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### **Maximum Pressure, Minimum Change: Assessing Donald Trump's Oil Sanctions on Venezuela, 2017-2021**

الحد الأقصى من الضغط، الحد الأدنى من التغيير: تقييم العقوبات النفطية التي فرضها دونالد  
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## Abstract:

This paper analyzes the extent to which the Trump administration's "maximum pressure" oil sanctions (2017-2021) met their intended strategic objectives in Venezuela. Focusing on the deterioration of U.S.-Venezuela relations, the study outlines the timeline of sanctions and assesses their direct effects on Venezuela's oil-dependent economy, humanitarian conditions, and political dynamics. It also investigates the international outcomes of the sanctions, particularly their effect on global oil markets and the responses of key international actors such as Russia and China. By combining quantitative data on oil exports with qualitative policy analysis, the findings indicate that while the sanctions caused economic collapse, they strengthened regime resilience and ultimately did not lead to democratic change. The study concludes that coercive economic measures alone are insufficient for achieving political transformation, emphasizing the complexity of using sanctions as a tool for political change in authoritarian regimes.

**Keywords:** Economic Sanctions, Venezuela, Trump Administration, Regime Resilience, Maximum Pressure Strategy

## المخلص

تتناول هذه الورقة البحثية تحليل مدى تحقيق العقوبات النفطية التي فرضتها إدارة ترامب تحت عنوان "الضغط الأقصى" (2017-2021) لأهدافها الاستراتيجية في فنزويلا. تركز الدراسة على تدهور العلاقات بين الولايات المتحدة وفنزويلا، وتحدد الخطوط العريضة للجدول الزمني للعقوبات، وتقيم آثارها المباشرة على الاقتصاد الفنزويلي المعتمد على النفط، والأوضاع الإنسانية، والديناميات السياسية. كما تستعرض الدراسة النتائج الدولية للعقوبات، خاصة تأثيرها على أسواق النفط العالمية وردود فعل الفاعلين الدوليين الرئيسيين مثل روسيا والصين. من خلال دمج البيانات الكمية المتعلقة بصادرات النفط مع التحليل النوعي للسياسات، تشير النتائج إلى أنه رغم تسبب العقوبات في انهيار اقتصادي، إلا أنها عززت من مرونة النظام ولم تؤدي إلى تغيير ديمقراطي في النهاية. وتخلص الدراسة إلى أن التدابير الاقتصادية القسرية وحدها لا تكفي لتحقيق التحول السياسي، مع التأكيد على تعقيد استخدام العقوبات كأداة للتغيير السياسي في الأنظمة الاستبدادية. كلمات مفتاحية: العقوبات الاقتصادية، فنزويلا، إدارة ترامب، مرونة النظام، استراتيجية الضغط الأقصى

## 1. INTRODUCTION

Economic sanctions have been a longstanding instrument of coercive diplomacy, aimed at destabilizing opposing regimes without direct military engagement. The Trump administration's "maximum pressure" campaign against Venezuela (2017-2021) exemplified this tactic. By about the actual efficacy and limitations of U.S. economic sanctions as a foreign policy instrument.

This paper investigates how effectively Trump's oil sanctions met their strategic objectives. It explores the sanctions' effects

implementing severe oil sanctions, the administration intended to weaken Nicolás Maduro's control over power, encourage defections within the regime, and reinforce the legitimacy of opposition leader Juan Guaidó. Nonetheless, despite the intensity of these sanctions, the Maduro government persisted, leading to critical discussions on Venezuela's oil industry, highlighting their contribution to the sharp decline in production and government revenue. Additionally, the study assesses the political outcomes, and the role of international actors in weakening U.S. pressure by

supplying alternative economic support to Venezuela.

While economic sanctions have been extensively analyzed, much of the existing literature focuses on either their humanitarian consequences or broader policy implications. Mark Weisbrot and Jeffrey Sachs, in their work “Economic Sanctions as Collective Punishment,” illustrate how sanctions intensified food insecurity, deteriorated health conditions, and raised mortality rates. Francisco Rodríguez, in “Sanctions and Venezuelan Migration,” connects the economic collapse induced by sanctions to the country’s mass migration crisis, attributing it to both the sanctions and persistent governance failures. Despite these findings, there is still a lack of thorough research that systematically explores both the economic and political effects of Trump’s “maximum pressure” strategy within a unified analytical framework.

