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Rethinking US Sanctions in the Americas: Humanitarian and Strategic Implications

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EXECUTIVE SUMMARY

Both Cuba and Venezuela have been at the forefront of Latin American foreign policy, especially with recent tensions that have increasingly characterized Cuba and Venezuela as “countries of concern.” They have both been positioned as countries antithetical to the United States, with their communist and socialist systems portrayed as threats to U.S. national interests. This surface-level analysis removes the role that the United States has played in preventing economic growth in Cuba and Venezuela. Both these countries have faced crushing American economic sanctions, which have had negative impacts on their economies and populations.

Furthermore, broad financial and sectoral sanctions like those Washington has imposed on Cuba and Venezuela are not conducive to producing regime change but instead result in dire humanitarian consequences for the population of a given country. At the same time, sanctions actively undermine U.S. national security initiatives in Latin America by exacerbating regional instability and promoting forced displacement. The expansive U.S. embargo and crushing sanctions on Cuba and Venezuela, respectively, should be lifted to mitigate the human impact of these policies.

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Embargoes, Sanctions and Why Sanctions Fail

As relates to this paper, there are two relevant types of sanctions: financial sanctions and broad economic/trade sanctions.¹ U.S. sanctions are administered and enforced by the Treasury Department's Office of Foreign Assets Control (OFAC), and are meant to influence the decisions of another nation by prohibiting or blocking financial access, and/or stunting economic growth. An embargo is a type of severe economic sanction that comprehensively bans all global trade to a given nation.

Sanctions are intended to be an alternative to military intervention. They serve the geopolitical goal of ousting a regime by placing pressure, especially economic and financial, on a given country. The first Trump Administration postulated that the passing of financial sanctions in 2017 on Venezuela would inflict enough economic harm to cause a military coup in Venezuela, leading to the deposition of then-President Nicolás Maduro.² However, the idea that sanctions will inevitably lead to an uprising, whether in the form of a military coup or a civilian uprising, has not been proven throughout the extensive employment of U.S. sanctions throughout the world.³ It also relies on the assumption that the people of a given nation will collectively have the means to overthrow a regime. Sanctions often have humanitarian provisions that allow for basic necessities like food and water to be delivered, but the complexity of the sanctions have complicated the delivery of this humanitarian assistance.

The sanctions on Cuba and Venezuela differ in their intensity and longevity.⁴ Unlike the sanctions on Venezuela, Cuba faces a total economic embargo that bans all trade with Havana, as well as other individual sanctions that target certain individuals and specific Cuban financial institutions and even place travel restrictions on U.S. citizens, which impacts Cuba's tourism industry. Venezuelan sanctions, in contrast, specifically target Venezuela's petroleum company and would technically allow for Venezuelan companies and individuals to participate in global trade of other commodities.

Understanding the existing evidence as to why embargoes and sanctions fail gives relevant background towards understanding how sanctions work, and why the theoretical assumptions of economic pressure as a promoter of regime change will not work on Cuba or Venezuela.

How Sanctions Work Against US Interests Through Migration

One way in which sanctions can work against U.S. interests is through the lens of increasing migration towards the United States due to economic hardship and lack of opportunities. Previous literature identifies sanctions as a root cause of migration, as people usually leave a nation when there are instances of economic collapse.⁵ This is true in the case of Venezuela and Cuba, where migratory outflows correspond to times when sanctions had been imposed or tightened.

In the case of Cuba, from 2022 to September 2024, more than 850,000 Cuban migrants arrived in the United States, constituting an 18 percent depopulation of Cuba.⁶ This wave of mass migration was accompanied by a time of severe economic crisis, as well as a time of increased political repression under the Castro regime. The crisis reached its peak in 2021, when observers reported widespread power outages and shortages of food and medicine. Both the COVID-19 pandemic and the tightened sanctions from the first Trump Administration that former President Joe Biden failed to reverse helped drive this crisis.

