

# Why the U.S. Keeps Targeting Venezuela |

## Ben Norton

Why does the U.S. keep escalating against Venezuela—across administrations and political parties? Journalist Ben Norton explains how oil interests, Miami-based political hawks, and China's rise in Latin America drive Washington's policy. Support Independent media to remain bold:

<https://patreon.com/IndiaGlobalLeft> Link for donation: <https://paypal.me/sankymudiar> In this in-depth interview, journalist and geopolitical analyst Ben Norton breaks down the latest U.S. escalation against Venezuela and places it within the long history of Washington's interventions in Latin America. We begin by examining Donald Trump's renewed pressure on Venezuela and why the United States periodically intensifies confrontation with left-leaning governments across the region. Ben explains how these escalations are tied to imperial strategy, domestic U.S. politics, and economic interests, rather than genuine security concerns. A key focus of the discussion is the powerful alliance between oil interests and political hawks based in Florida and Miami, and how this nexus has shaped U.S. policy toward Venezuela, Cuba, and the wider region for decades. We also explore whether there has been a real shift in rhetoric—from framing Venezuela as a “national security threat” under Obama to accusations of drug trafficking under Trump—or whether this represents a continuity of regime-change strategy using different justifications. Finally, Ben Norton analyses how Latin American political and economic elites view the region's deepening ties with China, and why Beijing's growing role has triggered alarm in Washington. What does China's presence mean for U.S. dominance in the Western Hemisphere, and how does it factor into escalating pressure on Venezuela? This conversation is essential viewing for anyone seeking to understand U.S. imperialism in Latin America, Venezuela sanctions, oil politics, China's rise, and the real drivers of Washington's foreign policy. Topics covered: – U.S. escalation against Venezuela – Trump vs Obama policy continuity – Oil interests and Miami political lobbies – Regime-change narratives and propaganda – Latin America–China relations – U.S. imperial strategy in the Global South Follow us on Substack: <https://substack.com/@indiagloballeft> Twitter: <https://twitter.com/Indiagloballeft> Instagram <https://www.instagram.com/indiagloballeft/> Facebook: <https://www.facebook.com/profile.php?id=61559411353392> Spotify: <https://open.spotify.com/show/69Y9iCWUv8ha3ATsPWtWk0?si=ee1f0de3de094f17> Telegram: <https://t.me/+WNlqoiv1Rhg5NjEx> Subscribe to India & Global Left for in-depth conversations on global politics, imperialism, and the Global South.

### #Mudiar

Hello and welcome to another episode of \*India and Global Left\*. If you're new to the show, please hit that subscribe button. Also, consider becoming a YouTube member, a Patreon, or donating a small amount through the link in the description box. Let me introduce our guest today, Ben Norton.

Ben is an independent journalist and geopolitical analyst known for his in-depth reporting on U.S. foreign policy and global power shifts. He has closely covered Latin American sanctions and regime change operations, situating them within the broader context of U.S. decline, multipolarity, and the rise of China. His work consistently challenges mainstream narratives by foregrounding political economy, imperial strategy, and Global South perspectives. Ben, welcome back to \*India and Global Left\*.

## #Ben

Thanks for having me. It's always a pleasure to be here.

## #Mudiar

I wanted to start with Venezuela and understand the recent—well, almost a year now—U.S. escalation there. A general question for people who follow geopolitics is to understand, particularly in U.S. foreign policy, why and when U.S. administrations choose to escalate against a specific country. So, given the recent escalation against Venezuela, I wanted to ask you, as a student of Latin American history and politics, how you would conceptualize the reasons for U.S. escalation against Venezuela, particularly in the last ten months or so.

## #Ben

Yeah, great question. I'll start with a very broad answer, talking about the main points, and then we can go into detail for each one. First, the U.S.—especially now, with Marco Rubio as Secretary of State and the National Security Advisor—hopes that if it can achieve regime change in Venezuela, there would be a domino effect, allowing it to overthrow the leftist governments in Nicaragua and Cuba and reimpose hegemony over the entire region. This connects to another issue: the Trump administration has made it clear in its national security strategy for 2025 that the U.S. is trying to reassert hegemony over the entire Western Hemisphere, effectively reviving the 200-year-old colonial Monroe Doctrine with what it calls the Trump Corollary to that doctrine.

And the U.S. says very clearly that it wants to cut off China's relations with the region. So the U.S. is trying to remove all the independent governments there, especially left-wing ones—particularly those close to China and, to a lesser extent, Russia and Iran. Of course, Venezuela is closely allied with China, Russia, and Iran. The U.S. hopes that if it can overthrow the Venezuelan government, and then also the Nicaraguan and Cuban governments, and install right-wing, pro-U.S. regimes, those new governments would cut ties with China, Russia, and Iran. The U.S. is also very supportive of right-wing, pro-U.S. governments now in Chile.

We can talk about that. I mean, there's a far-right Pinochet supporter in Chile, and in Argentina, of course, Peru, and Ecuador. I mean, in most of the countries now in Latin America, there are pro-U.S., right-wing governments. The big two remaining targets of the U.S. are Brazil and Colombia.

Mexico is a special case—we can talk about Mexico—but Brazil under Lula and Colombia under Gustavo Petro, and Colombia has an election coming up this year. So you can bet that Colombia will also be further targeted by the U.S. So there's the geopolitical element. Another significant factor is, of course, natural resources.

Venezuela has the world's largest oil reserves, and Trump has made it very clear that he wants to exploit Venezuela's natural resources. U.S. companies, especially ExxonMobil, have been trying hard to get access to Venezuela's oil. Ever since 2007, when the revolutionary former president of Venezuela, Hugo Chávez, fully nationalized the oil industry, he forced out foreign companies that refused to let PDVSA, the state-owned company, hold a majority share in all projects. But it's not just oil. Trump has even said that the U.S. owns Venezuela's oil—he's made that very clear.

He said that Venezuelan oil belongs to those U.S. companies that previously had concessions before it was fully nationalized, which is a kind of colonial rhetoric. He also said he wants to take control of Venezuelan land. But there are other resources as well, and this gets to another issue related to the national security strategy. The U.S. has been desperate to create a new supply chain as it prepares for future conflict with China. The House of Representatives has a committee on China that's extremely hawkish, and they prepared a report discussing ideas to create a new supply chain because China dominates it, especially for critical minerals.

So what the U.S. is trying to do, not only according to the National Security Strategy but also according to this report on a new critical mineral supply chain written by the U.S. House Committee on China, is to propose that Latin America and the Western Hemisphere as a whole should become the new site of a comprehensive supply chain, especially for critical minerals. Venezuela has a lot of known reserves of critical minerals, including rare earth elements. And Greenland, by the way, is also known for having many important critical minerals and rare earth elements.

Trump wants to colonize Greenland for those reasons and to create more military bases there, as climate change melts some of the Arctic ice and makes it easier for ships to travel through the region. So the U.S. wants to militarize the Arctic and prevent China and Russia from using it not only for trade but also for military purposes. All of these issues are connected. Venezuela is kind of the grand prize. And finally, beyond all these factors we've discussed, there's also the fact that Venezuela has been a major political symbol of resistance against U.S. imperialism.

Going back to the election of Hugo Chávez in 1999, when he came in as president, he ushered in the Bolivarian Revolution. For people who might be confused, this is not a reference to the country of Bolivia; it's a reference to Simón Bolívar, the revolutionary general who successfully led the independence movement against Spanish colonialism. Bolívar famously wrote that the United States was kind of replacing the Spanish Empire. He said something to the effect of the U.S. dooming Latin America in the name of liberty—using the rhetoric of freedom and such—while in fact turning Latin America into a new colonial sphere of influence, much like the Spanish Empire had done before.

So Venezuela's revolution has always been a symbol of anti-imperialism and resistance against U.S. hegemony. Not only has Venezuela been a key partner of China, Russia, and Iran—the main U.S. “boogymen”—but, more deeply, it's been a driving force behind the integration of Latin America and the Caribbean as its own pole in this multipolar world. For instance, Venezuela was one of the co-founders and really pushed for the creation of CELAC, the Community of Latin American and Caribbean States, which was established as an alternative to the U.S.-dominated Organization of American States, the OAS, based in Washington.