To address this gap, this study poses the following central research question: To what extent did Donald Trump’s “maximum pressure” oil sanctions on Venezuela (2017-2021) achieve their intended political and economic objectives? Supporting this inquiry are two sub-questions: How did the sanctions impact Venezuela’s oil-dependent economy and humanitarian conditions? What were the global implications of these sanctions, particularly regarding oil markets and the responses of key international actors

had decreased by 22% since 2013. Maduro’s administration was characterized by corruption and violations of human rights<sup>2</sup>

Against this background, Trump’s “maximum pressure” strategy aimed to cut off Venezuela’s oil revenues, remove Maduro from power, and support opposition leader Juan Guaidó. Despite the severe sanctions, Maduro retained control, raising concerns regarding the effectiveness of this strategy as the humanitarian crisis intensified<sup>3</sup>

### **3. The Timeline of Trump’s Economic**

such as Russia and China?

Methodologically, this research employs a mixed-methods approach that integrates quantitative analysis of oil production, GDP figures, and state revenues, as demonstrated through graphs and statistics, alongside a qualitative review of policy reports and academic research

## **2. U.S.-Venezuela Relations during Donald Trump’s First Administration**

The United States and Venezuela historically maintained diplomatic and trade relations, particularly in the oil sector. However, these relations deteriorated during Hugo Chávez’s tenure (1999-2013) due to his authoritarian governance, centralization of power, and reported connections to criminal organizations. The Congressional Research Service highlighted his administration’s neglect of democratic principles and human rights. After Chávez’s death, Nicolás Maduro narrowly won the presidency in 2013 and continued the oppressive policies of his predecessor. Prior to the imposition of sanctions, the U.S. remained Venezuela’s primary trade partner, importing significant quantities of heavy crude oil.<sup>1</sup>

U.S. policy became aggressive following Donald Trump’s inauguration in 2017. His administration imposed sanctions on Maduro’s associates, using economic pressure as a key strategy. By that time, Venezuela’s economy was collapsing. The GDP was contracting, and oil production

## **Sanctions on Venezuela**

US sanctions against Venezuela commenced around 2015, initiated by the Obama administration through Executive Order 13692, which declared a national emergency. Over time, these sanctions broadened to include high-ranking officials, the Venezuelan government, and its state-owned oil company PDVSA, particularly during the Trump administration<sup>4</sup>. The sanctions policy of the Trump administration towards Venezuela developed swiftly from financial restrictions to an almost total economic embargo, with a specific focus on

the oil sector. By characterizing the Maduro regime as illegitimate and corrupt, the administration perceived sanctions not merely as punitive actions but as instruments for regime change. The formulation and intensification of these sanctions mirrored both geopolitical aspirations and domestic political considerations<sup>5</sup>.

### **3.1. Early Measures: 2017-2018**

Between 2017 and 2018, the Trump administration escalated economic sanctions on Venezuela in reaction to the country's political crisis and Maduro's authoritarian consolidation of power. The first significant action took place on July 31, 2017, when the U.S. imposed sanctions on Maduro personally, labeling him a dictator after his controversial Constituent Assembly election which was considered by both the Venezuelan opposition and the international community as an attempt to consolidate authority and marginalize the National Assembly<sup>6</sup>.

On August 24, 2017, Trump signed Executive Order 13808, which imposed extensive financial sanctions on the Venezuelan government and its state-owned oil enterprise, PdVSA. These sanctions prohibited U.S. individuals from engaging in new debt or equity transactions with the March, E.O. 13827 prohibited transactions involving Venezuelan digital currencies. In May, E.O. 13835 blocked the acquisition of Venezuelan debt or debt-backed collateral. In November, E.O. 13850 allowed for asset freezes and restricted dealings with individuals or entities connected to key economic sectors or corrupt activities. The U.S. Treasury's OFAC also issued licenses to prevent the forced sale of CITGO, PdVSA's U.S. subsidiary, thus protecting it from creditors<sup>9</sup>.

