


The Looting of US Foreign Policy

di Paul Krugman

While I was working on this, ICE murdered a woman in Minneapolis. I'm still going to put up the originally planned post, but like every decent American I'm having a hard time thinking about anything else right now.



Donald J. Trump  

@realDonaldTrump

I am pleased to announce that the Interim Authorities in Venezuela will be turning over between 30 and 50 MILLION Barrels of High Quality, Sanctioned Oil, to the United States of America. This Oil will be sold at its Market Price, and that money will be controlled by me, as President of the United States of America, to ensure it is used to benefit the people of Venezuela and the United States! I have asked Energy Secretary Chris Wright to execute this plan, immediately. It will be taken by storage ships, and brought directly to unloading docks in the United States. Thank you for your attention to this matter!

DONALD J. TRUMP

PRESIDENT OF THE UNITED STATES OF AMERICA

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Jan 06, 2026, 7:46 PM

So Donald Trump says that Venezuela will be “turning over” 30 to 50 million barrels of oil, which may or may not be true. Trump has a track record of making [big claims](#) about commitments by foreign governments — they’ve promised \$17 trillion, make that \$18 trillion, OK \$21 trillion in investment — that turn out to exist only in his mind. For that matter, he keeps claiming that he is in control of Venezuela — note the reference to the “Interim Authorities” — when it’s obvious by now that the abduction of Nicolas Maduro wasn’t regime change in any meaningful sense, that the same gang of thugs, minus one member, is [still in charge](#).

But suppose that this one-time gift of oil is real. Trump would have you believe that it’s a big deal — MILLIONS of barrels. But that amount of oil has a market value in the range of \$2 billion, which is *not* a big number for the United States. In fact, it’s less than 0.01 percent of GDP. And in terms of US oil consumption, that’s about 2 days worth of oil.

However, Trump says that the money from selling the oil “will be controlled by me.” And while \$2 billion is a trivial sum from the perspective of national interest, it’s a fairly big number if the money is diverted into the hands of the clique that is currently running the U.S. government.

I use the word “clique” advisedly. That’s the term used by the political scientists Stacie E. Goddard and Abraham Newman in a [recent paper](#) titled “Further Back to the Future: Neo-Royalism, the Trump Administration, and the Emerging International System.”

Goddard and Newman have received well-deserved attention for their analysis, which states that Americans should stop believing that U.S. foreign policy serves U.S. national interests. Instead, they argue, we must recognize that in many ways we’ve been transported back to the 16th century – a time before nation-states existed, when international affairs were a game played by dynasties serving *their* interests.

Thus, the Italian Wars of the 16th century weren’t a fight between France and Spain, they were a contest for dominance between the House of Valois and the Habsburgs. Similarly, Goddard and Newman argue that Trumpist foreign policy has nothing to do with, well, making America great again, and everything to do with raising the wealth and status of the Trump family and its hangers-on — what they call our ruling clique.

As Goddard and Newman point out, U.S. foreign policy over the past year makes no sense if interpreted through the lens of national interest. How can it serve U.S. interests to insult and demean Canada, which has been an utterly reliable ally? Why would a U.S. president talk about seizing Greenland, which belongs to another ally, Denmark, and is a place where America already has a military base and can do whatever it considers necessary to protect our national security?

But the Trump clique doesn't care whether nations have been staunch allies of the United States. They want subservient clients paying tribute, not to America, but to them personally. And that's something democracies like Canada and Denmark won't do.

Trump has been remarkably transparent about his goals in Venezuela: It's all about looting. That is, he wants to seize the country's oil wealth on behalf of himself and [his clique](#). Some people, notably María Corina Machado, leader of Venezuela's opposition, have been surprised that Trump shows no interest in restoring democracy. But why would he? He's unable to enrich himself personally in democracies like Canada and Denmark. But a repressive regime like Venezuela is willing to pay him protection money.

Trump boasts about appropriating \$2 billion (maybe) in current oil stocks from Venezuela. Yet how much is this whole adventure costing U.S. taxpayers?

According to a December report in [The National Interest](#) (an ironic name given Trump's policies) moving a carrier group to the Caribbean cost around \$600 million. In addition, the ongoing operational costs are \$6.5 million per day, which have been accumulating since late October/early November. Add in the cost of munitions expended during the Maduro abduction, and the whole adventure has surely cost more than a billion dollars. Moreover, the meter keeps ticking: since Chavistas are still in power, Trump has to keep forces nearby in order to intimidate them to honor agreements. But Trump doesn't care: The military expenses are the little people's problem.

The bottom line is that to understand what Trump is doing around the world you must disabuse yourself of the notion that any of it is about serving America. It's all about glorifying himself and enriching his clique.

After yesterday's horror, a musical coda seems inappropriate.