And CELAC has become a very important regional body which, despite a lot of right-wing governments and coups in the region, has still remained a powerful force—unlike another organization that was also co-created by Chávez and Fidel Castro in Cuba, the ALBA, the Bolivarian Alliance for the Peoples of Our America. The full name also includes TCP, which stands for the Trade Treaty for the Peoples, as opposed to one for corporations. So ALBA was a very revolutionary attempt to create an economic alliance. CELAC is a political alliance of the countries in the region to deal with their issues—kind of like an AU, if you will, like an African Union. It's not exactly the same, but comparable. Whereas ALBA is an economic alliance, and it sought to deepen regional trade in Latin America and to de-dollarize.

This is something that Venezuela has been trying to do for over 20 years. From the very beginning of the Bolivarian Revolution, Venezuela understood the power of oil as a kind of tool for Global South development. And it really goes back to the 1970s, when oil was seen by the Global South as a potential anti-imperialist weapon against the U.S.-led West, which at that time was still very dependent on oil imports. The situation has changed a lot today because the U.S. is now the world's largest producer and exporter of oil and natural gas, mainly because of the shale boom and fracking.

But you can go back to the 1970s, when OPEC, at least in its early days, had this Global South-oriented idea of using oil as a cartel to extract rents from the Global North—from the imperial core that had exploited the Global South for so long. And Venezuela, at least under Chávez, was trying to bring back that idea. It wasn't very successful, but they did have some success before the counter-revolutionary wave in Latin America. ALBA was also an attempt to create a new Latin American currency. They did create one, called the Sucre. It didn't really last that long, but Ecuador was a major supporter under the left-wing president Rafael Correa—until he lost power.

So anyway, the point is that Venezuela has really been a major thorn in the side of the U.S. empire. And the Trump administration thinks—and in particular, Marco Rubio thinks—that if it can overthrow Venezuela's government and put in a compliant right-wing regime, first of all, it would privatize all of Venezuela's natural resources and sell them off to U.S. corporations. And María Corina Machado, who's kind of the main U.S.-backed opposition force here—well, she was in Venezuela, but now she's abroad. She left. But Machado has been supported by the U.S. for over 20 years. Her organizations were funded by the CIA, through the National Endowment for Democracy.

She represents the most extreme of the right-wing opposition forces, and she's said very clearly that she wants to carry out mass privatization. She claimed—she pledged—that it would be worth about \$1.7 trillion in assets to be sold off. A lot of people have questioned what exactly those assets would be—like, where does she get that figure from? But she has repeatedly said \$1.7 trillion in assets, including not only oil, gas, gold, and other minerals, but also land for luxury real estate in tourist areas and things like that. She wants to privatize everything. I mean, she's an Ayn Randian.

I've done a lot of research on Machado. She's written some libertarian-oriented articles. She even wrote an introduction to a libertarian book and things like that. I mean, she's a very ideological neoliberal, like Javier Milei in Argentina. So the U.S. would obviously love to have her in power. But also, geopolitically, the idea is that if Venezuela had this very pro-U.S. regime, it would isolate China, Russia, and Iran from the region. It would also be a major launching pad for destabilizing Nicaragua and Cuba, and basically turn the entire region into this kind of U.S. imperial sphere of influence. I mean, that's really the dream of people like Marco Rubio. This is what he's dedicated his entire career to, and he's obviously the driving force behind it. I'm not in any way trying to absolve Trump.

Trump, of course, is on board with all of this. But we all know that Trump doesn't think much about foreign policy. I mean, he's also a war criminal. He has this absurd rhetoric about being a "peace president." He bombed ten countries as president. And in fact—well, I'm not in any way absolving Joe Biden, who's also a horrible war criminal—but Trump actually bombed more countries in his first year than Biden did in all four of his. Again, I'm not absolving Biden, but the idea that Trump is some kind of peace president is absurd. It's ridiculous. He's a warmonger and an imperialist, especially with Marco Rubio kind of leading the charge. For Rubio, this is an ideological crusade, and he really thinks he can pull it off.

## #Mudiar

I wanted to pick two of the three pillars or reasons you outlined: U.S. geopolitical interest in regime change and dominating the region, and the resource interests of U.S. corporations—and then the resistance. I want to pause on the resistance question because I'll come back to it. But could you tell us your thoughts on the relationship between the Marco Rubio-style political and geopolitical approach to Venezuela and Cuba in the region, and the approach and interests of U.S. corporations you mentioned earlier, like ExxonMobil and its willingness to exploit more resources freely in Venezuela?

I'm also thinking about Chevron. It already has a lot of leverage in, um, Venezuela. In fact, part of the left—mostly the anti-Maduro left—in Venezuela, to the extent that, I mean, there's a debate about whether they're really left or not—I don't want to get into that—but there is a debate within Venezuela about the extent of privatization and the relationship with U.S. corporations like Chevron or other private interests. So my question is: what is the link between U.S. corporate interests and the political hawks in Florida and the U.S.? What's the connection between the two?

## #Ben

It's a very interesting question because, actually, one might think that the hawks in Florida and Miami would be in bed with the oil companies. But in fact, some of them don't want the oil companies to operate in Venezuela because they want to further isolate and economically strangle the country. Some are even angry about Chevron being allowed to operate there, because they see it as a concession by the U.S. that gives Venezuela some breathing room—which is not entirely wrong, actually. They want complete economic suffocation. So let me explain here: it's a little complex, a little nuanced.

So, first of all, we'll talk about this so-called left opposition. I've been to Venezuela many times. I speak fluent Spanish, I know a lot of people there. The so-called left opposition is absolutely tiny—completely irrelevant. Even online, they're basically irrelevant. I mean, it's just a joke. The fact that they even get attention is a joke. No one in the country actually talks about them; they're irrelevant. Now, in terms of why the Venezuelan government did make some of these concessions, I mean, it's pretty obvious. You can only go so far ideologically if, one, you're under a complete blockade—which Venezuela has been, under an economic blockade officially since 2019, when Trump declared an economic embargo on Venezuela.

And now it's not only an economic blockade, like the Cuba-style blockade, but actually a full-on naval blockade—a military blockade. The U.S. military is physically trying to prevent Venezuela from exporting its oil, except for Chevron. We'll get to the Chevron issue. Venezuela has been a petro-state for over a hundred years—well before Hugo Chávez was even born. However, for the vast majority of Venezuelan history, the proceeds from that oil revenue went to a small handful of elites in Venezuela and, of course, to foreign companies, primarily U.S. corporations.

So, Chávez—I mean, some people point out that technically, in 1976, under the previous president, Carlos Andrés Pérez, or CAP—it's true that Venezuela's oil was nationalized constitutionally. But it was kind of more of a formality, and there were always massive concessions given to U.S. companies that had majority stakes in many projects. So it wasn't really a true nationalization. At first, they were more committed to it, but then, especially in the neoliberal era—in the '80s and '90s—we saw many concessions, very heavy concessions, with majority stakes given to U.S. companies.

So by the time Chávez came in, in 1999, and then in 2006 when he fully nationalized the industry, technically he didn't kick out all of the companies. The policy was—well, it was a de facto kicking out—but technically, the full nationalization under Chávez in 2006 said that foreign companies would be allowed to operate only if they accepted a minority stake, where their profit margins would be very low. They wouldn't be getting much of the oil revenue, and the state-owned company, PDVSA, had to have the majority stake in all of the oil projects. That meant pretty much all of these companies voluntarily left because it wouldn't be profitable enough for them. So, bringing us back to

Maduro now, the U.S. government began imposing sanctions on Venezuela in 2015, starting under Obama, actually.

Hugo Chávez died in 2013 under strange circumstances, and then Maduro won the election. Immediately, the U.S. backed more coup attempts. You can go back to 2002, when the U.S. backed the first coup attempt in April of that year that briefly overthrew President Chávez, the democratically elected leader. The U.S. tried to put in power—tried to recognize—this right-wing multimillionaire oligarch, Pedro Carmona, who was not elected in any way. It was a complete, I mean, just totally blatant coup, and it failed. But there were many other coup attempts.

