

America to decapitated regime: carry on

# Peace and prosperity in Venezuela will come from democracy, not oil, writes Ricardo Hausmann

Wishing otherwise, as Donald Trump does, is delusional



Illustration: Dan Williams

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“TRISTEZA NÃO tem fim, felicidade sim.” Sadness has no end, though happiness does. The line, immortalised in a bossa nova song made famous by the film “Black Orpheus”, captures how joy can be fragile, fleeting and precious.

For a few extraordinary hours on January 3rd, Venezuelans tasted it as the news spread like wildfire that Nicolás Maduro, who has ruled Venezuela through repression and ruin, had been removed in a dramatic American military operation. The shock was not just political but emotional. In Caracas and Maracaibo, in Miami and Madrid, Venezuelans allowed themselves to imagine a future full of hope, dignity and a return to normal life.

But then, concern: just hours after the raid President Donald Trump declared that he would now “run” Venezuela. He talked much about oil but not at all about democracy other than to dismiss María Corina Machado, Nobel peace laureate and leader of the democratic opposition. (Ms Machado, he said, does not command the “respect” to run the country—despite Venezuelans having voted overwhelmingly for her alliance in an election in 2024 that Mr Maduro stole.) Instead, Mr Trump made clear, America will work with the dictator’s own vice-president. He spoke as if he owned the country and its assets. Venezuelans will be recipients of his benevolence, not agents of their destiny.

Removing a dictator—especially if leaving his henchmen and -women in charge—is not the same as rebuilding a country. And there is much to rebuild. When Mr Maduro came to power in 2013, Venezuelans were four times richer than they are today. A disaster followed: the largest economic contraction ever recorded in peacetime, triggering the departure of 8m Venezuelans. Brutality, repression and corruption accompanied the catastrophe.

At its heart was a systematic dismantling of rights: property rights, independent courts and free elections. Speaking out became a crime. As rights vanished, so did security, investment, trust and the power to

imagine. People stopped planning for the future because the future no longer belonged to them.

The lesson is simple: prosperity does not come from oil, decrees or even benevolent rulers, but from rights. Rights create private property and security. They allow people to invest, innovate and dream. Restore rights, and society can recover.

Venezuelans now need neither revenge nor Trumpian improvisation, but a return to freedom and peace. The technology for that has already been invented: democracy, which is not just about voting but is a system for aggregating preferences while protecting liberties. Democracy aligns political authority with social consent and is the formula for sustained prosperity. Venezuela enjoyed it for much of the latter part of the 20th century.

Gradually but relentlessly, the *chavista* project, which began in 1999, chipped away at checks and balances, individual freedoms and democracy itself. We must follow the process in reverse. There is no shortcut to restoring rights and the rule of law.

Crucially, Venezuelans have already done the hardest bit, with courage and patience. In 2023 they rallied overwhelmingly behind Ms Machado, only to see her arbitrarily barred from running for president. In 2024 they delivered a landslide win for her colleague, Edmundo González Urrutia, voting against dictatorship in nearly every corner of the country. Venezuelans' will could not have been clearer, though its translation into power was thwarted. It now needs to be honoured. Venezuela needs a civilian government constrained by law, respectful of individual freedoms, accountable to voters and capable of rebuilding institutions.

Mr. Trump does not understand this. He speaks as if Venezuela's vast oil reserves make democracy unnecessary: foreign investment, above all from American oil companies, can substitute for political normalisation. It is a delusion, even on his terms. Oil is not wealth until output can be monetised, which requires long-term investment. For that, legal certainty—enforceable contracts, clear taxation and predictable rules governing concessions—is a must. Oil companies, which answer to shareholders, regulators and courts, won't deploy capital into a legal vacuum. Without a legitimate legal system, the notion that oil reserves can rescue Venezuela—and earn America profits—collapses under scrutiny.

A deeper risk is geopolitical. Venezuela must not become a colony, an afterthought or a transactional project driven by short-term American interests. America's greatest successes after the second world war came not from extracting resources from Europe or Japan, but from providing public goods: security, institutional rebuilding and a rules-based order allowing societies to prosper. The strategy created enormous benefits for the recipients—and for America itself.

Venezuela needs the same liberal formula of peace, justice, democracy and rights. It needs citizens' intense desire for democracy to be harnessed, not sidelined. Otherwise, the seeds of future conflict will grow, especially if national aspirations collide with American priorities.

Sadness, as the song reminds us, has no end. Venezuela has endured more than its share. But those fleeting hours of happiness revealed something essential: Venezuelans have not given up on democracy, nor on each other. The task now is to create out of that a durable reality: not through force, nor through oil fantasies, but by restoring

the will of the people so that they can start the hard, patient work of restoring rights and rebuilding institutions. That is the only path by which happiness, fragile as it is, might finally find a way to endure. ■

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