

## **Venezuela Policy in the Second Trump Administration**

### **Early Signs and Competing Factions**

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- Presidential Envoy Richard Grenell travelled to Venezuela, met with President Nicolas Maduro, and secured the release of six detained Americans, delivering an early win for President Trump. While Trump's early second-term focus has centered on tariffs, Venezuela has unexpectedly emerged as a key issue.
- Hardliners like Secretary of State Marco Rubio and National Security Advisor Michael Waltz favor a maximum pressure strategy, while figures like Richard Grenell push for a migration-focused, transactional approach with Maduro.
- The administration's Venezuela policy remains in flux, with initial negotiations centered on deportation agreements. Success could redefine U.S.-Venezuela relations, while failure may revive a more aggressive sanctions regime.

While headlines about President Trump's tariff threats to China, Mexico, and Canada have dominated much of the diplomatic press, Venezuela has unexpectedly emerged as a focal point in the early days of his second term. Just hours after his inauguration, Trump told reporters in the Oval Office that Venezuela "was a great country 20 years ago, and now it's a mess," adding, "We don't have to buy their oil; we have plenty of our own," signaling a possible return to the oil embargo he implemented in 2018.

As part of his "day one" actions, Trump designated the Venezuelan criminal organization Tren de Aragua (TDA) as a Foreign Terrorist Organization (FTO). In a symbolic move, he also invited Edmundo Gonzalez—the opposition candidate in last year's Venezuelan presidential election—to his inauguration. Many see these actions as evidence that Trump regards Venezuela as "unfinished business."

Clues about the administration's stance on Venezuela also emerge from key appointments. Secretary of State Marco Rubio, the son of Cuban migrants, has long been an outspoken critic of Latin American dictators, including Venezuelan President Nicolás Maduro. Chris Landau, Trump's nominee for deputy secretary of state, has labeled the Maduro regime a "criminal gang" and highlighted Venezuela's role in the regional migration crisis. Mauricio Claver-Carone, tapped as special envoy for Latin America, was the chief architect of the "maximum pressure" campaign against Venezuela during Trump's first term. Meanwhile, National Security Advisor Michael Waltz has been a vocal critic of Maduro, having sought to enshrine sanctions against Venezuela into federal law during his tenure in the House. If "personnel is policy," a return to a heavy-handed approach toward Caracas seems very likely.

Yet Trump's self-styled identity as a "dealmaker" and his intense focus on immigration could lead him to recalibrate his approach. He might extend a lifeline to Maduro by easing sanctions in exchange for cooperation on curbing migration flows. Some speculate about a broader geopolitical trade-off involving Russian President Vladimir Putin: Russia would withdraw its presence from the Western Hemisphere in return for Trump's implicit recognition of its territorial gains in Ukraine—an arrangement evocative of Cold War-era diplomacy<sup>1</sup>. Without Russian support, Maduro's regime could unravel swiftly, allowing millions of Venezuelan migrants to return.

Against this backdrop, Trump's appointment of Richard Grenell as the presidential envoy for special operations is particularly noteworthy. Announcing Grenell's new role, the president emphasized its focus on "the most critical spots around the world, including Venezuela and North Korea." News over the weekend that Grenell travelled to Venezuela, met with Maduro, and secured the release of six detained Americans, signaling a possible shift in U.S. strategy toward the region.

## 1. Policy Déjà Vu: A Historical Overview

Since Nicolás Maduro's rise to power, U.S. policy toward Venezuela has remained largely consistent across administrations: to facilitate a democratic transition away from his regime. Each administration has employed different tactics, including (1) engagement and negotiation with Maduro, (2) economic sanctions, (3) working with regional partners to increase pressure, (4) supporting a unified opposition, (5) economic incentives, and (6) humanitarian aid for Venezuelan refugees.

| Administration    | Policy characteristics   |
|-------------------|--|
| Obama (2009-2017) | The Obama administration pursued a strategy of containment and diplomacy, imposing limited sanctions on individuals while avoiding full-scale economic warfare or military threats. Maduro leveraged the sanctions campaign to craft a narrative of a "national struggle" against the U.S., using it to strengthen his hold on power domestically.   |
| Trump (2017-2021) | The Trump administration pursued a maximum-pressure strategy, imposing a full oil embargo, recognizing Juan Guaidó as Venezuela's interim president, and issuing threats of military intervention. Despite initial momentum, Guaidó's attempted coup failed, revealing the military's steadfast loyalty to Maduro. Broad-based sanctions pushed Venezuelan society to the brink, triggering a massive migration crisis, with many fleeing to the U.S. in search of refuge. |
| Biden (2021-2025) | The Biden administration adopted a hybrid approach, balancing sanctions with diplomatic engagement by negotiating with the Maduro regime. This   |