Chávez died, Maduro won the election, and then the U.S.-backed opposition figure Enrique Capriles claimed there was fraud, and the U.S. tried to back a coup attempt in 2014. That's when they brought out the famous guarimbas—these blockades, these very violent barricades where they killed chavistas and... anyway, that was the first of many coup attempts under Maduro. So that was the first kind of destabilizing factor. Then the price of oil collapsed for a variety of reasons we can talk about. It was a very complex geopolitical moment. You also saw Russia reincorporate Crimea into Russia—you know, this infamous annexation of Crimea that Ukraine talks about and all that. It's a very complicated history.

We don't have time to get into the U.S.-backed coup in Ukraine. Anyway, the U.S. responded to that by putting very heavy sanctions on Russia. The Obama administration was also trying to pressure Iran to come to the negotiating table for the JCPOA, the Iran nuclear deal. And then, of course, there was this coup attempt happening in Brazil to destabilize Dilma Rousseff with protests backed by the U.S. So it was kind of this perfect storm. There were reports from Reuters that the Obama administration sent Kerry, who was secretary of state at the time, over to Saudi Arabia. This was when the war in Syria was going on. The U.S. made a deal with Saudi Arabia—Saudi Arabia agreed to massively increase oil production, which crashed the price of oil.

The reason Saudi Arabia could do this was because it was losing money, but Saudi Aramco, the state-owned oil company, was using it as a geopolitical tool. In return, the U.S. government agreed to provide more support to the jihadist extremists in Syria to help Saudi Arabia destabilize Bashar al-Assad's government. Anyway, there are multiple factors here, but this is really the beginning of the extreme economic war on Venezuela—a kind of scorched-earth economic war to try to destroy the country. The fact that the Venezuelan government has survived 11, now 12 years of this economic war is very impressive. It's a testament to the popular support that still exists among poor and working-class Venezuelans, despite the extreme economic hardship.

I mean, I've seen the brutal inflation—the worst inflation I've ever seen in my entire life. Absolutely crazy. The fact that the government has survived is a testament to the fact that there's still some popular support. Now, getting back to the issue of the oil concessions, the reason I talk about this history is because there's this absurdly simplistic narrative we hear that Venezuela collapsed because of socialism, blah, blah, blah. It's complete nonsense. The Venezuelan economy crashed—it was a

really difficult moment—but it's been recovering. In fact, Venezuela now has the fastest-growing economy in Latin America, if you exclude Guyana, which is a very special case because Guyana has become this massive oil-producing country that U.S. corporations are heavily involved in.

I mean, there's a lot of growth in Guyana, but Guyana isn't actually receiving most of the benefit from that because they have these very unfavorable agreements where U.S. oil companies are just making out like bandits, exploiting Guyana's oil. That's a special case. Venezuela actually has the fastest-growing economy in the region now because it's been recovering—well, it was until the naval blockade. So this brings us to the issue of the concessions made under Maduro. Another very important part of this blockade and these sanctions is that they prevented Venezuela, first, from exporting oil to the U.S., which, ironically, had been the major importer of Venezuelan oil.

Venezuela has been a petro-state for a hundred years. Imagine if Saudi Arabia were under brutal sanctions and an economic blockade, unable to export oil—the Saudi regime would probably collapse within a few weeks. I mean, it wouldn't survive. Whereas Venezuela managed to survive, despite the fact that the U.S. was its largest trading partner. Now China has become the largest importer of Venezuelan oil, and that's been a lifesaver. China doesn't care about these illegal, unilateral U.S. sanctions—it imports more than 80 percent of Venezuelan oil. However, there are some other issues.

One, Venezuela has very heavy crude, so it needs to be refined. Venezuela's main refinery company is called Citgo, and its refinery arm was based in the United States—which, looking back, you could say was a crazy idea. But at that time, they never thought the U.S. would go to such extreme lengths of piracy, literally seizing a multibillion-dollar company that belonged to a foreign government. But that's what the U.S. did. In 2019, with Trump's coup attempt, the U.S. seized Citgo, the main state-owned oil refinery company and the most important foreign asset belonging to Venezuela.

So then it became extremely difficult for Venezuela to refine its heavy crude. Venezuela also needed to import lighter crude—sweet crude—and chemicals like naphtha, for instance, which are required to domestically refine and process this heavy crude. You can't use it as is, because Venezuela has some of the heaviest crude on earth. It's very difficult to process. So Venezuela, because of the U.S. blockade, was unable to import most of that, and it didn't produce any of it domestically. And then there's the technology factor, which people don't think about. Yes, Venezuela nationalized its oil industry, but it doesn't have engineering companies that create oil drilling infrastructure.

This is very complex infrastructure, made by a small handful of companies—primarily U.S. and European ones. Now, other companies do exist. For instance, China and Russia have their own domestic drilling infrastructure and technology that they've developed. Even Iran, because it's been under sanctions for so long—since the 1979 revolution—and also because it's a relatively technologically advanced society for a medium-sized country, has developed some of this infrastructure. So they were able to help Venezuela.

But Venezuela's oil industry was built over the past 100 years using entirely U.S. and European technology. When the U.S. started imposing sanctions on Venezuela in 2015, it became very difficult for the country to import much of that technology to maintain its oil infrastructure, let alone modernize it. You have to constantly upgrade and fix this machinery—it breaks down over time. These are fixed assets; they experience capital depreciation. So Venezuela was unable to import many of the capital goods needed to maintain its oil industry.

So, in addition to being very heavily restricted on exporting, we saw that the oil infrastructure was really in crisis and oil output collapsed to fewer than one million barrels per day, which had previously been more than twice that before the U.S. blockade in 2019. It had been steadily falling, but it especially collapsed with the Trump coup attempt in 2019. There was some support from China, Russia, and Iran—especially Iran, by the way—which probably, in terms of scale, provided the most support. Iranian engineers in particular were helping to modernize and develop the oil industry.

And then the Joe Biden administration came in, and basically the Biden administration made a deal with the oil companies. The reason I went into all that history is that we need to understand the situation Venezuela has been in, and how desperate economically it's been because of this brutal U.S. blockade. So Biden came in, and his administration was not as extremely committed to regime change in Venezuela, because the Miami hawks—they're all Republicans at this point. You know, Florida historically was known as a purple state, but now it's fully a red state, not a left-wing state.

You know, in the U.S., the colors are the opposite of the rest of the world—right is Republican, very right-wing. And, you know, Florida is now firmly Republican, Trump territory. I mean, it's like deep Trump territory. So the Biden administration also had someone whispering in Biden's ear—the oil lobby, especially Chevron. And they were saying, "Look, we just want to make a deal with Venezuela so we can profit from some of this Venezuelan oil." So it was kind of mutual; it was mutually beneficial for both the U.S. and Venezuela to make this deal where Biden made some exceptions. He did not lift the sanctions on Venezuela at all.

He made some exceptions to allow Chevron to operate in Venezuela. And Maduro made this strategic calculation that, because Venezuela's oil infrastructure was still so heavily dependent on the U.S. and on imports of technology, the country couldn't just develop its own domestic oil drilling company overnight. Very few countries can do that. You need very advanced engineers with high wages. And we all know the Global South has major issues with brain drain—especially when you're under blockade, facing an economic crisis, and you lose half your engineers, who all go to other countries, which Venezuela suffered from.

So basically, under siege, Venezuela passed what was literally called the Anti-Blockade Law. This law made some concessions to foreign companies—primarily Chinese and Russian, but also some U.S. companies—saying, like, look, we have to make a strategic retreat here. We can't build socialism when we're under blockade. We don't have any domestic companies that produce this stuff. We're a petro-state; we need foreign investment. So they also made a deal, saying, look, if we allow Chevron

to come in, this could give us some breathing room. The U.S. will lift some sanctions, and maybe it'll be easier for us to import some of this stuff.