Similarly, the net emigration of Venezuelans outside the country increased in 2017, with about 800,000 people leaving.⁷ These figures rose even more in 2018, with over a million Venezuelans leaving the country. This period coincided with the enactment of the first set of "maximum pressure" sanctions on Venezuela, resulting in the contraction of imports that left people bereft of basic necessities. The trends in migration out of Cuba and Venezuela in the time periods of 2021-2024 and 2017-2018 respectively suggest that economic hardship is a cause of migration. Since sanctions are proven to create worsening economic conditions and decrease the quality of life of civilians, sanctions can be considered a cause for migration.

The act of migration is not a problem, as people

have the right to search for economic opportunities abroad. However, forced displacement due to U.S. sanction policies will overburden an already broken immigration system that makes it difficult for many people to obtain citizenship.⁸ People who come to the United States are often forced to remain undocumented due to the difficulty of the process of becoming a U.S. citizen. The national security threat is not that waves of migration led to criminals entering the United States, but rather more people will not be accounted for by the U.S. government as a product of an overwhelmed immigration framework. The way to prevent irregular waves of migration to the United States is to address how its policies are creating the problem. Lifting financial and economic sanctions can alleviate the economic stagnation that both Venezuela and Cuba are facing, and can ultimately lead to people in both countries having the necessary access to food, medicine, and other important humanitarian commodities.

Impacts of Sanctions in Cuba

There has been myriad legislation passed over the past six decades that have loosened and tightened the extent of the U.S. embargo on Cuba.⁹ In 1960, President Dwight Eisenhower imposed sanctions on Cuba due to Cuba's revolutionary movement that placed Fidel Castro in power. This was the pretext that set up the 60-year-long comprehensive embargo that Cuba continues to face. There are several pieces of legislation that have codified the embargo into law, with additional measures taken by successive presidents to either tighten or loosen the severity of the embargo. In 1962-63, President John F. Kennedy enacted a total trade embargo on Cuba through the Foreign Assistance Act and expanded the embargo to cover all financial transactions under Sections 5 and 16 of the Trading With the Enemy Act.

Under the Clinton Administration, the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act passed in 1996, which codified the embargo into law and explicitly stated that the Act would only be overturned once Cuba had a multi-party, democratic government.¹⁰ This legislation also disincentivized foreign investment into Cuba through Title III, which allowed anyone who lost property during the Cuban Revolution to be eligible to sue foreign investors that may have used their property in U.S. federal courts.

Foreign investors stopped to prevent these investments from being subject to legal action. The law allowed for the enactment of Title III to be waived at the jurisdiction of the president and every subsequent president had done exactly that, until President Trump did not waive it in 2019. In addition, this statute made congressional approval a requirement to lift the embargo. At the same time, President Bill Clinton also passed the Trade Sanctions Reform and Export Enhancement Act (TRSA) in 2000, which eliminated the economic embargo on agricultural sales.¹¹ As a result, Cuba has participated in around \$300 million in annual trade with U.S. food producers.

It was under the Obama Administration that relations with Cuba were normalized for the first time since the Carter Administration.¹² Cuba could have two-way trade with U.S. private businesses, some U.S. exports were authorized to enter Cuba, and the Administration lifted the prohibition of U.S. financial institutions from processing international transactions with Cuba. Given that the United States remains the largest economy, the U.S. dollar (USD) has remained the standard currency used for transactions, even if the countries do not use USD as regular currency.¹³ For all trade using the USD, even if not done between a U.S. person or company, U.S. financial institutions must approve of the transaction. Many commodities that were available for trade using the USD were unable to reach Cuba, since U.S. financial institutions would not allow for it. With this reversal, Cuba had the opportunity to participate in international transactions and trade and have access to more goods.

The first Trump Administration entirely reversed the Obama thaw, in addition to not waiving Title III of the LIBERTAD Act. The Trump Administration returned to a policy of hostility and tightened the embargo during this period. These new measures banned most transactions, which led to the end of all wire transfer of remittances between U.S. remittance service providers and FINCIMEX, the Cuban provider. President Trump also ended people-to-people travel entirely, which ended scientific exchange between Cuba and the United States. Finally, President Trump also placed Cuba back on the list of State Sponsors of Terrorism (SST). Cuba was first placed under the SST during the Reagan Administration but was removed under the Obama Administration as part of its initiatives to normalize relations.

