of the 1999 Venezuelan Constitution, which establishes hydrocarbon deposits as inalienable property of the Republic and prohibits the cession or leasing of national territory to foreign powers.

Rafael Ramírez, former president of PDVSA and Hugo Chávez's oil minister, calculates that the \$209 billion Rodríguez promises in tax revenue from the deal amounts to a royalty rate of 3.7 percent—lower than what Venezuela collected under the US-backed dictatorship of Juan Vicente Gómez a century ago. He notes that over \$15 billion from 222.7 million barrels already sold since January sits in a US Treasury account.

The Pentagon's partner, Betancourt, is under investigation in Spain and Switzerland for laundering money skimmed from PDVSA. According to the *Washington Post*, Trump officials intervened with Swiss prosecutors to lift his extradition order and travel restrictions. A member of the *boliburguesía*, enriched through connections to the Chavista government, Betancourt had his legal difficulties removed as payment for serving as the Pentagon's frontman.

The timing of the deal serves an immediate political purpose. Two months before the US midterm elections, with the Iran war grinding on and fueling inflation, Trump is trying to sell the deal as a victory. It must be stressed, however: none of this will lower gasoline prices. Venezuela produces 1.25 million barrels per day—comparable to North Dakota—and its ports cannot handle more.

The Pentagon's looting of Venezuela's oil must end all talk of the United States as leader of the "free world." What exists is an oligarchy operating by the methods of the mafia—working through money launderers and drug indictees wherever they facilitate the plunder, and lifting their prosecutions as payment. And this is the model intended for the entire hemisphere, from Canada to Tierra del Fuego, with Russian, Chinese and, where beneficial, European capital excluded by force.

The implications inside the United States are no less dangerous. The armed forces are constitutionally subordinate to civilian authority and dependent on congressional appropriations. A Pentagon that accumulates equity stakes and revenue-producing assets abroad acquires its own direct economic interests and a degree of institutional autonomy the constitutional structure was expressly designed to prevent. Wars of plunder are being financed and directed outside the reach of whatever democratic forms survive in Washington.

Through all of its moves, the Trump mafia family without question, seeks to keep a share for itself without audit or disclosure. What is emerging is a military-financial state apparatus fusing armed coercion, investment authority and direct ownership of foreign assets—the material foundation of dictatorship ultimately aimed against the American working class.

The culmination of a century of plunder

Placed in its historical context, the US seizure of Venezuelan oil is the most openly colonial act imposed on the country since it won independence from Spain two centuries ago. Not even the dictatorships that handed the oilfields to Standard Oil ceded formal ownership to a foreign state.

US imperialism turned its attention to Venezuela in December 1902, when Britain, Germany and Italy dispatched warships to collect debts owed to their bondholders. When President Cipriano Castro refused to pay, they blockaded the coast, sank Venezuelan gunboats, bombarded Puerto Cabello and landed troops. US President Theodore Roosevelt brokered a settlement, initially telling the European powers they could collect debts as long as they did not seize any land.

Roosevelt then codified US hegemony in the 1904 corollary to the Monroe Doctrine: the United States would exercise “international police power” throughout the hemisphere, so that European powers would have no pretext to intervene.

In 1908, with US warships offshore, Juan Vicente Gómez seized power while Castro was abroad. Immediately recognized by Washington, Gómez ruled by means of torture, chain gangs and firing squads until his death in 1935, handing the Maracaibo fields to Standard Oil and Shell. Venezuela became the world’s leading oil exporter, and the dictator its richest man.

Every nationalist attempt to overcome this framework failed. Rómulo Gallegos, the country’s first freely elected president, enacted the 50-50 tax and was overthrown by the military within months. Marcos Pérez Jiménez, who consolidated power after the coup, ran concentration camps and a secret police apparatus for six years and received the Legion of Merit from US President Dwight Eisenhower. A partial nationalization in 1976 compensated the oil companies roughly \$1 billion and altered nothing structurally: the same fields were exploited, the same managers sold overwhelmingly to the same buyer.

When oil prices collapsed in the 1980s, the debt came due, and Carlos Andrés Pérez—elected in 1988 on a promise to resist the IMF—announced a structural adjustment package in February 1989 that doubled fuel prices overnight. The response was the *Caracazo*: a spontaneous eruption of the urban working class that began with the fare increases and spread across Caracas and a dozen cities. Pérez suspended constitutional guarantees and sent the army into working-class neighborhoods.

This struggle was a decisive experience of the Venezuelan working class in the 20th century. But lacking an independent political expression, the social anger was captured instead by a section of the officer corps led by Hugo Chávez. Following a failed 1992 coup, he was elected in 1998, successfully channeling the unrest into the framework of the bourgeois state.

What Chavismo actually was

What was presented for two decades as “Socialism of the 21st Century” was, from its origins, the diversion of a revolutionary upsurge into national reformism funded by oil rent.