Not only, you know, have I been focusing on the oil industry—medicine and medical equipment were another major factor. Tens of thousands of Venezuelans died. According to UN experts, tens of thousands died. Also, there was a very good research paper published by the Center for Economic and Policy Research in Washington, D.C., by Jeffrey Sachs and Mark Weisbrot. They found that in one year—from 2017 to 2018, I think, though I might be off on the exact years—about 40,000 Venezuelans died, in a conservative estimate, because of the illegal unilateral U.S. sanctions.

A lot of those deaths happened because Venezuela couldn't import crucial medicine and medical equipment. I've been in Venezuelan hospitals while reporting there multiple times, and I saw it firsthand. I talked to doctors about how there was a major shortage of many medicines and supplies, which led to a lot of deaths. So basically, the Venezuelan government was in a situation where they said, "We have to make a strategic retreat, and this could be an opening where the U.S. might slightly lift the suffocating chokehold it has on our economy by allowing these concessions." But it's not like Venezuela was privatizing its oil industry.

It allowed Chevron to have a minority stake in Venezuelan oil output in certain projects. So, I mean, again, this is a strategic retreat. This ultra-left critique of Venezuela—saying, "How dare they allow a foreign company to operate?"—I mean, they were in such a desperate situation where they were saying, "We either allow in some foreign investment to help us repair the oil industry and increase output, or we don't have any oil output." The Venezuelan government is still getting a very good deal on that oil output. It's revenue going into the coffers of the Venezuelan government, which is being invested in the Venezuelan people. So, I mean, this fake left opposition—it's absurd.

Now, finally—I know this is a very long answer—but I wanted to provide that context to understand how we got to this situation and why it was entirely reasonable for the Venezuelan government to make this decision under the anti-blockade law. Because you can talk about socialism and all that all day, but if you're a Global South country that has basically no domestic manufacturing, you're entirely dependent on exporting raw materials. I'm describing many countries in the Global South. Not all of them are petrostates. Many countries in the Global South export minerals and unprocessed ore, and they export agricultural products with very little value added in the manufacturing process. This is the situation in most countries in the periphery. This is the whole idea of what it means to be part of the periphery of the world capitalist system.

Venezuela has been in this situation. No amount of government rallying around or organizing workers can magically develop this overnight. It's impossible. You have to allow in some foreign investment in order to develop these forces. This is what China recognized, by the way, in the 1970s. So Venezuela made this decision assuming it would lead to a slight softening of the U.S. blockade—which, honestly, it did. I mean, it's not like the Biden administration was friendly to Venezuela or supported Venezuela. That's not true at all. But they also weren't extremely committed

to overthrowing the Venezuelan government, because some U.S. oil companies were benefiting. And then Trump came in—and then you bring in people like Marco Rubio.

And this is why, actually, one would think they'd be the ones most friendly to these companies. But the Marco Rubio types in Miami saw this as a concession to Maduro that was helping Venezuela. That's why they've actually been against a lot of these concessions—because they don't want U.S. companies operating in Venezuela now. They want to take over. They want everything. Their strategy is, instead of having a few crumbs—or maybe more than a few crumbs, a few slices of the cake—they want the entire cake.

And they think they can starve Venezuela of revenue and crash the economy, which is the explicitly stated goal now of the naval blockade. Reuters reported—citing Trump administration officials—that for a few months they plan to maintain this blockade to crash the Venezuelan economy. They think this will lead to regime change. And, you know, they're bombing Venezuela. There are reports now that the CIA is carrying out drone strikes there. People have debated that, but regardless, Trump has said he's going to carry out attacks inside Venezuelan territory. They think this is the moment when they can push for regime change.

And so there's this kind of struggle going on, right? Like, within the ruling class, there are always contradictory interests. There are some people in the Trump camp who are, you know, very close to the oil industry. That's why they're allowing Chevron to continue operating in Venezuela. And that's why some people like Grenell, who was Trump's envoy making a deal with Venezuela, were trying to get bigger concessions. Because, as I mentioned, Chevron's concession was still a minority stake—it's not a big stake. Grenell, Trump's envoy, was trying to get much bigger concessions in Venezuela so U.S. companies could have much higher profits from exploiting Venezuelan oil.

And the Venezuelan government wasn't really interested, but they were also afraid—they were trying to make a strategic calculation. And then, you know, there are the oil industry elements. Trump's energy secretary is a former CEO of an oil and gas company, so they're obviously very interested in this. They're a little more realistic; they understand that regime change is risky, that a war in Venezuela could backfire. So they're focused on getting as big a concession as they can. Whereas the more ideologically committed elements around Rubio are like, no, we want full-on economic suffocation to overthrow the Venezuelan government.

## #Mudiar

Would you see the Trump administration as a big shift—from a Venezuelan perspective, a big shift in U.S. foreign policy? Because, as you've seen, some of the narratives around drug trafficking or countering narco-terrorism have emerged in a big way. Even though the idea that Venezuela represents a national security threat to the United States is much older, the Obama administration in 2015, when it imposed sanctions, explicitly escalated Venezuela as a national security threat. So, in some ways, this has been going on for the last twelve years. But the narratives in the media earlier—

we used to see them as about authoritarianism: Maduro banning political parties, not holding local elections, mismanaging the economy, creating a humanitarian and migration crisis, and so on. I mean, those were the dominant trends. Now it seems to have shifted more toward democracy and drug trafficking. Is that a shift, or is that not a shift?

## #Ben

It's just rhetorical. It's fake. I mean, in terms of a shift, obviously we've seen continuity between Republicans and Democrats—that's very common. The Obama administration started the sanctions on Venezuela. The Obama administration backed the coup in Honduras in 2009, and then Trump backed another electoral coup in Honduras. The Obama administration backed a coup in Paraguay in 2012, and a coup in Brazil in 2016. The first Trump administration backed another coup in Brazil in 2018 with the imprisonment of Lula on fake charges, which is what put Bolsonaro in power. Obviously, there's continuity. That said, I'm not in any way trying to absolve the Democrats by saying they're the lesser evil.

But, you know, if you're governing a country, you can't—it's one thing if we're intellectuals and we're trying to analyze the situation ideologically. But if you're the governor of a country, if you're a foreign minister, you have to think in terms of realpolitik. You have to think in terms of relative balances. And for Latin America, despite the many attacks by Democrats, left-wing governments, for the most part, have seen Republicans as much more vicious and much more interventionist. I'm not saying they were pro—they supported Biden and Obama. They also recognized that they had their own ulterior motives.

But I mean, just objectively speaking, look at Trump's first term—the coup attempts in Venezuela, the blockade of Venezuela, the coup attempts in Cuba, and the coup attempt in Nicaragua in 2018, which was very violent. So, again, I'm not saying the Democrats are the lesser evil or that we should all support them. But I'm saying, if you're governing Venezuela and you look realistically at Biden and Trump, despite the fact that Biden certainly did not end the economic war in Venezuela or lift the sanctions, he was certainly not as aggressive against Venezuela.

And it wasn't as much of a priority for him. And certainly under Marco Rubio—well, I can't name who it was, but I'll say, you know, a diplomat from a Latin American country—I remember he told me, when Trump announced Marco Rubio, he said, "Literally, I would rather have Satan as the U.S. Secretary of State than Marco Rubio." So this is the feeling of many. Of course, this was from a left-wing country. The right-wingers in Latin America, they love Rubio because he's one of them. But I mean, Rubio—it's not just Trump.

Trump, of course, is bad enough, but Rubio is really the king of what are known as the gusanos—the extreme right-wing forces, many of whom were wealthy elites and, honestly, slave owners from Cuba who went to Florida after the Cuban Revolution. Actually, many of them went before the Cuban Revolution, which succeeded on January 1, 1959. By the way, Rubio has lied for most of his

career, claiming his parents were so-called refugees from communism, which they were not. They were not fleeing communism; they were migrants who voluntarily left Cuba before the revolution.