### **3.2. The Guaidó Strategy and Oil Embargo: 2019**

In January 2019, Juan Guaidó, the leader of the opposition and head of Venezuela's National Assembly, openly challenged the legitimacy of Nicolás Maduro. The latter had recently begun his second term following elections that were widely

Maduro administration, blocked dividend distributions, and limited specific bond dealings. While the sanctions did not affect Venezuelan oil exports or humanitarian trade, their primary objective was to severely restrict the regime's financial resources. In the aftermath of the contentious regional elections in October 2017, OFAC broadened the sanctions to include additional officials accused of undermining the electoral process. These measures represented a significant change in U.S. policy, indicating the adoption of economic pressure as a principal strategy against the Maduro regime<sup>7</sup>.

Nicolás Maduro's controversial re-election in 2018 was deemed fraudulent by the United States and numerous other nations. In response, the Trump administration intensified sanctions against Venezuela. The newly implemented measures specifically targeted the Venezuelan government and its state-owned oil company, Petróleos de Venezuela (PdVSA). These sanctions prohibited U.S. individuals from engaging with Venezuelan government debt, assets, or equity in state-controlled enterprises<sup>8</sup>.

Several executive orders followed. In

criticized as fraudulent. On January 23, Guaidó announced himself as the interim president, claiming constitutional authority. His objective was to establish a transitional government to organize free elections, gain international recognition, and encourage defections within the government and especially the military<sup>10</sup>.

Guaidó sought to amplify both domestic and international pressure on Maduro's administration. In a New York Times editorial, he disclosed that opposition leaders had engaged in secret discussions with military personnel, highlighting that many in the armed forces considered the escalating national crisis unsustainable<sup>11</sup>.

Following the U.S. recognition of Juan Guaidó as the interim president of Venezuela, the Trump administration initiated a comprehensive strategy involving

diplomatic pressure, humanitarian assistance, and economic sanctions. The most significant action occurred on January 28, 2019, when oil sanctions were imposed that effectively froze PDVSA's assets in the U.S., restricted its access to U.S. financial markets, and prohibited most transactions with American companies, resulting in a de facto oil embargo. The objective was to diminish Maduro's oil revenues<sup>12</sup>.

These sanctions built upon the financial measures established in 2017, which had already prevented Venezuela from issuing new debt in the U.S. The 2019 oil sanctions escalated the situation, specifically targeting PDVSA's operations and prohibiting sales to CITGO, its U.S. subsidiary. Over time, the sanctions expanded to include foreign companies engaging in trade with PDVSA, significantly reducing Venezuela's oil exports, which constituted approximately 97% of its foreign income<sup>13</sup>.

In response, Maduro accused the U.S. of attempting a coup to seize Venezuela's oil. He drew parallels between the U.S. actions and interventions in Iraq and Libya, warning of "a new Vietnam." However, he indicated a willingness to negotiate and suggested mediation by Mexico, Uruguay, and Russia. Despite this, negotiations stalled as the global community remained divided—the U.S., EU, and several Latin American nations supported Guaidó, while Russia, China, and Cuba remained loyal to Maduro<sup>14</sup>.

### **3.3. Pressure on Maduro's International Partners**

As noted earlier in this paper, the economic sanctions enacted by the Trump administration against Venezuela's oil sector were crucial to its "maximum pressure" strategy, intended to weaken the Maduro government's primary income source. In 2020, this effort intensified as the United States extended sanctions to foreign companies, particularly, those from Russia and China that were engaged in trading, shipping, or purchasing Venezuelan crude oil. The objective was clear: to prevent Maduro from accessing critical oil revenues

and to dissuade international players from endorsing his regime.

One of the most notable cases was the February 2020 designation of Rosneft Trading S.A. (RTSA), the Swiss-based brokerage arm of Russian oil giant Rosneft. RTSA was sanctioned by the U.S. Treasury's Office of Foreign Assets Control (OFAC) for its leading role in brokering Venezuelan crude sales, including a significant shipment of two million barrels to West Africa. OFAC also designated Didier Casimiro, RTSA's Vice President, for acting on behalf of the company. Although OFAC granted a limited wind-down period for transactions with RTSA until May 20, 2020, the sanctions applied specifically to RTSA, leaving Rosneft's parent company and other affiliates largely unaffected<sup>15</sup>.