<sup>1</sup> At the end of the Cold War, George H.W. Bush and Mikhail Gorbachev struck an implicit deal over Nicaragua. Gorbachev agreed to cut off military and financial support to the Sandinista government, while the U.S. halted military aid to the Contras and backed a democratic electoral process. Deprived of Soviet backing and facing economic turmoil, the Sandinistas lost the 1990 election to U.S.-supported candidate Violeta Chamorro. Ortega peacefully ceded power, marking the end of Nicaragua's Cold War conflict and signaling the broader retreat of Soviet influence in Latin America.

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|  | strategy allowed limited oil sales to fund humanitarian relief. The effort led to the Barbados Agreement, under which the Maduro regime agreed to permit opposition candidates to participate in the upcoming presidential election. In exchange, the U.S. eased oil and gas sanctions. However, Maduro later barred opposition candidates from running, violating the agreement. In response, the U.S. reimposed sanctions. |
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Despite these efforts, Maduro remains firmly in power, bolstered by alliances with Russia, China, Iran, and Cuba. Clearly, a strategic rethink is necessary.

2. Unclear Direction Amid Competing Priorities

The second Trump administration’s stance on Venezuela remains unclear amid its competing priorities. While President Trump has mentioned Venezuela in passing—stating, “We are looking at Venezuela strongly” and “We don’t need their oil”—there is little indication of a comprehensive strategy toward the country.

During his confirmation hearing, Secretary Rubio remarked that the Treasury license<sup>2</sup> allowing Chevron to operate in Venezuela needed to be “re-explored.” In one of his first calls to foreign leaders, Rubio spoke with Venezuelan opposition figures Edmundo González and María Corina Machado. González, widely recognized by the U.S. and several other nations as the rightful winner of Venezuela’s most recent presidential election, has visited Washington twice this month, including to attend President Trump’s inauguration. A readout from Rubio’s call referred to González as the “rightful president of Venezuela,” signaling that the Trump administration will continue to recognize him as such. These actions suggest a return to a policy of sanctions and pressure against Maduro.

However, there is no indication that the administration is crafting a new, broader strategy for Venezuela beyond its current focus on migration—a key priority for President Trump. As part of his “day one” executive actions, Trump designated Tren de Aragua as an FTO. Additionally, Secretary Rubio’s first overseas trip will include stops in Panama and four other Central American nations to discuss, among other topics, the deportation of criminal gang members, including those affiliated with TDA. Meanwhile, DHS Secretary Kristi Noem has revoked the previous administration’s Temporary Protected Status (TPS) extension for Venezuelans.

A leaked memo to U.S. diplomats underscores this immigration-centric approach. In the document, Secretary Rubio outlined “curbing mass migration and securing our borders” as a priority, stating that “diplomacy with other nations, especially in the Western Hemisphere, will prioritize securing America’s borders, stopping illegal and destabilizing migration, and negotiating the repatriation of illegal immigrants.” During the 2024 U.S.

<sup>2</sup> Currently Chevron’s Venezuela operations are approved under OFAC General License 41. It allows the company to maintain its joint ventures with PdVSA. The license renews the first of every month and is valid for six months.

presidential campaign, Trump characterized Venezuelan migrants as “drug dealers, criminals, murderers, and rapists,” reinforcing his administration’s focus on deporting Venezuelan nationals with criminal records.

### **3 . Factions Vying for Influence Over Venezuela Policy**

Typically, an administration conducts a policy review before taking significant action. During Trump’s first term, initial sanctions on Venezuela were implemented in August 2017, suggesting that the review process took approximately seven to eight months. However, there is no guarantee that the current administration will follow the same approach. In fact, early indications suggest that the administration is already moving forward with negotiations with the Maduro regime. Before examining recent developments, it is crucial to outline the different factions vying for influence over Venezuela policy in the new administration.