And he's lied about that for much of his career. But I mean, Rubio is like the pope of the far right—the Latin American far right. And in terms of Trump, you know, in Venezuela, during the first Trump administration, Maduro made the decision to have their government slogan be "No más Trump," meaning "No more Trump." They had these big protests. I went to some of them—I took photos and videos; you can find them online. They all had signs saying "No more Trump." That was a big part of it. They were trying to join in this anti-Trump resistance. And then, when Trump won the second term, at first there were some people in Venezuela who thought that Trump could be negotiated with, right?

And this is the mistake some people make. They're like, "Oh, you know..." And still, you hear some MAGA people say this: "Trump is a businessman, he's pragmatic." That's the narrative. It's not true. But there were some people who thought maybe Trump could be negotiated with, that they could make some kind of deal. And Trump did have this guy, Richard Grenell, who was the envoy meeting with Maduro. There were also some people in Miami who were very angry about the Chevron deal that was made, even though that actually started under Biden and was continued under Trump.

But then, of course, now we see that all of that has ended. So, you know, Trump claims he's going to negotiate, but at the end of the day, he only negotiates with countries that actually have more leverage over the U.S.—like China. The reason Trump was forced to the negotiating table was, first, because of China's export restrictions on rare earths, which was the ace China had that really hurt U. S. companies, especially the military-industrial complex, since they can't produce anything without Chinese rare earths.

And then also because of the U.S. bond market—the U.S. was really concerned that China could dump Treasuries. The U.S. is already dealing with, you know, the yield on 10-year Treasuries being persistently high, despite the fact that the Fed is cutting interest rates. So, like, the U.S. is dealing with bond market issues. China had a lot of leverage. Venezuela doesn't have leverage over the U.S. So we now see, like, you know, the Trump administration really thinks at this moment—like, Trump himself has made the assessment. I'm sure Marco Rubio has convinced him, but, like, this is not... Trump supporters love to absolve Trump, and they say, "It's not Trump, it's all the people around him."

It's all the neocons. It's like, yeah, Trump appointed them. In the first term, they were like, well, the deep state forced Trump to appoint all these neocons around him—like, you know, Mike Pompeo, the CIA director who became secretary of state, and the worst neocon of all, John Bolton, who was Trump's national security advisor. And all the Trump apologists said he was forced to do it by the deep state. Well, now we're in Trump's second term—"Dark Maga," his supporters claim—and once

again, he's surrounded himself with a bunch of neoconservative war hawks, including Marco Rubio, who's been a war hawk his entire career. He supported every war. He was one of the main cheerleaders for the war in Libya in 2011. And...

By the way, who is Trump's Secretary of War—who renamed the Pentagon the Department of War? Pete Hegseth, who's an insane, mouth-foaming neoconservative, also a maniac pushing for war. These are the people Trump has voluntarily surrounded himself with. So, like, these MAGA supporters are so naive and, frankly, so stupid to believe Trump's peace rhetoric, while Trump, again, has bombed ten countries. So, I'm not absolving Trump, but really, Marco Rubio is like the death knell. In the Latin American left, they—frankly, if Rubio heard me saying this, he'd be very happy. He'd share it with all his friends. But they really do fear Rubio, and they're right to fear him, because for Rubio, it's not just about the economic interests of U.S. corporations.

It's an ideological crusade that the Miami right has been dedicated to for many decades, ever since the Cuban Revolution in 1959. They truly think they can pull it off—that if they succeed in carrying out regime change in Venezuela, Cuba will fall. Honestly, I think that's a simplistic idea, but it's not entirely wrong, because Cuba is under this suffocating blockade from the U.S., and Venezuela has provided a lot of support to Cuba, especially with oil. Cuba has a lot of energy shortages, like many countries in the Global South, but it's been especially bad in recent years with the blockade. China has been helping, building a lot of solar plants in Cuba, which have helped with the energy issues. But if Venezuela's government falls—well, I'm not saying it's likely.

It's a possibility. I mean, I don't think it's a very likely possibility, but it's certainly possible. If not probable, then that could be very dangerous for Cuba. And they've made this assessment that, first of all, Rubio wants to be president. We know he ran for president, and he also thinks that if he can pull off overthrowing Cuba—then, of course, they would go after Nicaragua as well—if he can pull it off, he thinks it's guaranteed that he'll be the next president. So again, in addition to all the geopolitical elements, in addition to the interests of U.S. corporations, there are also the political interests of this Miami group, of Marco Rubio, and his own personal political ambitions, which we can't downplay either.

## #Mudiar

I guess it would be interesting to hear your thoughts on the U.S. response to the growing influence of China in the region—or, you could say, the U.S. response to the growing ties between Latin America and China. Because “influence” also kind of assumes that this growing relationship mimics the older Cold War dynamics, which had a much more direct political alliance at that time, politically split between the USSR and the United States. We've seen a massive expansion of ties between many countries in Latin America and China. Venezuela is one of them, but even countries with right-wing governments. Recently, there was a big article in the *\*Financial Times\** about Chilean cherries becoming a leading export sector to China, because cherries are valued there as a good omen.

Does the U.S. administration feel politically threatened by this rising trade and investment? We've also seen Chinese investments in the energy sector, port sectors, and other infrastructure across the region. Does the U.S. administration feel threatened? And secondly, what is the response of U.S. corporations? Because Chinese corporations across multiple sectors are eating up some of those markets, including Amazon markets. How does the U.S. business class feel about this, and how does the U.S. political class feel about the growing ties between China and the Latin American countries?

## #Ben

Yeah, so I'll start with a very short answer. Does the U.S. feel threatened? Absolutely. This has been made very clear, especially by the national security strategy published by the Trump administration. They make it as clear as day: they want Latin America to cut its ties with China—politically, especially, but even economically, to the extent they can. Now, that's very unrealistic politically. Actually, I think it's realistic only if they can put in power all these right-wing puppet regimes, like they've succeeded in doing in Argentina, in Chile, and now in Honduras. And they want to do it in every country in the region. I mean, that's the goal. They'll back coups when it's necessary; they'll interfere in elections when it's necessary.

Politically, they want an entire region that is pro-U.S. But economically, it's much, much more complicated. Brazil is an interesting example, right? China is the largest trading partner of South America—period. The number one. Well, outside of the region, if you're not counting, you know, Argentina trading with Brazil—looking at external trading partners—China's the number one, and it's been rising massively over time. For all of Latin America, if you exclude Mexico, China is the largest trading partner. Obviously, Mexico is a special case. I mentioned that earlier, and that's because Mexico shares a massive border with the U.S.—it's a neighbor of the U.S.—and because 80% of Mexico's exports go to the U.S. I mean, these are economies that are deeply integrated.

Mexico also has a free trade agreement with the U.S., previously known as NAFTA. And this is why the Trump administration forced Mexico to put a 50% tariff on China. Now, of course, there are some Mexican companies that don't want to compete with China. And there are other issues we can talk about—Chinese companies are extremely competitive, and it's hard for a lot of companies in the Global South to compete with them. So, you know, I'm not entirely against, by the way, Global South countries protecting their own domestic industries with tariffs. But in the case of Mexico, those tariffs would not have been 50%. The reason they put 50% tariffs on China is because the Trump administration told them to. And of course, Mexican industrialists like that.

But it's because Mexico has a free trade agreement with the U.S., and they knew this would incentivize Chinese companies to build factories in Mexico—which many have, by the way. Lenovo opened a factory in northern Mexico to build laptops and then export them to the U.S. with no tariffs, because of that free trade agreement. So this is also what's happening now in Southeast Asia, where Chinese companies are opening factories and adding some value to the production

process in places like Vietnam, Thailand, and Indonesia, and then exporting to the U.S. They're not considered Chinese goods anymore. Some people call that transshipping, but it's actually not transshipment.

Transshipments are something different, but they're actually adding value to the production process. That's why a lot of these countries in Southeast Asia are welcoming this investment—it means more local jobs and helps them move up the value chain. But anyway, Mexico is always a special case. Excluding Mexico, China is the largest trading partner of Latin America. However, what's interesting is that the U.S. and Latin America are competitors when it comes to trade. Even though the U.S. is obviously an advanced economy, it's been relatively deindustrialized, because the whole strategy during the era of neoliberal globalization was that—if you think about the world system, the center and the periphery—previously, if you go back to classical world-systems theory in the mid-20th century, the idea was that the core countries added more value to the production process through manufacturing.

