

Aurora Venezuela Report: America First, Democracy Later, February 3, 2025

The Tearsheet

- Special Envoy Richard Grenell's recent Caracas mission to meet with Maduro has swiftly secured two longstanding U.S. policy goals: the resumption of repatriation flights and the release of American hostages. Notably these objectives were accomplished in exchange for merely maintaining the status quo and without the need for new financial agreements or licenses.

Apr 03	First TPS scheduled to expire
Apr 27	Scheduled parliamentary and gubernatorial elections in Venezuela
Aug 01	Chevron's license to operate in Venezuela is set to expire, unless renewed on Mar 01
- This outcome reinforces [Aurora's longstanding view](#) that Donald Trump's strategy will center on managing migration and criminal networks like the Tren de Aragua (TDA), sidelining regional concerns and democracy promotion in favor of domestically-focused, pragmatic engagement with Nicolás Maduro.
- Within this context, the fate of oil licenses, including Chevron's, remain secondary to immediate security objectives for the administration, which considers Venezuelan oil of little to no strategic importance to the U.S.
- Isolated after a breakdown in relations with Colombian President Gustavo Petro, Maduro is complying with U.S. demands, using trust-building measures like repatriation flights to protect his position without making financial concessions.
- U.S. symbolic recognition of Edmundo González Urrutia remains intact, but opposition leaders María Corina Machado (MCM) and González must now struggle to forestall international irrelevance and growing despondency and division among the base.

1. Caracas Talks

- Special Envoy Grenell traveled to Caracas on January 31, following several weeks of fluid backchanneling between Washington and Caracas on the former's key issues: migration control, criminal organizations like the TdA, and the release of American hostages.
- Confident in the outcome, Grenell secured a repatriation agreement that brought six Americans home without apparent financial or political concessions beyond maintaining the status quo.
- As Aurora [highlighted](#) on inauguration day, Venezuela's importance to U.S. policy lies not in oil but in addressing security threats, including migration flows and the Tren de Aragua (TdA) criminal organization. That same day, Grenell announced that "democracy was back" and dialogue with the Maduro regime set to begin.
- This dialogue, which initially began under Trump's first term and continued during the Biden administration, has now returned under Grenell. In a January 30 [policy brief](#), Secretary of State Marco Rubio emphasized that the "America First" policy would prioritize the Western Hemisphere and address "illegitimate regimes" such as Venezuela.
- The outcome of the brief but symbolically significant meeting in Caracas between Grenell and Maduro was nonetheless unsurprising. As Aurora [anticipated](#), the Trump administration's Venezuela strategy prioritize practical objectives related to migration and security over restoring democracy or challenging electoral results.

- Mauricio Claver-Carone, a key architect of the previous "maximum pressure" strategy, and currently serving as special envoy for Latin America, [clarified](#) soon after that the meeting did not alter U.S. support for democratic opposition in Venezuela. His statement aligns with Secretary Rubio's stance, reaffirming the U.S. recognition of González Urrutia as Venezuela's rightful president.