All this past legislation explains that Cuba is unable to participate in global trade, and therefore, faces continuous economic degradation. Understanding the history of legislative actions taken to embargo Cuba is important both to contextualize the failure of the embargo and other supplementary sanctions on enacting regime change. It also helps understand how the blockade has caused humanitarian consequences. It is also important to note that this section only covers the legislation surrounding the embargo, and not the actions taken by other presidencies that were not codified into the law but were used to prevent other countries and institutions from engaging in trade with Cuba.

Impacts of Sanctions in Venezuela

The Trump Administration released a set of individual, financial, and sectoral sanctions as part of a “maximum pressure” campaign with the stated intent of ousting the Maduro regime.¹⁴ Spanning from 2017 to 2019, then-President Trump passed a series of Executive Orders (EO) most of which targeted *Petróleos de Venezuela, S.A.* (PdVSA), the state-owned oil company. The most crushing of these sanctions on the Venezuelan economy included EO 13808, a financial sanction, passed in August of 2017.¹⁵ Another major pressure was EO 13850 (a sectoral sanction), passed in November 2018 and expanded January 2019.¹⁶ Both these sanctions directly targeted the PdVSA and hindered its economic productivity. EO 13808 prohibited the Venezuelan government from accessing U.S. financial markets, which included the PdVSA.

This meant that American financial institutions could no longer give new money to the Venezuelan oil company. It also prevented access by the Venezuelan government to U.S. debt and equity markets. This, in turn, means that the PdVSA cannot sell to U.S. investors and subsequently are cut off from a large part of international financing. In addition, EO 13850 continued to choke the PdVSA, as OFAC froze all property and interests of property of the PdVSA, and prohibited U.S. companies and people from engaging in business with the oil company, subject to the jurisdiction of the U.S. government. All of these sanctions ultimately make it difficult for the Venezuelan oil company to participate in global

financing and impossible to import its oil to the United States.

The set of sanctions placed on Venezuela specifically target the PdVSA’s access to global markets and trade with the United States. Given that Venezuela is a petrostate solely reliant on the production and export of oil as their main source of income, attacking Venezuela’s petroleum industry effectively is an attack on the entire Venezuelan economy. A report from the Washington Office on Latin America (WOLA) examines the stark decline of oil productivity in Venezuela following the enactment of sanctions in August 2017.¹⁷ The author, Luis Oliveros, emphasized that oil productivity was already in a steady decline and hyperinflation had been increasing since March 2013. That said, the sanctions in 2017 and all subsequent sanctions negatively impacted the production of oil due to the inability to get outside financing. Oliveros calculated that in the 18 months prior to the enactment of the 2017 sanctions, there was a 1% decrease in monthly oil production. In comparison, following 2017, the rate of negative oil production increased to 5%. This significant change in oil production has resulted in an estimated \$11 billion in annual revenue.

The U.S. Energy Information Administration specifically states that Venezuela’s oil productivity and infrastructure is a result of limited access to capital – which is an impact of the aforementioned sanctions.¹⁸ The article also emphasizes that growth in Venezuela’s oil productivity requires significant new investment into the PdVSA. As such, these sanctions have effectively made it impossible for the Venezuelan oil company, and by extension its economy, to function. Therefore, the sanctions have led to a massive contraction in the Venezuelan economy, which subsequently impacts the livelihoods and causes suffering for the people living in Venezuela.

Trade with Other Countries and Overcompliance

Another facet to explore when understanding the scope of sanctions on Cuba and Venezuela is understanding how the unilateral sanctions stop other countries, companies, and individuals from engaging in trade with both countries. While the laws of the economic embargo already made clear what foreign

investment is barred from the country, several U.S. administrations took measures to prevent other countries from engaging in trade with Cuba.¹⁹ Former President Lyndon B. Johnson used his power to force countries from the Organization of American States (OAS) to stop trading with Cuba, and to quietly coerce European states from limiting their trade with Cuba. Furthermore, the Reagan Administration also made it difficult for Cuba to trade internationally by placing it on the SST list due to its support of revolutionary movements across Latin America. However, most of the sanctions put in place through the SST designation were already placed on Cuba prior to its designation. Therefore, not only was Cuba not allowed to trade with the United States, but it was also actively prevented from trading with other countries or private companies due to coercive actions taken by different U.S. administrations. Another action taken by the U.S. government to bar Cuba's access to trade with foreign entities was during the fall of the Soviet bloc, when Boris Yeltsin, the new president of Russia, agreed to cut off \$3 billion worth of economic aid to Cuba as a condition for Russia to receive aid from the United States. These actions effectively allowed the U.S. government to control of what countries trade with Cuba.