While Chinese companies were less directly involved in Venezuela's oil trade, the U.S. sanctioned the China National Electronics Import-Export Corporation (CEIEC) in November 2020 for providing cyber surveillance systems, censorship tools, and technical support to Venezuelan state entities, especially the national telecommunications provider CANTV. Although CEIEC's activities related more to digital repression than to oil, its inclusion on the sanctions list underscored Washington's broader approach of isolating the Maduro regime by targeting its financial, technological, and logistical backers<sup>16</sup>.

### **4. Strategic Objectives of the Trump Administration's Sanctions Policy toward Venezuela**

The Trump administration's sanctions policy toward Venezuela was shaped by a set of strategic objectives aimed at exerting maximum pressure on Nicolás Maduro's regime. These objectives went beyond punishing individual actors or sectors; they sought to force political change, dismantle the regime's financial networks, and disrupt its alliances with key U.S. adversaries.

#### **4.1. Forcing Maduro's Removal and Promoting a Democratic Transition**

A central objective of the Trump administration's Venezuela policy was the

removal of Nicolás Maduro from power and the facilitation of a democratic transition. The strategy was grounded in the belief that sustained economic and political pressure could force regime change and open the path to free elections. Sanctions became the primary tool in this approach, targeting regime insiders, key institutions, and state-owned enterprises responsible for propping up Maduro's rule. This included freezing Venezuelan government assets, blocking access to U.S. financial markets, restricting transactions related to national debt, and sanctioning the state-owned oil company PDVSA, a major source of government revenue offered as an incentive if the regime agreed to negotiate or implement a transition framework, thereby linking pressure to a potential democratic outcome<sup>18</sup>.

Despite these efforts, however, Maduro remained in power, bolstered by the loyalty of the military and international allies such as Russia, China, Cuba, and Iran. The sanctions did not succeed in prompting regime collapse or substantial democratic reform. While they aimed to deny Maduro access to critical financing, the measures were also crafted to avoid disrupting humanitarian aid and essential commercial trade, such as U.S. oil imports from Venezuela. This limited approach preserved some economic channels while applying pressure on the regime's core financial structures<sup>19</sup>.

#### **4.2. Denying Maduro's Regime Access to Financial Sources**

Denying Nicolás Maduro's regime access to financial resources constituted a key element of the Trump administration's approach to Venezuela. The sanctions were not only punitive; they were integrated into a wider strategy aimed at weakening the regime's ability to uphold authoritarian rule. By targeting essential economic lifelines, particularly oil revenues and international financing; the United States intended to diminish Maduro's capacity to finance repression, sustain elite loyalty, and suppress dissent<sup>20</sup>.

revenue<sup>17</sup>.

The administration framed these measures as part of a broader "maximum pressure" campaign designed to delegitimize Maduro's government while promoting opposition leader Juan Guaidó as the country's legitimate interim president. The United States, along with dozens of other countries, recognized Guaidó and supported his leadership of the National Assembly; Venezuela's last democratically elected institution. In this context, sanctions were not only punitive but were intended to facilitate a political transition. The U.S. also made clear that sanctions relief would be

This strategy initiated with the financial sanctions in 2017, marking a pivotal change in U.S. foreign policy. These measures were designed to diminish the regime's financial independence without instigating a humanitarian disaster that could backfire diplomatically. Officials such as National Security Adviser H.R. McMaster and Vice President Mike Pence explicitly associated Maduro's economic power with human rights violations and democratic regression, presenting sanctions as crucial for restoring democratic governance in Venezuela. The restrictions limited access to external financing and increased reliance on unstable alliances with Russia and China, thereby altering the regime's internal and external political calculations<sup>21</sup>.

As the policy developed, new legislative measures such as the BOLÍVAR Act intensified and reinforced financial pressure. Policymakers including Senator Marco Rubio and National Security Advisor Mike Waltz advocated for stricter enforcement, particularly targeting waivers issued to companies like Chevron, which they contended permitted ongoing revenue streams to the regime. These actions were intended to close gaps in earlier sanctions and prevent any financial assistance that could enhance Maduro's authority. Sanctions against PDVSA and Venezuelan financial institutions aimed to further isolate the regime and induce substantial political concessions<sup>22</sup>.