What we saw with high-tech manufacturing and the globalization of supply chains is that manufacturing is no longer at the center of the value chain. It's not at the top like it used to be. The top of the value chain is design—it's the high value-added services of intellectual property, of designing the technology, which is then produced in the semi-periphery, in countries like China. And now that supply chain is moving to other countries—Southeast Asia, even India to an extent. So the supply chain has become more varied, larger, longer, and more complex. The U.S. has specialized in the very high-end monopolies, where there are very few competitors.

So you have extremely high profit margins from designing the iPhone and things like that, right? And famously—I've talked about this a lot—but J.D. Vance, the U.S. vice president, gave a speech at a venture capital conference in Washington that was backed by Andreessen Horowitz, this major venture capital firm that's very close to the Trump administration and to Silicon Valley. And Vance openly admitted this—basically the critique that world-systems theorists have been making for a long time—which is that the strategy of the U.S. in the era of neoliberal globalization was to maintain a monopoly over the high value-added services in the global supply chain, to offshore the low-profit, labor-intensive sectors, and to keep the capital-intensive sectors.

So anyway, the reason I go into that is because when you look at the U.S. economy, at the high-end sector, obviously China is a competitor, but also the U.S. is now—it's funny—you see, the U.S. economy has some elements that are kind of similar to Latin America, although they're a much smaller percentage of GDP. Like, you look at the exports of raw materials in most Global South countries—they represent a huge share of the economy. In the U.S., the oil industry is not a major part of the economy, but it's still an important and influential sector. And the U.S. is now the world's number one producer of oil and natural gas.

The U.S. is also a major agricultural exporter. Typically, the advanced capitalist countries in the core are importers of energy and food—like Japan, for instance. But the U.S. is a very strange country in

the world system, and it's a very big country in terms of land mass. So it's a major agricultural exporter and a major exporter of energy, which means it's a competitor with Latin America. So this is why it's also more complicated. The Trump administration would like to force all these countries in Latin America to cut off ties with China.

Politically, I think that's plausible. But economically, it's not. Because all of these right-wing forces in Latin America—ironically, many of them, pretty much all of them—their patrons are the big landlord class. Brazil is a good example of this. Who were the big forces behind Bolsonaro? It was the big agricultural corporations, which are basically just big landlords in Brazil. And they're the people who export soybeans and corn, and they also export minerals, because it's not really state-owned. Brazil does have Petrobras, which is a state-owned oil company, but a lot of the minerals are privately owned. And Brazil is one of the world's biggest exporters of iron ore—and that's all private.

And these big exporters—they're not going to export soybeans and corn to the U.S., which is one of the world's biggest producers of soybeans and corn. They're not going to export much iron ore to the U.S. either, because the U.S. doesn't need that much iron ore; it's been deindustrialized. Who's the biggest importer of iron ore in the world? It's China. So Bolsonaro's base—the class forces behind the far right in Brazil—are dependent on exporting to China. They can't export to the U.S. because the U.S. isn't going to import that much, and they compete with the U.S. So this brings us to a very funny situation where the Trump administration was waging a trade war against China. At one point, the Trump administration had tariffs of 145% on China.

So one of China's responses—I already talked about the restriction on the export of rare earths—and potentially, there were reports that China was reducing or selling off some of its Treasury securities. Not mass dumping, but selling enough that it caused volatility in the U.S. bond market, which really scared the Trump administration and Scott Besson. So those were cards that China had. But another major card China had was soybeans. China is the world's largest importer of soy. It has 1.4 billion people, and soy is a big part of the Chinese diet—like tofu.

So instead of importing soybeans from U.S. farmers—Venezuela, no, not Venezuela—China was importing those soybeans from Brazil and Argentina. Which is kind of funny, because Argentina now has a very right-wing, pro-U.S. leader, Javier Milei. And at the same time, one of the main bases of support for Milei, in addition to the financial sector—which is mostly private, linked to Wall Street, and run by the Minister of the Economy, Caputo, a former J.P. Morgan executive who also worked at Deutsche Bank—well, by the way, Javier Milei's Ministry of the Economy and Central Bank are both run by J.P. Morgan executives.

In addition to Wall Street, another big political base of support for Milei is the large landowners in Argentina, who are all very right-wing and strongly opposed to the left-wing Peronists, especially the Kirchnerists. So they all back Milei, but they're also dependent on exporting their soy, corn, other agricultural goods, and beef—since Brazil and Argentina are major beef producers. They're also competing with the U.S., which is another beef producer, and they're exporting to the Chinese

market. So the class forces—the capitalists who support the foreign and Latin American sectors—are dependent on exporting to China.

They can't export to the U.S.—they compete with the U.S. So this led to a funny situation where China was importing more soy from Argentina, which was actually helping the big capitalists who back Milei, instead of importing those soybeans from U.S. farmers. And U.S. farmers—well, we call them farmers, but they're really big ag, big landlords. We're not talking about campesinos, we're not talking about peasants like in India, where so much of the population is still working in subsistence farming. We're talking about big ag corporations. But so many of these big ag farmers... voted for Trump.

They were a major source of political and economic support behind Trump. So then the Trump administration was talking about spending billions of dollars to bail out U.S. soybean farmers because they couldn't sell their soybeans to China. I mean, this is obviously a very complicated geo-economic situation, right? The U.S. wants to pressure all these countries in Latin America to break off their ties with China. Politically, they've succeeded with the right-wing regimes, but economically, the opposite is happening. Ironically, under Bolsonaro, what we saw was that he didn't care about manufacturing at all.

A lot of the industrialists—even though, you know, there are certainly right-wing industrialists—I mean, they're all right-wing pretty much because of their class interests. But there were some industrialists who were more supportive of the Workers' Party and Lula, because Lula comes from an industrial background. Well, really, he comes from a labor background. And obviously, if you don't have industry, you can't have labor unions organizing that industry. So there's this kind of strange alliance where Brazilian labor unions and industrialists have this love-hate relationship—they need each other—whereas all the big landlords were Bolsonaro supporters.

So, ironically, under Bolsonaro, trade with China massively increased, and the Brazilian economy deindustrialized under his neoliberal policies because he ended all industrial policy. Also, Brazil has a major development bank, and under Bolsonaro, instead of privatizing the bank—which they talked about doing, by the way—they realized they could use the development bank's money to give loans not to Brazilian industry, but to the big agribusiness corporations that supported Bolsonaro. So under Bolsonaro, trade with China massively rose, but it was all exports of raw materials, and he helped to further deindustrialize Brazil.

And now the Lula government is trying to focus on reindustrializing, but it's obviously very difficult. We're in a complex geo-economic situation. You mentioned Chile—Chile is basically the Saudi Arabia of copper. The unspoken secret that Pinochet supporters never mention is that Pinochet privatized much of the Chilean economy, and he carried out these extremely corrupt privatizations everywhere, selling even profitable state-owned enterprises for a fraction of what they were worth to friends and supporters of the Pinochet dictatorship. Those oligarchs got very wealthy, which is why, still today, Chile is the most unequal country in all of Latin America—which is saying a lot.

I was recently looking at the data—something like 1% of the Chilean economy holds 49% of the wealth. Don't quote me on that, but it's nearly 50%. I remember, I think it's 49%. So 1% of Chile's population holds about half of the country's wealth. These big oligarchs, many of them go back to the Pinochet privatizations. It's similar to when the former Soviet Union carried out those mass privatizations—these big oligarchs bought up the assets for pennies on the dollar. Anyway, the point I'm making is that despite all of that, under Pinochet he still never fully privatized the copper industry or the state-owned copper company, because he recognized that he could fund his dictatorship with the rent from exporting copper.