While the U.S. government has not cut off foreign countries from trading with Venezuela in the same way that it did with Cuba, Venezuela is still limited by foreign investors' overcompliance. The United Nations Office of the High Commissioner for Refugees (UNHCR) emphasized the dangers of overcompliance as an inevitable consequence of unilateral sanctions. Overcompliance is a form of risk avoidance, where outside entities are disincentivized from engaging in financial transactions with a sanctioned country, even when the transaction is authorized under the terms of the sanction.²⁰ Overcompliance also "undermines economic development and fosters impoverishment" as a result of the lack of foreign investment. As such, other companies and individuals felt less incentivized to trade with Cuba and Venezuela – even if it were allowed under the terms of the embargo – for fear of punishment by Washington.

The United States has placed secondary sanctions on institutions and individuals that engage in transactions with either Venezuela or Cuba. In Venezuela, the United States has placed secondary sanctions by

blocking all property of any individual or company that is found to have provided material aid to the Venezuelan government.²¹ The risk remains that some commercial businesses may be under partial government ownership or control, requiring that enterprises must carefully vet who they are trading with. The potential impact of facing those secondary sanctions is that the person or entity engaging in trade with Venezuela may be completely blocked from accessing the U.S. economy. Various companies have already moved away from the Venezuelan market, including Uphold, a cryptocurrency exchange platform, due to the complexity of U.S. sanctions.²² In Cuba, companies and individuals (barring agricultural exports) engaged in business with Cuban counterparts run this risk of U.S. litigation, which in turn incentivizes investors to steer clear of America's ire.

Recently, the Trump Administration enacted secondary sanctions on Cuba as part of its pressure campaign.²³ These secondary sanctions punish foreign companies that either directly or indirectly do business with the Cuban military, which accompany the Trump Administration sanctions that prevent transactions between the Cuban Armed Forces and third investors. The resulting penalty could include being blocked from accessing the U.S. market. It is especially risky for foreign entities to invest in Cuba given that the Armed Forces are partnered with some tourist agencies. The likely consequence will be another contraction of the Cuban economy as investors continue to pull out.

Overcompliance with sanctions also works against U.S. strategic interests, as it incentivizes sanctioned countries to pursue dependence on U.S. adversaries. In recent years, China has strengthened its interest in Latin America and the Caribbean, with an estimated \$518 billion in trade in 2024.²⁴ Venezuela has been an area of strategic competition between the United States and China due to its abundance of crude oil, however, U.S. sanctions led both the Venezuelan and Cuban governments to align more closely with the Chinese government to receive vital goods. One example of this would be the Cuban government receiving food and medicine from China in 2024 due to shortages caused by the U.S. sanctions.²⁵ China's involvement in Venezuela and Cuba has spanned further than trading goods and necessities, but has also been complicit in supporting the authoritarian

Maduro and Castro regimes. Huawei and Zhong Xing Telecommunications Equipment Company Limited (ZTE) are multinational Chinese telecommunications corporations and have provided critical telecommunications infrastructure all across Latin America and the Caribbean. This same technology, provided by China to Cuba, was instrumental in suppressing information on 2021 protests and enacting a total blackout. Similarly, Huawei had considerable developments within Venezuela, with the corporation involved in “joint ventures, government contracts, training programs, and local manufacturing.”²⁶ ZTE was also involved in creating a “Fatherland Card” in Venezuela, which was said to provide the Maduro regime with information on social media posts and voting patterns.

Overall, overcompliance prevents foreign investment into both Cuba and Venezuela, which in turn contracts their economies and prevents growth. This results in a two-fold problem: allowing greater Chinese influence in the Americas and dire humanitarian consequences.

Humanitarian Impact on Cubans and Venezuelans

The humanitarian impact of embargoes and sanctions can be seen on two fronts. First, inaccessibility to global trade prevents food and medical equipment from entering, meaning that food and healthcare apparatus are unable to come into the country.

