Why Venezuela? The strategic logic behind Trump's boldest gamble

US President Donald Trump, in a message on his 'Truth Social' media platform, posted the capture of Venezuelan President Nicolás Maduro in 'Operation Absolute Resolve,' stating, "The United States of America has successfully carried out a large-scale strike against Venezuela and its leader, President Nicolás Maduro, who has been, along with his wife, captured and flown out of the country." This followed weeks of pressure on Venezuela through the deployment of military power off its coast.

The Venezuelan armed forces are about 125,000 strong, including conscripts, possessing a mix of Russian and Chinese equipment, and remain amongst the most powerful in Latin America. There are reports of poor serviceability of equipment due to budgetary constraints. In contrast, the US had deployed just 15,000 troops against it.

The fact that Caracas, the Venezuelan capital, is located barely 15 km from the coast was an added advantage to the US, as it could move troops directly from its aircraft carrier group to the target without being easily detected or challenged. The flight time was also shorter, and helicopters could fly low. Operation Absolute Resolve involved air power providing protection to special forces, which landed in Maduro's palace compound using helicopters to capture Maduro and his wife and return. The entire operation lasted just over two hours.

Capturing a serving president from his secure and heavily guarded residence, protected by trusted bodyguards, in a nation with adequate military power, with a small specialised force, cannot be done without a major firefight and heavy casualties unless there was an internal sell-out or an agreement with Maduro. Surprisingly, there was no major reaction from Venezuela's military, despite being aware that the US was likely to launch an assault, adding to doubts of complicity by the Venezuelan armed forces. Under normal conditions, the armed forces would have been on high alert.

While an agreement between Trump and Maduro is highly unlikely, given the ongoing war of words between them, as well as signs of defiance despite a recent tele-conversation, a sell-out by the military and his bodyguards appears more plausible, since Maduro would now face justice in US courts. It is likely that senior members of the army and some of Maduro's bodyguards would have been bought by the CIA. The US had spent months applying pressure on the country by destroying boats, capturing ghost ships transporting oil, attacking docks, and planning and establishing contacts with senior Venezuelan officials for just such an assault. Venezuelan migrants in the US and Colombia, with relatives in the country in important positions, would have been the possible go-betweens in the entire episode. The US Chief of Joint Staff had mentioned that the US had spent months gathering information and planning and rehearsing the strike.

Unless there was surety of success, Trump would never have ventured into a land-based operation with troops. A failure would have dented his image and made him a global laughing stock. Surety of success would have flowed from the CIA after obtaining guarantees from those in authority in Venezuela.

Meanwhile, the Venezuelan government has demanded proof of life of the president and, according to the constitution, the Vice President, Delcy Rodríguez, has been sworn in as interim president. She said, soon after assuming power, "We will never again be a colony of any empire," contradicting Trump's announcement that "She's essentially willing to do what we think is necessary", implying a puppet regime.

The Venezuelan interim government, despite a display of defiance, would be compelled to negotiate with the US, as oil—its main revenue—remains blocked from exports. This is to prevent any repeat action in the near future, as US deployment off the coast remains a threat and Trump continues threatening "boots on the ground". Whether Maduro's removal would result in anti-Maduro groups vying for control remains to be seen.

Trump's threat to place "boots on the ground" may be far-fetched, as there are pro-Maduro forces capable of making it difficult to manage. The nation still has Maduro supporters. However, US oil companies, which had been removed by Maduro's predecessor Hugo Chávez, would now be back in business. The reality of what happened and who sided with the US would emerge with time. It is known that Venezuela is a major transit point for drug trafficking, but that alone is no reason for Maduro's removal. After all, Trump pardoned Juan Orlando Hernández, the former president of Honduras, who was sentenced last year to 45 years in prison in the US for trafficking 400 tonnes of cocaine into the US. If drugs were solely the intent, then the target should have been Colombia, where they are produced, or Mexico, which remains a major route for China-manufactured fentanyl and other drugs. Currently, Trump has only threatened Colombia. Nor is the other oft-quoted reason that Maduro's policies forced over eight million Venezuelans to flee the country and settle in other parts of the Americas, including the US. Currently, Colombia hosts 2.5 million, while the US hosts 1.1 million. Migration is ongoing from many parts of the world—why single Venezuela out?

Russia and China condemned the US action. Alongside Iran, Cuba and Turkey, they are key allies of Venezuela. They are bound to continue criticising the US in the UNSC when the debate takes place. Nothing more would be done. It appears that Venezuela is no longer as important for them as it once was, despite selling oil to China. Further, there is little that they can do. The Chinese Special Representative for Latin America met Maduro hours before the attack. He was still in Caracas when Maduro was captured.

It is likely that Russian inaction was because it is aware that Trump will ensure the end of the Ukrainian conflict on Russia's terms, sacrificing Zelenskyy. Trump cannot risk engaging the US in multiple directions. On oil to China, Trump mentioned that oil flows to China would increase, which would benefit it. Iran and Cuba are now preparing to be the next to face US wrath, both of which remain under US threats. The Russian Air Force has been flying military equipment to Tehran in recent days. Turkey remains largely silent. Venezuela currently owes China approximately $18-20 billion in loans provided in lieu of future oil supplies. Many Chinese refineries are configured specifically for Venezuelan crude, which is heavy and hence avoided by the West.

