



Behind The Headlines

How economics still drives global influence

Saturday 31st January 2026

AUTHOR: POLINA VEKCHINA

EDITOR: ENRICO MICHELI

Summary: *Recent events involving the United States and Venezuela highlight how geopolitical decisions are often driven less by ideology and more by economic incentives... From energy markets to global investment flows, the case demonstrates how access to resources, capital and market stability continues to shape political action, with important implications for businesses operating in a rather uncertain global environment.*

The New Year began with dramatic developments involving the United States and Venezuela, quickly dominating global headlines. These events are often explained through personalities, ideology or moral positioning. But geopolitical flashpoints like this are rarely driven by those factors alone. To understand why they happen (and why they matter), it is more revealing to look at the economic forces underneath.

Politics is often discussed in terms of security or values. In practice, economic realities set the limits of political action. Access to resources, market stability and exposure to risk shape what governments are willing to do. Even the most forceful political moves tend to follow economic logic, whether acknowledged or not.

This extends far beyond governments. For entrepreneurs and businesses,

global influence is anything but abstract. It affects supply chains, access to capital, regulatory exposure and investment decisions. Political shocks can disrupt markets quickly which can thereby shift commodity prices and unsettle investor confidence. Understanding the economic incentives behind these events makes it easier to anticipate change rather than simply react to it.

Venezuela is a prime example of how governance failure and economic interests collide. Under Maduro, the country suffered severe decline driven largely by mismanagement, corruption and the dismantling of its oil industry despite holding some of the world's largest proven oil reserves, roughly 17% of the global total. While sanctions contributed to falling output, deeper causes were domestic: skilled labour left the country, state institutions were captured by a narrow

elite, and revenues were channelled toward maintaining power rather than economic rebuilding.

Yet even in collapse, Venezuela's oil has remained strategically important. Significant reserves matter only if they can be turned into exportable products, and historically, the country struggled with refining capacity and deteriorating infrastructure. Rebuilding that would require massive long-term investment. One immediate beneficiary of these dynamics is Chevron. It has been granted a restricted U.S. licence that allows it to operate in Venezuela despite sanctions, making it the only major U.S. oil company still active there. Therefore, energy markets reacted positively to

the political shift: energy stocks, including Chevron's, rose on expectations of future access and profit opportunities tied to Venezuelan oil.

These developments show a familiar pattern: when political intervention intersects with economic incentives, the potential for profit and repositioning in a market can influence international decisions as much as formal diplomacy. The recent capture of Maduro by U.S. forces brings this dynamic into sharp focus. While the operation itself was highly visible and political, its broader significance lies in the economic consequences, from energy markets to longer-term strategic calculations.

Perhaps more consequential is the precedent this sets for the rules-based international order. Many legal scholars argue that the capture of a sovereign leader by another state violates international law and undermines norms designed to constrain the use of force. If such actions become acceptable whenever major powers deem economic interests at stake, it risks weakening norms that underpin post-World War II global stability. In turn, this opens the door for other powers to justify similar interventions under their own strategic interests.

In a volatile global environment, recognising how economic incentives shape political action is no longer optional. Influence today isn't exercised only through diplomacy or force, but through control over resources, capital flows and access to markets. For anyone building, investing or planning ahead, that connection is crucial for navigating uncertainty.