2. The Limits of Engagement

- Crucially, in stark contrast to the Biden administration, oil licenses are not central to the new U.S.-Venezuela dialogue. Following the meeting, Trump reiterated that the U.S. does not depend on Venezuelan oil and criticized Biden's policies.
- Despite bipartisan opposition to oil licenses—particularly those involving Chevron—such licenses remain active. Senator Durbin is advocating for a bill to block further U.S. investment, while National Security Advisor Waltz and Secretary Rubio have both expressed skepticism about Maduro's financial activities.
- The Trump administration's immediate focus remains on security concerns, and the new repatriation agreement is already being implemented. For now, oil licenses will remain unchanged, with Chevron's license automatically renewed for six months on February 1.
- As [Aurora has reported](#), Maduro has strong incentives to cooperate with Trump's priorities, including accepting repatriation flights. Maduro previously weaponized these flights to pressure the Biden administration, but his current isolation due to tensions with Colombian President Petro leaves him little room to challenge Trump.
- Maduro is likely to prioritize building trust with the Trump administration by meeting security demands, such as accepting repatriation flights and cracking down on criminal organizations like the TdA.
- However, Maduro faces significant obstacles, including ongoing criminal investigations in [Chile](#) suggesting direct personal links to the TdA. Rubio has repeatedly emphasized this point publicly, [arguing](#) that Venezuela is not governed by a traditional government or even a typical tinpot dictatorship, but by a narco-trafficking network.
- Our base case remains that U.S. policy toward Venezuela moving forward will depend on the Trump administration's assessment of Maduro's willingness and ability to address security concerns. If the U.S. deems Maduro trustworthy in managing these issues, its policy position will likely continue moving toward gradual normalization. Conversely, if Maduro is found unwilling or unable to mitigate security risks, the U.S. will adopt a stricter approach.
- "In the event of a stricter stance, oil licenses could potentially be revoked, as the administration currently views Venezuelan oil as lacking strategic importance to the U.S. While there is interest in keeping Venezuelan oil flowing, this interest is not significant enough to prevent a Trump administration from taking action if it aligns with broader policy objectives.
- In October 2024, Canada exported 4.58 million barrels per day (mbpd) to the United States, while Venezuela exported only 0.295 mbpd—about one-third of its overall production of roughly 0.9 mbpd. Given the minimal U.S. reliance on Venezuelan oil compared to other suppliers, changes in oil licensing policy are unlikely to pose significant energy security risks for the U.S. anytime soon."
- Overall, we remain of the view that U.S. policy moving forward is likely to depend on how the Trump administration assesses Maduro's willingness – and capacity – to address

security concerns. If Maduro proves reliable, the policy could trend toward normalization; otherwise, the U.S. remains open to adopting a much stricter stance.

3. Opposition Fractures, Strategic Shifts, and the Shadow of Recognition

- Venezuelan state media and that of Maduro's international allies have celebrated Trump's pragmatic engagement with Maduro as an implicit recognition of his de facto control.
- This reaction in turn presents a major challenge to opposition leaders María Corina Machado (in hiding) and Edmundo González (in exile), who are working to maintain international support, most recently with González touring friendly nations like Peru.
- The Trump administration's controversial decision to [revoke TPS](#) protections for Venezuelans in recent days, citing security concerns over TdA infiltration, has exacerbated the dispiriting impact of the deal on the Venezuelan opposition.
- The move has [sparked strong backlash](#) even from some traditionally stalwart conservative quarters, as a betrayal of the traditionally Trump-supportive Venezuelan diaspora in Miami, and it is being interpreted more broadly to reflect the current dominance of the "America First" faction over the neoconservative wing led by Rubio.
- International coverage, including a recent [Financial Times article](#) quoting a former U.S. official, highlights Trump's disillusionment with the opposition. "He regards the opposition as losers," the official stated. "He gave them a lot, and they failed. There is no way he is going back down that road again."
- Opposition factions are likewise divided over their response to the upcoming April 27 legislative and regional elections, which could reshape Venezuela's political future. Grassroots members, particularly those aiming for local government positions, are advocating for participation, while mid- and upper-level leaders remain cautious, fearing the political consequences of moving forward after July 28.
- The proximity to elections, coupled with the Maduro government's deliberate exclusion of the MUD opposition umbrella party from the ballot, has deepened longstanding tensions within the opposition's fragile coalition. Incentives to defect have also been heightened, with various parties being denied ballot access or having their slots reassigned to pro-government "opposition" figures by the Supreme Tribunal of Justice.
- Vente Venezuela and Voluntad Popular have rejected participation, arguing that the elections are futile under the current conditions. Meanwhile, Primero Justicia remains internally divided. The faction led by former presidential candidate Henrique Capriles is pushing for participation despite facing substantial opposition from other segments within the party.
- Un Nuevo Tiempo (UNT), often perceived as the G4's perennial fifth column, is committed to participating and has issued a warning that it will exit the Unitary Platform coalition if other parties decide to boycott. UNT leader Manuel Rosales has already launched his reelection campaign for governor of Zulia, while several UNT council members in the region have begun recognizing Maduro. This move simultaneously mitigates the risk of arrest by the regime and secures a first-mover advantage in the upcoming regional elections.



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