India's semiconductor sector at a turning point: From vision to execution

India's semiconductor journey has long been framed as a strategic imperative in the global technology race. For years, policymakers and industry leaders have heralded India's potential to become a major player in chip design and manufacturing. However, 2025 marked a watershed moment: it was less about bold proclamations and more about confronting the gritty realities of execution. The year's narrative captured in a recent Economic Times Manufacturing analysis reveals a country transitioning from ambition-driven signalling to practical, execution-aware strategy.

At the heart of this shift is a simple but profound recognition: chip ecosystems are not built on intentions alone. India will cross an estimated $45-50 billion in semiconductor consumption in 2025, driven by demand from smartphones, automotive electronics, industrial systems, and data infrastructure. Yet domestic manufacturing still represents only a tiny fraction of that demand, underscoring the enormous gap between what India consumes and what it produces.

Broadening the Narrative Beyond Fabs

For too long, India's semiconductor discourse was dominated by a single idea: build fabs (fabrication plants) and the ecosystem will follow. But the global semiconductor value chain is far more complex. Advanced semiconductor fabs require $8-10 billion each, ultra-stable utilities, specialised supply chains, and years if not decades to bring online.

In 2025, stakeholders began acknowledging that fabs are necessary but not sufficient. India's strategy wisely expanded to include backend activities such as Outsourced Semiconductor Assembly and Test (Osat) and ATMP Assembly, Testing, Marking, and Packaging (ATMP). These sectors require dramatically lower upfront capital and can be operationalised much faster, making them practical early entry points for deeper ecosystem participation. Packaging, testing, substrates, speciality chemicals and equipment servicing are now seen not as afterthoughts but as strategic building blocks.

This recalibration signals maturity in thinking: India is not chasing headlines with fab announcements alone. It is cultivating multiple value-chain entry points, anchoring itself in global supply networks that value practical contributions over aspirational press releases.

Policy Intent Meets Ground Realities

India's policy thrust on semiconductors is unmistakably strong. The government has committed around ?62,900 crore (˜97% of the ?65,000 crore fund) earmarked for incentivising semiconductor production, reflecting decisive political will. Yet, as the year unfolded, policymakers and industry leaders alike conceded that funding, while essential, cannot solve core execution bottlenecks. Land acquisition delays, water quality issues, erratic power supply, and disjointed logistics infrastructure emerged as persistent challenges. These are not minor administrative hiccups; they are structural constraints that have slowed project timelines and highlighted the intricate coordination required to build semiconductor ecosystems.

Indeed, the industry's response was not idealistic optimism but execution-aware realism, a shift that presages a more robust and sustainable approach in the long run.

Electronics Manufacturing: India's Stabilising Engine

While semiconductors often steal the spotlight, India's electronics manufacturing sector quietly delivered substantive results in 2025. Output crossed an estimated $115-120 billion, fuelled by automotive electronics, industrial automation, power systems and other tech-intensive segments. This progress is crucial. Semiconductor ecosystems flourish in environments where local demand and manufacturing depth exist. Strong electronics manufacturing creates a consistent internal pull for chips and components, reducing reliance on policy push alone and attracting investors who see visible market growth rather than speculative potential. In other words, India's electronics manufacturing base is not just a supporting actor but a critical foundation for sustainable semiconductor development. By reinforcing this base, India is building a resilient ecosystem in which chips are not just made for export but also for domestic demand, creating virtuous loops of innovation and industrial growth.

One unmistakable strength India continues to hold is in chip design and engineering. India accounts for over 20 per cent of the global semiconductor design engineering workforce, supporting cutting-edge work across automotive, embedded systems, connectivity, and architecture domains. However, design prowess alone is not enough. India's recent shift has highlighted a poignant truth: without manufacturing and packaging integration, design capabilities risk remaining upstream in the value chain, where real economic value is limited. The next phase of India's semiconductor strategy must therefore focus on coupling design with robust local manufacturing and backend processes.

The Road Ahead: Execution, Not Promise

Despite notable progress, significant gaps remain. India is still heavily dependent on imported equipment, speciality materials, and chemicals. Domestic demand aggregation across sectors remains fragmented, and the gestation periods for semiconductor facilities, often spanning years, continue to test investor patience. Nevertheless, 2025's decisive shift from rhetoric to execution sets the stage for a more substantive phase in 2026 and beyond. As industry veterans assert, this may well be India's "now or never moment" in semiconductors, where execution matters more than intent. In this context, India's semiconductor strategy should be applauded not for its ambition alone, but for its evolving realism, a realism that blends policy focus, industrial pragmatism, ecosystem depth, and relentless execution. The journey ahead will be long, but 2025 proved that India now understands the terrain better than ever before. The year's narrative captured in a recent Economic Times Manufacturing analysis reveals a country transitioning from ambition-driven signalling to practical, execution-aware strategy.

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