And Chile is by far the world's biggest producer of copper, and that has always been a key part of the Chilean economy. So, who is the world's biggest importer of copper? Once again, it's China. The U.S. doesn't import much copper because it's deindustrialized. Now, Chile is also an agricultural exporter, and it has other minerals too—not just copper but lithium, for instance. Chile has one of the world's largest reserves of lithium. And the current centrist, center-left—ostensibly—President Gabriel Boric is kind of seen as a joke on the Latin American left, because he's basically a pro-U.S. liberal, really out of step with the rest of the Latin American left.

But in terms of the current government, they briefly talked about creating a state-owned lithium company, but they didn't do it. And ironically, this far-right Pinochet supporter, José Antonio Kast—the president-elect who's coming in—actually praised the ostensibly center-left president, Boric. He praised him for not creating a state-owned lithium company, saying that would be "evil communism." This far-right Pinochet supporter, who's now the incoming president, Kast, has openly said he wants to sell Chile's lithium to U.S. companies. And ironically, I'm sure U.S. companies like Tesla will get some of it.

But ironically, Chinese state-owned enterprises will probably get some of it too, because China has a socialist system internally, but internationally it operates within the capitalist world system. And, you know, if Chile has open bids for auctioning—if they have open opportunities for foreign investment in Chile's lithium sector—you can bet that some Chinese enterprises are also going to make offers for those auctions. So I wouldn't be surprised to see that under this far-right government in Chile, there will be both U.S. and Chinese companies investing. And also, Chile is going to export most of this to China, because the U.S. is a competitor. The U.S. is not going to import all this stuff from Chile.

So then the question now is, will the U.S. start forcing these governments to restrict Chinese investment? Because China invests everywhere. China is a massive country, and also a world leader in processing minerals. So is the U.S. going to force these right-wing governments in Latin America to go against the interests of their own domestic capitalist class? That's the real question. Because so far, a lot of these capitalists in Latin America—the big landlords and rentiers—aren't industrialists. They make their money from taking a small percentage of the export of raw materials, whether it's oil, gas, soybeans, corn, lithium, or iron ore.

The question is, will their own political forces—the governments like the Bolsonaro types—I mean, it's not going to be Bolsonaro, but, you know, those kinds of figures in Chile—will they agree to go along with that? And then there's one other quick element here. I mentioned that if you look at the Latin American left, which makes sense, the Latin American left politically is very pro-China, but economically it's more protectionist, because they understand that it's very difficult to compete with Chinese companies. And that's perfectly logical, and I completely defend their right to protect their own industries. And some of them are welcoming in...

So, for instance, Brazil is protecting some sectors like the steel industry, but they're also welcoming Chinese investment in the car industry through joint ventures. I think that's great. They should do what China did—China protected its local industry and made joint ventures with foreign investors. That's great. But politically, they're very pro-China, whereas the right-wing forces in Latin America are extremely anti-China. Bolsonaro was very anti-China—he blamed the pandemic on China, called it the "China virus," and said he was going to cut relations with them. The same thing with Milei. Milei is extremely anti-China; he withdrew from BRICS and all of that. But economically, they've deepened trade with China because it's the capitalist class that backs them.

## #Mudiar

Wants to continue to export—so how will that go? It's a very complicated scenario, I don't know. And just to add to the question you raised about whether the U.S. would be able to force the state to act against the interests of the ruling elite, given their ties with Chinese trade—I would also add that it's not, excuse me, it's not just about the interests of the business class, but also the interests of the state. Even for Argentina, China extended a \$5 billion swap line at a time when Argentina was going through repeated financial crises, much of which was caused by its dollar debt obligations that it has to repay. There's also the tax revenue from this trade, which primarily gives stability to these states. So it's not just the business class, but the ruling elite as a whole—even the political class as well. My final question, Ben—and you can be brief. Can I add a quick thought there? Of course.

## #Ben

I know I have a tendency to go on and give long answers, but I'll try to keep this short. Just a quick thought in response to what you said. It's funny because China's foreign policy is obviously very non-interventionist. They have a policy that's totally understandable—and in most cases, it's a good thing—but sometimes it can be a bad thing, right? Like in the case of Palestine. But China's foreign policy is non-interventionist. They're willing to work with pretty much any country, as long as that country recognizes the One China policy and respects China's internal sovereign affairs.

And according to international law, Taiwan is part of China, so they consider that part of their sovereign affairs. If other countries don't meddle in China's affairs, China doesn't care. They'll work with anyone, including this horrible regime in Argentina under Milei. And what's funny is Javier Milei—

like I mentioned—politically, all these right-wing leaders in Latin America say their greatest partners are the U.S. and Israel. They all say that, especially Milei, right? And they all hate China politically because, you know, it's a socialist system governed by a communist party internally. Although, as I mentioned, internationally China is still deeply embedded in the global capitalist system.

And so what's funny is Milei, who is a self-declared anarcho-capitalist and libertarian—he famously did an interview where he said, you know, politically, I don't like China, they're communist. But I have to say, our relationship with them is good because they don't ask us to do anything. They just say, like, let's just trade. And Milei likes that because, you know, he's beholden to these big Argentine landlords and these big capitalists. Even calling them capitalists is sometimes not entirely fair—they're just landlords. I mean, they're like the descendants of the old latifundia, the owners of the latifundia going back to the Spanish colonizers.

Like, they just are the big landlord class or the compadre bourgeoisie, right? So, in terms of whether or not the Trump administration can force them to go against their own interests, it's going to be difficult. I think that, yes, ultimately the U.S. can, because the U.S. can threaten so many of these countries militarily. So, I think ultimately the U.S. will force some of these capitalists in Latin America to go against their own interests and to reduce even trade with China to the extent that it can. It's not going to be like cutting off trade with China overnight; it's going to be part of this idea of strategic decoupling over time. But there are going to be a few choke points that we should look for this year and in the years to come.

I think it's very likely that one big issue we'll start seeing soon is discussion of the Port of Chancay, which is in Peru. So, in 2023—I think it was 2023, right before Biden's term ended, or maybe 2024—yeah, 2024, that was it. China inaugurated the biggest port in Latin America, which is in Peru on the Pacific coast, called the Port of Chancay. It was built with a lot of investment from China. It's partially owned by Peru, through a private company—they don't have state-owned companies—and it's partially owned by China's state-owned shipping giant, COSCO.

And the Trump administration has already made a few signs, a few small hints that it's going to start threatening that. Now, this is going to be—well, we've already seen that the Trump administration threatened Panama over the Panama Canal because they claimed, falsely, that China was running the Panama Canal. That's not true. There was a private Hong Kong company, which is not a Chinese SOE and not from the mainland either. I mean, of course, Hong Kong is part of China, but it was a private Hong Kong company that was operating two ports on different sides of the Panama Canal, and they were trying to sell those ports to BlackRock.

And Trump famously boasted about this, but he conveniently didn't mention that it was BlackRock that tried to buy it. That deal is still in a gray area—we don't know what's going to happen. But I think that's just the beginning. The national security strategy says the U.S. wants to control all the strategic infrastructure in Latin America. So now what they're going to do is look at all the ports in the region that have Chinese investment, and they're going to try to force these governments—or

force China—to sell its stake, to the extent they can. That's the next step, I think. And then, another quick point—you mentioned the swap.

This is very interesting because, at the peak of the Belt and Road—so, the Belt and Road Initiative technically goes back to 2013. It wasn't called that then; it was originally called the New Silk Road. Then it expanded and kind of organically evolved into the Belt and Road Initiative in 2015. The peak of BRI lending was between 2016 and 2018—that was the high point. Since then, of course, BRI lending has continued, but it's declined. There's also been a shift from Chinese policy banks to Chinese commercial banks. And now, some of the biggest lending actually comes through swap lines that provide liquidity in yuan from the People's Bank of China to other central banks.

Previously, Argentina had a kind of center-left government under President Alberto Fernández, which was very pro-China because they recognized that China offered them a chance to gain more strategic independence from the U.S. Politically, they were very pro-China, and they were trying to join BRICS. They accepted the invitation to join and would have become members, but when Milei came in—so, Argentina was invited to join BRICS at the 2023 summit in Johannesburg, South Africa—they were set to join on January 1, 2024. But Milei came in and withdrew Argentina from BRICS before they officially became full members.