At the same time, this financial isolation strategy enabled a Multi-faceted strategy: while it denied the regime revenue, the United States also aimed to strengthen the opposition. Treasury Secretary Steven Mnuchin highlighted that sanctions could be lifted if democratic principles were reinstated, underscoring the notion that they acted as leverage for significant political transformation rather than as a form of enduring punishment. Essentially, the economic actions taken by the Trump administration were instruments of statecraft, intended to alter Venezuela's political course by dismantling the financial framework that had historically supported authoritarian governance<sup>23</sup>.

#### **4.3. Weakening Strategic Alliances with U.S. Adversaries**

One of the less obvious but still important objectives of the Trump administration's sanctions on Venezuela was to weaken Venezuela's growing ties with U.S. geopolitical rivals, especially China and Russia. The Trump administration framed its sanctions policy as part of a larger ideological battle between democratic and authoritarian forms of government. The U.S. sought to protect democratic values from the growing power of authoritarian regimes. In this way, sanctions against Venezuela were not only meant to put pressure on Nicolás Maduro's government from within, but also to break up the strategic alliances that supported his government from outside<sup>24</sup>.

This objective was an integral component of the larger "maximum pressure" campaign, which used economic sanctions, diplomatic isolation, and open support for opposition groups. The U.S. wanted to make Venezuela less of a stronghold for Russian and Chinese influence in the region by attacking its financial and political systems. Through investments, military cooperation, and diplomatic support, these two countries had become more and more involved in Venezuela. So, the goal of the sanctions was not only to weaken the Maduro regime, but also to limit the power and presence of

foreign actors who are against it in Latin America<sup>25</sup>.

#### **5. The Economic and Humanitarian Impact of Trumps Sanctions on Venezuela**

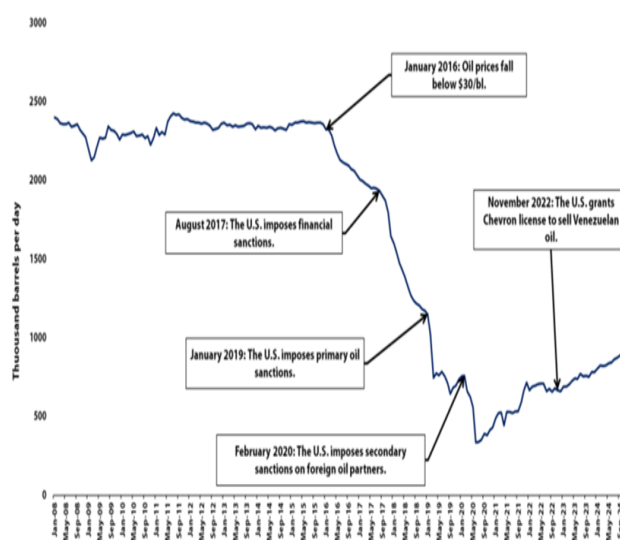
The Trump administration's sanctions, notably the oil embargo in 2019, had a huge negative effect on Venezuela's already weak economy. The sanctions sped up Venezuela's economic fall and had serious effects on people's lives by targeting PDVSA, the country's main source of income. These measures were meant to force the Maduro dictatorship to step down, but they may have made things worse for the people without changing the political situation.

##### **5.1. The Decline of Oil Production**

The economic sanctions placed on Venezuela by the United States, especially during the Trump era, resulted in serious and diverse effects on the nation's economy and society. Venezuela's economy depends significantly on oil exports, which make up more than 90% of its export income and nearly half of its GDP, so sanctions aimed at the oil industry were extremely damaging. Actions like asset freezes, limits on financial dealings, and a complete ban on oil exports devastated Venezuela's main revenue source. This resulted in a significant drop in oil output, which fell to its lowest point in decades, worsening the nation's fiscal crisis and hindering its capacity to purchase necessary goods<sup>26</sup>.