The second front is how sanctions stunt economic productivity, which in turn prevents people from being able to buy food and medicine, as well as produce their own food. In the case of Cuba, the trade blockade has prevented food and medicine from entering the island, which compounds declining food productivity due to lack of access to important agricultural equipment that can help in farming. As it relates to Venezuela, the humanitarian emergency is a result of not having the means to purchase food and other necessary medical equipment. Theoretically, people in Venezuela should have access to food and medicine, as sanctions do not restrict their purchase. The problem is that hyperinflation in Venezuela has skyrocketed as a result of the plummeting oil productivity, meaning that people do not have the ability to purchase food and medicine.²⁷ These same sanctions have also led to a contraction in Venezuela’s imports, therefore also placing limits on the amount of food and medicine

available for purchase.

The decline of the Cuban healthcare system has been exacerbated by the U.S. embargo that prevents healthcare equipment from entering. As part of the embargo, subsidiaries of U.S. companies that operate in third countries are prohibited from engaging in business with Cuba. This is concerning given that U.S. pharmaceutical companies dominate the world market, with most medicine being produced or patented by U.S. companies, and therefore, not eligible for purchase by Cuba. Examples of equipment that the Cuban government cannot purchase includes public water supply pumps and a Kodak X-ray film used in breast cancer screenings.²⁸ This is in addition to several drugs that Cuba cannot purchase due to being patented by U.S. pharmaceutical companies, such as Prostaglandin, a neonatal drug produced by the U.S. company Upjohn. The result is that Cuban gynecologists have to use a riskier drug. In the context of the COVID-19 pandemic, the U.S. embargo and the overcompliance of foreign companies limited the pandemic operations in Cuba. Foreign companies and banks refused to deliver raw materials and equipment in response to the unilateral sanctions. This included the Dutch bank Internationale Nederlanden Groep, which blocked all donations to Cuba that were part of an initiative to distribute COVID-19 vaccines globally by an international delegation.²⁹ The bank specifically named the embargo as the reason for blocking these donations.

Cuba is also facing substantial food insecurity, as observed by the U.S. Department of Agriculture (USDA), which is a result of both being unable to participate in trading food with other countries and not having the materials to promote agricultural growth.³⁰ Cuba does participate in food trade with the United States, as allowed by the TRSA, however, these purchases are not sufficient for the population, with an estimated 1.4 million Cubans facing food insecurity in 2023, as per the USDA. This report details that part of the reason for Cuba facing food insecurity is the lack of commodity inputs that could help stimulate food productivity, such as agricultural equipment that could make farming easier. A report from Oxfam America further established how the economic embargo impacted the agricultural industry, with the blockade making it difficult to access international markets.³¹ A farmer in Cuba provided a personal testimony

on how the blockade has affected her crop growth, where she emphasized that farmers have insufficient resources, including access to finding approved seeds. Overcompliance due to the embargo also plays a role in preventing Cuban farmers from obtaining advanced technology. In 2022, a UN report found that out of 518 requests put forth by the Cuban government for tractors, engines, forklifts, and other types of agricultural machinery, only nine were completed by international shipping companies in fear of being punished by the United States.³²

Unlike in the case of Cuba, a trade blockade is not preventing food and healthcare equipment from entering Venezuela, but rather the impact of sanctions on oil productivity makes access to food and healthcare difficult. As the PdVSA's oil productivity has decreased rapidly since August 2017, in line with the enactment of the sanctions, hyperinflation in Venezuela has risen, making it harder to buy things. This is also compounded by the fact that there has been a contraction of imports into Venezuela due to the government's decreasing foreign currency revenues, as most purchases are made using international currency.³³ As such, civilians and medical professionals do not have the capacity to buy food and healthcare equipment, and certain commodities are hard to find due to decreasing imports.

