

US raid of Venezuela: India's cautious reaction, De-dollarisation and BRICS

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While in 2025, India's ties with China and immediate neighbours in South Asia have drawn the attention of commentators and analysts. On January 1, 2026 India also took over the presidency of the BRICS+ organisation.

US strikes on Venezuela

One of the major developments at the beginning of the New Year was the US attack on Venezuela, on January 2 2025 and the capture of, now ousted, Venezuelan President, Nicolas Maduro. US President, Donald Trump has been issuing threats to the Venezuelan President for a few months. Joe Biden, Trump's predecessor had also questioned the election of Maduro. While commenting on his decision to bomb Venezuela and launch a strong military offensive, Trump while referring to Maduro said he had:

“remained in power and waged a ceaseless campaign of violence, terror and subversion against the United States of America, threatening not only our people, but the stability of the entire region”.

Significantly, days before the attack, Maduro had adopted a reconciliatory tone towards the US.

While Trump has blamed Maduro for narcotics smuggling and illegal immigration, several analysts believe that it is Trump’s desire to control Venezuela’s oil resources. Venezuela holds oil reserves of over 300 billion barrels (an estimated 20% of global supply). Venezuela’s close ties with Beijing had also not gone down well with the Trump administration. Hours before his capture, the ousted Venezuelan President had met with a Chinese delegation and stated:

“A fraternal meeting that reaffirms the strong bonds of brotherhood and friendship between China and Venezuela. Through thick and thin!”

In a press conference on Saturday (January 3, 2025) at La Margo, Trump had said

“We have the greatest oil companies in the world, the biggest and the best, and we’re going to be very much involved in it”

He also said that the US would “run” Venezuela until a proper transition is managed.

Impact on India

Several experts have said that the uncertainty and turmoil in Venezuela is unlikely to impact India, given that its economic linkages are limited (total imports from Venezuela in FY 2025 were estimated at a little over \$350 million, of which \$250 million were oil imports). While India does import oil, its overall trade with Venezuela is limited. India’s response to the developments in Venezuela was cautious and while expressing its “concern” it called for “dialogue” to find a resolution to the situation.

Venezuela’s non-dollar trade

Significantly, Venezuela had applied for the membership of BRICS and has also been at the forefront of oil sales in Non-Dollar currencies (most notably in Yuan with China). Several countries have been purchasing oil in Non-Dollar currencies, in a changing global order, to circumvent US sanctions.

It is not just Venezuela, but also the situation in Iran which India would be watching closely. Iran had entered BRICS in 2024 and has been seeking to reduce its economic dependence on western nations. It has also been pro-active in BRICS.

Trump has warned Iran, that he would not hesitate to use if the current Iranian dispensation dealt violently with the protests against the current economic situation – which includes high inflation and the collapse of the Iranian currency. Said Trump:

"We're watching it very closely. If they start killing people like they have in the past, I think they're going to get hit very hard by the United States,"

These protests, which entered their 9th day on January 5, 2026, have become the biggest since those in 2022, when the death of 22-year-old Mahsa Amini in police custody triggered nationwide demonstrations.

One of the key reasons for inflation and Iran's challenges is the US sanctions imposed on Iran, after US withdrawal from the Iran deal in 2018. Both Biden and Trump 2.0 have given mixed signals regarding ties with Iran. While continuing with the policy of sanctions, Trump in recent months, despite the US attacks on Iranian nuclear facilities in June 2025, suggested that the US is open to engagement Iran, but there seems to be limited scope now. US intervention in Iran can not be ruled out.

US interference and any turmoil in Iran will impact India's plans for regional connectivity since New Delhi has been managing and developing phase 1 of the Chabahar Port project (Sistan Baluchestan). This project has been dubbed as India's gateway to Afghanistan, Central Asia and beyond.

The events in Venezuela as well as the situation in Iran is being observed closely. New Delhi would be keeping a close watch on both and as Chair of BRICS it needs to be seen how it will articulate its position on these and several other complex geopolitical challenges in 2026.

(Disclaimer: The views expressed above are the author's own and do not reflect those of DNA)

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