The following figure illustrates the sharp decline in oil output following key U.S. sanctions. The imposition of financial sanctions in 2017, primary oil sanctions in 2019, and secondary sanctions on foreign partners in 2020 correspond with significant drops in production:

**Fig1: Venezuela's Oil Production, 2008-2020**



**Source: “How Sanctions Contributed to Venezuela’s Economic Collapse” (2023)**

The figure above depicts Venezuela’s oil production from 2008 to 2020. It highlights a period of stability followed by a sharp decline beginning around 2016. Notably, after the Trump administration intensified sanctions, including those targeting Venezuela’s oil sector, there was a marked acceleration in production decline. The data show significant drops after 2017, corresponding with the imposition of new sanctions, such as restrictions on PDVSA’s ability to issue debt and receive dividends. These measures contributed directly to reductions in oil output.

**5.2. Impact ON GDP and Unemployment**

U.S. economic sanctions under the Trump administration have had a profoundly negative impact on Venezuela's GDP, exacerbating an already severe economic crisis. The sanctions, which included bans on oil trade, asset freezes, and restrictions on access to international financial markets, sharply curtailed the country’s economic activity. As a result, Venezuela experienced a historic contraction, with its GDP shrinking by approximately 74.3 percent over eight years. This decline ranks as the

sixth-largest in global history and has substantially worsened living standards for ordinary Venezuelans. While internal factors like economic mismanagement and corruption contributed to the crisis, the sanctions intensified the economic downturn, significantly reducing oil revenues, diminishing import capacity, and driving widespread impoverishment. The evidence underscores how sanctions, especially when implemented unilaterally and without safeguards, can severely undermine a country’s economic stability, with long-lasting social and economic consequences<sup>28</sup>

Since 2015, the Venezuelan economy has undergone a much larger contraction. The economy declined from negative 6.2 percent in 2015 to negative 35 percent in 2019 and negative 25 percent in 2020. The decline in economic activity decreases the demand for labor and increases the unemployment rate. From 2010 through 2015, the unemployment rate was stable at 7.7 percent on average, but from 2015 to 2018, it rose from about 7.4 percent to 35 percent<sup>29</sup>.

One direct result of the U.S. sanctions, especially those intensified in 2019, was the loss of billions of dollars in foreign exchange that Venezuela urgently needed to import essential goods. These sanctions, along with the U.S. recognition of a parallel government, severely restricted Venezuela’s access to the international financial system, making it nearly impossible to pay for imports, including food and life-saving medicine, even when funds were available<sup>30</sup>.

Since August 2017, these measures have contributed to a deepening economic crisis by disrupting oil revenues, cutting off credit, and paralyzing the country’s primary financial channels. The cumulative effect has been to lock Venezuela into an accelerating economic collapse marked by reduced export earnings, plummeting imports, and a breakdown of basic public services<sup>31</sup>.

**5.3. Humanitarian Consequences and Migration Crisis**

The consequences of this economic deterioration have been especially devastating for public health and human well-being. According to the National Survey on Living Conditions (ENCOVI), the general mortality rate increased by 31% between 2017 and 2018. It corresponds to more than 40,000 additional deaths in a single year. While it is difficult to quantify how many of these deaths were directly caused by sanctions, it is widely acknowledged that they played a significant role<sup>32</sup>.

Medicine shortages were already dire by 2018, with the Venezuelan Pharmaceutical Federation reporting an 85% shortage in essential drugs. A joint report by CodeVida and Provea estimated that over 300,000 people were at risk due to lack of treatment, including 80,000 people with HIV who had not received antiretroviral therapy since 2017, 16,000 requiring dialysis, another 16,000 with cancer, and 4 million with diabetes or hypertension; many of whom could not access insulin or cardiovascular medication<sup>33</sup>.

Meanwhile, the overall collapse of infrastructure, further strained by the economic restrictions, has led to a serious breakdown in vital services. The outflow of skilled professionals intensified, with the Venezuelan Medical Federation reporting that around 22,000 doctors (roughly one-third of the country's total) had left by 2019. Food imports dropped sharply from \$11.2 billion in 2013 to just \$2.46 billion in 2018, contributing to widespread malnutrition<sup>34</sup>.

In 2018, 79% of health facilities experienced water shortages, while 61% of schools were in areas without daily access to potable water. On top of that, frequent power outages, especially the nationwide blackouts in March 2019; disrupted hospital operations and reportedly led to patient deaths. Sanctions were a contributing factor in delaying maintenance and preventing the import of replacement parts needed to stabilize the electrical grid<sup>35</sup>.