Various NGOs have released reports emphasizing the humanitarian impact that sanctions have had on Cuba and Venezuela, with specific emphasis on access to food and healthcare. The Center for Economic and Policy Research (CEPR) has also argued that sanctions are collective punishment, especially in the way that essential commodities are impacted by them.³⁴ CEPR has reported that U.S. sanctions have resulted in over 40,000 deaths from 2017-2018, which is attributed to restricted imports and difficulties purchasing items. In the same time period, it is also reported that the Venezuelan mortality rate increased by 31%.³⁵ In regard to healthcare, sanctions have made it difficult to import medicine and other related equipment, leaving many people bereft of health treatment, including around 80,000 people without access to HIV treatment and around 4 million people who are in need of cardiovascular medicine and insulin. Food imports also dramatically decreased, falling from \$11.2 billion in 2013 to \$2.46 billion in 2018.

It is important to mention that neither the embargoes nor sanctions are responsible in totality for the declining humanitarian conditions. Both the aforementioned reports released by Oxfam America and WOLA emphasized that the healthcare industry in Cuba was already facing struggles, however, the sanctions placed on Cuba and Venezuela only exacerbated this problem due to lack of accessibility. Similarly, Venezuelan physicians had already faced medicinal shortages previously, yet the sanctions made medicines even more unaffordable and less accessible.³⁶

Sanctions Failure Case Study: Syria

Examining the case of Syria provides compelling evidence for the ineffectiveness of sanctions. In Syria, President Bashar al-Assad was ousted in December 2024, when Hay'at Tahrir al-Sham (HTS) engaged in an eleven-day offensive that led Assad to flee to Russia. Since then, an interim governing body has been established, with Ahmad al-Sharaa serving as its president since 2025. Like Venezuela, Syria had been subject to extensive economic sanctions. In 2019, the first Trump Administration passed the Caesar Syrian Civilian Protection Act (Caesar Act), which was intended to hold the Assad regime responsible for the crimes it had committed against civilians.³⁷ The act essentially financially isolated Syria by preventing any entity from engaging in business with Syrian authorities or proxies.³⁸ The sanctions also targeted non-Syrian entities that engaged with Syria, which had the adverse effect of making it difficult for Syrians to import basic necessities and receive remittances. The law also prevented outside entities from continuing to provide service to Syria, as seen with Lebanon's CSCBank SAL, which had serviced Syrian ATMs before the sanctions were put in place.

While it was reported that the sanctions had some impact on the high-ranking officials within the Assad regime, especially as it relates to preventing communications with the officials themselves, there was no tangible evidence that the Assad regime changed its actions. In fact, a report by the Arab Reform Initiative found that officials within the Assad regime circumvented the effects of these sanctions through black market activities and criminal networks.³⁹

Human Rights Watch reported on the severity of the sanctions on the general population, emphasizing how access to humanitarian aid became difficult.⁴⁰ Despite humanitarian carveouts, the sanctions still made it difficult for people within Syria to receive critical supplies from outside entities due to overcompliance. The oppressive nature of the sanctions was evident in the humanitarian response to the 2023 Syria-Turkey earthquake, where aid organizations had difficulties providing relief due to a lack of resources, which were in part a result of the sanctions. It was also mentioned that recovery efforts were hampered by the sanctions because critical rebuilding materials were not approved under the sanctions, such as equipment necessary to assess building damages.⁴¹ These difficulties in recovery became even more important in the wake of the fall of the Assad regime, where sanctions prevented Syrians from accessing the global market, receiving the equipment necessary for reconstruction, and accessing sufficient oil and gas.

As of July 2025, some of the sanctions have been waived to alleviate the economic conditions in Syria. The Trump Administration issued Executive Order 14312, which removed six previous sanctions on Syria, including the Caesar Act.⁴² The removal of these sanctions represents a positive move towards rebuilding Syria, with the International Monetary Fund assessing that the Syrian economy is improving.⁴³ While the economic collapse of Syria came as a result of prolonged warfare and was further hindered by sanctions, it remains that the Assad regime did not fall because of sanctions. Furthermore, the removal of broad sanctions from the United States (as well as from the U.K. and E.U.) in the post-Assad context provides evidence on the known harmful nature of sanctions. The Trump administration's decision to waive the sanctions to help the Syrian economy grow inadvertently acknowledges that sanctions actively stunt economic growth. It also calls attention to the bigger picture, which is that sanctions did not work in ending the Assad regime, nor did they change the actions of the government. It also shows that sanctions have disproportionately impacted the general population, while authoritarian elites find ways to circumvent the sanctions, which can be applied to Cuba and Venezuela.