Leon Trotsky’s analysis of Lázaro Cárdenas’s nationalizations in Mexico supplies the clearest explanation of this phenomenon. A national bourgeois government in a semi-colonial country, he wrote, “veers between foreign and domestic capital,” governing either as the instrument

of foreign capital or by maneuvering with the proletariat to gain limited room against it. Trotsky was explicit that it would be “an outright deception” to claim the road to socialism runs through nationalization by a bourgeois state.

Under Chávez, the private sector’s share of GDP reached 70 percent—higher than in 1998. The employers’ share of national wealth against labor hit a record 48.8 percent in 2008 while real wages fell. In 2012, Venezuela had the world’s most profitable banks and its best-performing stock market. The *misiones* expanding social assistance and services were real and temporarily lowered poverty. But nothing altered the country’s dependence on a single commodity and, through it, on imperialist finance capital.

When prices collapsed and Obama declared Venezuela a national security threat, the whole edifice fell apart. Chavismo and its apologists had systematically suppressed the sole force capable of opposing imperialist aggression, the independent struggle of the working class, and its own “anti-imperialism” was exposed as empty rhetoric.

In 2024, Rodríguez herself denounced the US-backed opposition for wanting to hand Venezuela’s oil, gas and gold to its “masters” in Washington. In September 2025 she told the *New York Times* that the Pentagon had always had the strategic objective of obtaining Venezuelan reserves. She knew exactly what was coming. She now helps administer it.

Following a recent interview with Rodríguez, *TIME* describes the result as a client state: Rubio supervises the administration of oil revenues and public finances; export earnings are held in escrow and released as Caracas meets conditions; Rodríguez consults Rubio on the appointment of her defense minister; and there is near-daily contact by phone and WhatsApp.

The completeness of the capitulation was underscored when Nicolás Maduro Guerra—a National Assembly deputy, son of the abducted president, and himself named in the narcotrafficking indictment—issued a formal communiqué on official Venezuelan letterhead thanking Trump and Rubio by name for their role in the agreement, even as his father sits in a New York prison cell.

The verdict extends beyond Venezuela. Castroism in Cuba, the Sandinistas in Nicaragua, and every bourgeois nationalist movement of the past century proved incapable of opposing imperialism. In case after case, the attempt to portray these regimes as “socialism” served solely to politically disarm the working class.

The return to colonialism

The International Committee of the Fourth International has been alone in analyzing these processes as they developed. In August 1990, on the eve of the first Gulf War, David North told a congress of the Workers League that the world had entered a new imperialist division of the globe: the end of the postwar era meant the end of the post-colonial era, and former colonies that had won a degree of independence would now be resubjugated.

A whole stratum of bourgeois nationalist regimes across Asia, Africa, the Middle East and Latin America had derived their room for maneuver primarily from the existence of the Soviet Union. The Stalinist bureaucracy’s support for these movements was never anti-imperialist in any principled sense—it was a means of relieving pressure on the USSR, and it was accompanied by the systematic suppression of socialist revolution. But whatever its cynicism, it furnished these governments with a measure of diplomatic, military and economic backing. They could balance between blocs, extract concessions, nationalize an industry,

threaten to turn eastward.

When the Stalinist bureaucracy dissolved the Soviet Union in 1991, that basis vanished, and with it every restraint on direct imperialist violence against the former colonial countries. What followed has been the systematic destruction of whatever independence and sovereignty they had gained.

Three and a half decades of continuous warfare—Iraq, Yugoslavia, Afghanistan, Libya, Syria, Sudan, Palestine, and now Iran and Venezuela—constitute a single protracted campaign to liquidate, state by state, every obstacle the anti-colonial movements of the 20th century had erected against unrestrained imperialist rule. Imperialism's objective is to remake the world as though October 1917 and the anti-colonial upheavals had never occurred.

Venezuela is where this process finds its most naked expression. The Pentagon now holds ownership over Venezuelan crude; Chinese purchases have been cut to zero, and Russian joint ventures have been terminated.

Ramírez warns the arrangement stands on clay and that Venezuelans will not accept it. The looting rests on social austerity and mass poverty, and is being imposed on a population that has just buried over 6,500 people and faces total devastation. And Washington has exhausted every political instrument for containing the anger it is generating: the right-wing opposition remains hated and the Chavistas are openly administering the plunder and unable to posture as anything else but Washington's puppets. What remains is brute force through the Bolivarian National Guard and US Marines.

The political perspectives developed by the International Committee of the Fourth International have been entirely vindicated by the events, at a time when the working class represents a vastly greater social force than at any other moment in history. Its conscious unification across Venezuela, the United States and the Americas under the ICFI's program of world socialist revolution is the only answer to recolonization and world war.



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