The humanitarian impact fell most heavily on the country's vulnerable

populations. According to the *United Nations*, those at greatest risk include children, adolescents, pregnant and nursing women, the elderly, people with disabilities, indigenous communities, and those living in extreme poverty or in need of protection. While the sanctions were framed as economic and political tools, their effects have extended far beyond the financial system, deeply eroding Venezuela's healthcare, nutrition, and essential services, as well as the basic human rights of its people<sup>36</sup>.

As reported by the UN Refugee Agency, the total number of Venezuelans who have migrated abroad has exceeded four million, representing an increase of 8,000 percent since 2014. Colombia is home to 1.3 million Venezuelan migrants, making it the primary host country for Venezuelan migration. The geographical proximity of Colombia and its openness to accepting Venezuelan migrants have established it as the foremost destination for these individuals. By analyzing the data on the migration flow towards Colombia as a microcosm of the broader Venezuelan Refugee Crisis, it becomes easier to identify any significant changes or continuities in the migration rate.<sup>37</sup>

Consequently, the migration from Venezuela was profoundly influenced by the effects of US economic sanctions, which exacerbated the nation's economic crisis and forced millions to leave in pursuit of improved opportunities. These sanctions, especially those aimed at the oil industry (the foundation of Venezuela's economy) severely diminished oil revenues. It resulted in widespread shortages of vital imports, soaring inflation, and a decline in living standards. As the economy continues to decline under the burden of these sanctions, the lack of access to essential goods and services creates unbearable living conditions for numerous Venezuelans<sup>38</sup>.

#### **5.4. Impact on Global Oil Markets**

Venezuela's status as a key oil exporter meant that U.S. sanctions had a profound impact on global supply chains, trade flows,

and market stability. The sanctions, especially those targeting PDVSA, not only devastated Venezuela's oil exports but also forced international companies to rethink their dealings with the nation, resulting in decreased investment and heightened economic isolation<sup>39</sup>.

The sanctions implemented by the Trump administration, commencing in 2017 and intensifying in 2019, effectively, established an oil embargo by freezing PDVSA's assets in the U.S. and cutting off access to American financial markets<sup>40</sup>. This led to a dramatic reduction in production, from 3.02 million barrels per day (mbd) in 2013 to a mere 1.15 mbd by 2019<sup>41</sup>.

Major firms, such as TotalEnergies, Equinor, and Inpex, exited Venezuela in 2021, exacerbating infrastructure deterioration and limiting recovery opportunities. The sanctions also reconfigured Venezuela's trade dynamics, compelling exports to concentrate on China (for debt repayment) and the U.S., while discouraging long-term investment due to legal and political uncertainties<sup>42</sup>.

### **5.5. Implications on Venezuela's Allies: Russia and China**

Russia has been instrumental in supporting Venezuela's oil industry in the face of U.S. sanctions aimed at Venezuelan oil exports. The Russian state oil company Rosneft emerged as a significant ally, assisting Venezuela in evading sanctions through intricate trading and financing strategies. In spite of U.S. sanctions against Rosneft's subsidiaries, Russia persisted in providing economic and military assistance to Maduro's government, which included investments in Venezuela's oil sector and facilitating oil shipments to alternative markets<sup>43</sup>.

Venezuela has fortified its economic alliance with China as a strategic reaction to the re-imposition of U.S. sanctions under Trump's administration. Even with the sanctions designed to cripple the regime's revenue, Venezuela has continued to export oil, with China remaining open to accepting illicit crude and sustaining trade relations.

This collaboration has enabled Maduro's government to circumvent U.S. restrictions and maintain its economy, despite the fact that Western sanctions have largely failed to achieve their intended democratic and human rights objectives. The partnership with China illustrates how autocratic regimes like Venezuela's adapt by establishing new economic alliances, thereby consolidating power and resisting external pressures<sup>44</sup>.