The first faction consists of Venezuela hardliners. Trump has appointed several well-known figures who advocate for a tough stance against Maduro, including Secretary of State Marco Rubio, Deputy Secretary of State nominee Chris Landau, and Mauricio Claver-Carone, the architect of the maximum pressure campaign during Trump’s first term. These individuals support aggressive sanctions and strategies aimed at destabilizing Maduro’s regime, potentially by fostering fractures within its leadership. National Security Advisor Michael Waltz also aligns with this camp, having played a key role in sponsoring the Bolivar Act—a legislative effort to tighten sanctions and restrict the president’s ability to lift them without meeting specific conditions. Beyond the administration, there is strong bipartisan support in Congress for reinstating and intensifying sanctions on Maduro’s government, with most lawmakers favoring a pressure-based approach over diplomatic negotiations.

However, given Trump’s primary focus on immigration, reviving the “maximum pressure” campaign may not align with his broader agenda. According to Juan Cruz, former Senior Director for the Western Hemisphere in Trump’s first administration, U.S. policy toward Latin America was previously centered on Venezuela but is now primarily defined by migration. The administration’s approach will focus on how regional governments can assist the U.S. in managing migration and what consequences they may face for failing to cooperate.

This means Trump is likely to prioritize negotiating deportation and repatriation agreements with regional governments to facilitate the removal of criminal elements, including Venezuelans, from the U.S. According to analysts, two key factions are pushing for a deal with Maduro. The first faction consists of those who believe diplomatic engagement is the right approach. Rick Grenell, the special envoy for special missions, has been in discussions with the Maduro regime, including Jorge Rodríguez, Speaker of the National Assembly, and was seen meeting with President Maduro on January 31 (more on this below). Some within this faction see migration as the primary factor driving

negotiations, believing that if Maduro agrees to accept deported Venezuelans, or even third-country nationals, it could help alleviate U.S. migration pressures. Maduro himself has signaled a willingness to negotiate, playing into Trump's self-image as a master dealmaker. However, skeptics argue that Maduro's role in causing mass migration makes such agreements unreliable.

The second faction advocating for a deal consists of business interests within Trump's orbit, particularly those with stakes in Venezuelan oil. Figures such as Harry Sargeant III, a South Florida businessman with close ties to Trump, may push for policies that facilitate Venezuelan crude imports, which are vital for his asphalt business. Chevron CEO Mike Wirth recently told the Financial Times that he plans to engage with the White House after Secretary Rubio suggested reconsidering the license allowing the company to operate in Venezuela. Wirth has warned that if Chevron—the last remaining U.S. company in Venezuela's oil sector—is forced out, China and Russia will step in to fill the void.

#### **4. Proximity to Trump Will Matter**

Recent reports indicate that Richard Grenell has taken an early lead in shaping Trump's Venezuela policy, engaging directly with Maduro in an effort to strike a deal. On January 31, Grenell travelled to Venezuela, met with Maduro, and secured the release of six American detainees, delivering an early diplomatic victory for Trump. Reportedly, Grenell also discussed repatriation of Venezuelan deportees, including members of TDA. In exchange, it is conceivable that Trump may offer to maintain Chevron's license in Venezuela and provide additional concessions to alleviate Maduro's fiscal challenges. This early development suggests that officials aligned with Trump on migration—and by extension, business interests favoring a less restrictive Venezuela policy—are gaining influence, while traditional hardliners may be sidelined, at least initially.

Unlike figures such as Michael Waltz, Marco Rubio, Mauricio Claver-Carone, and Chris Landau—who are positioned at the State Department and further removed from White House decision-making—Grenell operates as a free agent with direct access to Trump. This flexibility allows him to move swiftly without the bureaucratic constraints faced by others. Rubio, in particular, will be preoccupied with running the State Department, limiting his ability to shape day-to-day Venezuela policy from the West Wing.

#### **5. Final Thoughts**

As the Trump administration settles into its second term, the direction of U.S. policy toward Venezuela remains uncertain. While early signals suggest a renewed pressure campaign against Maduro, the administration's overriding focus on immigration could lead to a transactional approach prioritizing deportation agreements over broader democratic objectives. If the deal reached with Maduro bear fruit, they could redefine U.S.-Venezuela relations and shift Trump's approach toward a more pragmatic, deal-driven strategy. However, should these efforts fail—particularly if Maduro reneges on agreements, as he did

under Biden—Trump may pivot back toward a more aggressive stance, providing an opening for hardliners to regain influence. Ultimately, the battle for control over Venezuela policy will be determined not just by ideology but by proximity to the president himself.

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