The point is that the previous government had also joined the Belt and Road Initiative. By the way, Panama—Marco Rubio, in his first foreign trip as Secretary of State—went to Panama and forced them to withdraw from the BRI. So that's going to be another big step: the U.S. is going to push all these countries to withdraw from the BRI. Honduras is the next one. Honduras is not only going to withdraw from the BRI; I think it's very likely that Honduras will be one of the few countries that actually formally breaks diplomatic relations with the People's Republic of China and recognizes Taiwan—which only 11 countries have done. They represent about 0.48 percent of the world's population. It's almost no one. But Honduras is going to do that under U.S. pressure.

So after the U.S. backed an electoral coup in Honduras, in the case of Argentina, you mentioned the swap line. This has become another kind of politically controversial issue. According to Scott Bessent, there have been contradictory public statements because, you know, the Trump administration would say one thing and then contradict itself. But there were many reports that Bessent, as part of this very strange, unorthodox deal he made with Argentina, was involved while the Trump administration was blatantly meddling in Argentina's midterm election to try to help the right-wing party of Javier Milei, which is called Freedom Advances. Basically, the Trump administration said, "We're going to give you all this money and bail you out if people vote for your party."

If people don't vote for your party, we're going to economically suffocate you. So obviously, you know, that's what the U.S. calls a free and fair election—you threaten to destroy the economy of a country if they don't vote for your puppet candidate. And Milei's party did pretty well. Some people exaggerated how well he did. They didn't get a majority, but they did much better than most people thought. So the U.S. meddling succeeded, and the U.S. offered this \$20 billion line. But what's

interesting is that the financing was actually not from the Fed; it was from the Treasury, which is very strange. And there were reports that, as part of the demands the Trump administration made, Argentina had to cut off the swap line it had with China.

The swap line actually goes back to the previous centrist government of Alberto Fernández. The reason they got that swap line is because the penultimate president of Argentina—the second-to-last president—was a right-winger, Mauricio Macri, who was very pro-U.S. He's not a lifelong, but a decades-long friend of Trump. They go back many decades, did business together, and Macri was a multimillionaire oligarch. He took on the biggest IMF loan in history, and it was so corrupt that the Trump administration did it politically to try to stabilize the peso in Argentina, bring down inflation, and meddle in Argentina's 2018 election, which Macri ultimately lost.

But the Trump administration tried to use that IMF loan to stabilize the peso and also to fund capital flight. It was a blatant violation of the IMF's charter, which says it's not supposed to provide loans for capital flight—which is exactly what it did. So corrupt. Then the center-left government of Alberto Fernández came in, and they said this was an illegitimate loan. At first, the left wing of the administration—because they had formed a coalition between the centrist Peronists and the left-wing Peronists—argued that they shouldn't pay the IMF debt. The faction represented by Cristina Fernández de Kirchner said, "We should not pay the IMF debt. It's illegitimate. We're not going to pay it."

But then the centrists won out, and the center—honestly, center-right—forces of the Peronists were given control of the finance ministry. And they said, "Yes, sir," or "Yes, ma'am," in the case of the IMF. "Yes, ma'am, we'll do whatever you want, ma'am." And they renegotiated the debt and kept paying it, which was completely illegitimate. So the reason they got this swap line from China is, interestingly, it was basically a way for China to help Argentina pay the IMF debt—basically to move Argentina's debt off its own balance sheet and onto China's balance sheet. It's interesting. Previously, the Kirchners, who are the main left-wing leaders in Argentina—Néstor Kirchner and Cristina Fernández de Kirchner—were the ones who paid off the IMF debt in the early 2000s, at the peak of the commodity boom.

They paid off the IMF debt and refused to ever borrow any more money from the IMF. They also significantly reduced Argentina's external debt. It was not the left wing that was responsible for Argentina's indebtedness—it was the right wing, which is the opposite of the propaganda we hear in the corporate media, saying that all the left-wing Peronists were running these horrible deficits. Well, yeah, they had domestic deficits in pesos, but they were not taking on foreign-currency debt, which is what all the right-wingers—the neoliberals—do. They were running fiscal deficits. I mean, the U.S. is running fiscal deficits of 6% of GDP, but those are dollar deficits; they're not taking on foreign-currency debt.

The Kirchnerists significantly reduced foreign-currency debt, and that's why they were strongly against taking on more money from the IMF. They trapped them in debt they couldn't print to pay

off. The right-wing forces have taken on massive, unpayable debt—debt in dollars, which they can't pay off. Argentina is now by far the most indebted country to the IMF. Just Argentina alone represents nearly one-third of all IMF debt. Argentina's debt owed to the IMF is more than 1,000% of its quota. It's just so corrupt. It shows how the IMF is an instrument of U.S. foreign policy. Anyway, I know this is a long answer, and I promised it would be short, but I kind of, once again, bloviated.

But the reason I'm mentioning all of this is that these swap lines have now become a kind of new geopolitical—well, a new geopolitical issue, right? The U.S. is now trying to force countries to end their swap lines with China, which was basically a way for China to help pay the debt of these countries and exchange that debt—dollar-denominated debt—for yuan swap lines. It's basically a way for China to take that debt off their balance sheet and put it on its own, which amounts to a kind of debt relief. And obviously, it's soft power. China says, "Okay, we'll help you pay your debt, or at least exchange your debt."

And in return, you know, you'll be politically supportive—you'll back us at the UN, join the Belt and Road Initiative, support our global governance projects, all of that. It's a way for China to gain more political allies and build soft power. So now the Trump administration is politicizing this. I mean, they're political—we all know that—but now they're explicitly politicizing these swap lines. There are more than 30 Global South countries that have swap lines with China, so I think this is going to become another major issue. They're already pressuring Argentina to end its swap line with China, and I think they're going to go after a lot of other countries as well.

## **#Mudiar**

We'll leave it there, Ben. This was a fascinating conversation, as always. Thank you so much for your time.

## **#Ben**

Yeah, thanks for having me. And again, I know you had more questions, but sorry—I have the unfortunate tendency to just bloviate. But I hope, with all the information and details, people at least get something out of this analysis. Thanks for having me; it's always a pleasure.

## **#Mudiar**

Absolutely. I remember this great book called *\*The Gift\** by anthropologist Marcel Mauss, and he says that a gift represents an obligation that keeps these economic cycles in traditional economies going. So when there's something new, it's not necessarily bad. Of course, I'm not talking about debt, where interest payments would wreck peasants or countries. But when questions are due,

there will be another occasion for podcasters like me to send another invitation to you, saying, "Oh, I had more questions due, and I think it would be an interesting conversation to follow up." And we can have yet another occasion—or excuse—to have a great conversation.

## **#Ben**

Yeah, well, last comment—and I promise this will actually be short. Unfortunately, there's a lot to talk about, especially for Latin America, because if anyone listening today takes one major lesson away, it's that in the short to medium term—and I mean, in the medium to long term—China is still the main target of the U.S. empire. But in the short to medium term, under this Trump administration and likely future ones, Latin America is going to be a major target of U.S. imperialism. This is why they're bringing back the old colonial Monroe Doctrine. The national security strategy says they want to control all the strategic choke points, infrastructure, and natural resources in the region, and cut off the region's ties with China and other foreign powers. So unfortunately, I think we're going to see a lot of very aggressive U.S. meddling in this region. That's why I'm glad we were able to talk about it today—because it's not talked about enough.

## **#Mudiar**

Thanks again. We'll leave it there.

## **#Ayushman**

Hi, my name is Ayushman. I, along with Mudiar Jyotishman, have started this platform. Over the last two years, we've tried to build content for the left and progressive forces. We've interviewed economists, historians, political commentators, and activists so far. If you've liked our content and want us to build an archive for the left, I have two requests for you. Please consider donating to the cause—the link is in the description below. And if you're not able to, don't feel bad. You can always like and share our videos with your comrades. Finally, don't forget to hit the subscribe button.