China continued to be one of Venezuela's primary purchasers of crude oil, notwithstanding U.S. sanctions designed to restrict Venezuela's oil revenue. State-owned Chinese refineries, including ChemChina and PetroChina's Guangdong Petrochemical, imported substantial quantities of Venezuelan crude even during the period of sanctions. This ongoing trade enabled Venezuela to maintain essential revenue sources despite reduced access to U.S. and European markets<sup>45</sup>.

### **6. Sanctions Assessment: Success, Failure, or Policy Deadlock?**

According to what have been discussed earlier in this paper, it is clear that the Trump administration implemented a "maximum pressure" policy toward Venezuela from 2017 to 2021. This strategy merged increasing economic sanctions, diplomatic isolation, and backing for the Venezuelan opposition to compel political transformation in Caracas. By focusing on the Venezuelan government's crucial financial sectors, particularly oil, the United States aimed to deny the Maduro regime access to vital resources necessary for its existence. Considering this, it is crucial to assess if this strategy reached its desired objectives, failed to do so, or resulted in an extended deadlock.

Trump's "maximum pressure" strategy was a well-planned effort to weaken Maduro's government through economic sanctions and diplomatic measures. The U.S. targeted Venezuela's oil industry, its main source of income, causing oil exports to drop by over 30% in 2019<sup>46</sup>. The U.S. also pressured other countries to stop buying

Venezuelan oil, further hurting the economy. These actions were meant to force Maduro to step down and support opposition leader Juan Guaidó. While the sanctions did increase economic pressure, they failed in their main goal: removing Maduro from power<sup>47</sup>.

Despite the sanctions, Maduro's government survived by finding new allies and ways to bypass U.S. restrictions. Countries like China and Russia continued supporting Venezuela, reducing the sanctions' impact<sup>48</sup>. Instead of collapsing, Maduro's regime adapted by turning to illegal economies and strengthening ties with Russia and China, especially during the COVID-19 pandemic<sup>49</sup>.

The sanctions also had unintended consequences. Rather than weakening U.S. adversaries, they created opportunities for China, Russia, and Iran to gain more influence in Venezuela. For example, when the U.S. tightened sanctions in 2020, Russian and Chinese companies expanded their control over Venezuela's oil industry<sup>50</sup>.

Many experts argue that the sanctions led to a policy deadlock, neither the U.S. nor Maduro achieved a clear victory. The U.S. failed to force a political change, while Maduro's government became more authoritarian, relying on repression and foreign allies. Meanwhile, Venezuela's humanitarian crisis worsened, raising concerns that U.S. sanctions harmed ordinary citizens without bringing democracy<sup>51</sup>.

In brief, Trump's sanctions hurt Venezuela's economy but did not remove Maduro. Instead, they strengthened Russia and China's influence, worsened the humanitarian crisis, and left Venezuela in a political stalemate. This shows the limits of using economic pressure alone to force regime change.

## CONCLUSION

The "maximum pressure" sanctions campaign initiated by the Trump administration had a profound effect on Venezuela's economy, particularly its crucial oil sector. The sanctions led to a significant

drop in oil production and exports, severely restricted state revenues, and intensified the ongoing economic and humanitarian crisis within the country. These measures effectively isolated the Maduro regime from Western financial systems and increased international scrutiny.

Nonetheless, the sanctions ultimately did not succeed in achieving their primary political objective: the ousting of Nicolás Maduro and the promotion of a democratic transition. Instead, the Maduro government adapted by consolidating its power domestically, forging stronger alliances with supportive nations such as Russia and China, and circumventing sanctions through obscure trade networks. Rather than collapsing, the regime further entrenched itself, showcasing the resilience of authoritarian governments under external pressure.

This scenario underscores the limitations of unilateral economic sanctions as a tool for regime change, particularly in contexts where governments can rely on alternative alliances and internal coercive strategies. It also reveals the unintended humanitarian consequences of broad-based sanctions, which often exacerbate the suffering of ordinary citizens rather than influencing political elites.

In conclusion, while Trump's sanctions policy inflicted significant economic harm, it did not lead to meaningful political change in Venezuela. This outcome suggests that future U.S. foreign policy must adopt more nuanced, multilateral, and humanitarian-conscious strategies — acknowledging that economic pressure alone is rarely sufficient to drive political transformation in entrenched authoritarian regimes.

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