What Comes Next in Venezuela?

Former Venezuelan President Maduro was arrested by U.S. authorities on January 3rd, 2026, on charges of narcoterrorism. Under "Operation Southern Spear," the U.S. government bombed military sites in Caracas and removed Maduro. Since then, President Trump has said that the U.S. government "will run the country until such time as we can do a safe, proper and judicious transition."⁴⁴ He also proposed the "Donroe Doctrine," drawing from the Monroe Doctrine that called for militant American intervention into the Western Hemisphere.⁴⁵ In addition, President Trump has sidelined María Corina Machado, the sustained opposition leader of Venezuela. Instead, former vice president Delcy Rodríguez has been recognized as the current president, despite never having been elected. This has merely shifted the power of the Chavista regime from Maduro to another high-ranking regime official. Rodríguez has deployed paramilitary groups, known as Colectivos, to monitor the Venezuelan people, putting them in danger during a time of uncertainty.⁴⁶

The Trump Administration has blatantly stated its desire to capitalize on Venezuela's oil reserves as part of its larger goals in Venezuela. Since then, the U.S. government has seized six Venezuelan oil tankers as a way to control its oil reserves, while the PdVSA has also cut oil production as a result of the oil blockade.⁴⁷ President Trump has stated that he plans to have private corporations invest in Venezuelan oil to help rebuild Venezuela's oil infrastructure and give money back to the people despite the reluctance of giant energy companies.⁴⁸ It seems that the Trump Administration is prioritizing the sale of oil for American benefit, rather than promoting democracy in Venezuela.

Policy Recommendations

Sanctions have not, and will likely not, result in regime change. This is demonstrated by 60-years of intensive sanctions on Cuba, where there has still been no regime change. In fact, it was only during a time of normalization in which Cuba began to see comprehensive domestic reforms, albeit limited, that allowed for citizens to have the right to own private businesses and property.

- The U.S. government should lift the trade embargo on Cuba and the restrictive financial

and economic sanctions that have prevented both countries from economic growth. This, in turn, has led to widespread humanitarian impacts, including food and medicine shortages. Civilians, rather than regime insiders, have borne the brunt of the impact of sanctions. In the case of Cuba, the Trump Administration and all subsequent administrations should strive to normalize relations with Cuba. This includes continuing to waive the Title III of the LIBERTAD Act, as it has isolated Cuba from foreign investors. Lawmakers should also consider removing Cuba as from the SST designation list. Removing the sanctions also provides strategic benefits to the United States, as it can curb Chinese influence in Latin America and the Caribbean.

- The state of Venezuela's government remains in flux, as the government has yet to make clear what the next steps are to ensure a Venezuelan-led democracy. The Trump Administration should remove the oil embargo on the PdVSA considering that Maduro is no longer in power. In removing the sanctions, the PdVSA would be able to increase their exports, and help revitalize the Venezuelan economy and the livelihoods of people in Venezuela.

- Policymakers should also consider how U.S. policies are complicit in forced displacement. Cracking down on undocumented immigrants has become a central part of the Trump Administration's agenda, yet this approach fails to acknowledge how sanctions cause suffering, and consequently, forces people to move. It should be emphasized that migration itself is not a problem, but rather the U.S. government's inability to pass comprehensive immigration reform.

Conclusions

Sanctions are a favored tool of U.S. foreign policy as an alternative for military action, with the intent of promoting democratic change in authoritarian countries. However, sanctions, specifically financial and economic sanctions that target a country's economic growth, have proven ineffective. Previous academic literature has established theoretical flaws of sanctions being used to create a regime change through civilian uprisings or a military coup. Academic literature has already shown that economic pressure, and by extension sanctions, do not work in producing fruitful democratic reform. Evidence suggests that the period of normalization with Cuba during the Obama Administration, not the decades of sanctions, helped

produce market-oriented economic reforms.

A comparative case study between the impact of sanctions on Cuba and Venezuela establishes the inefficiency of sanctions and shows that continuous sanctions on Cuba and Venezuela will not result in regime change. Cuba is useful for this analysis given that it has been subject to a total embargo for over 60 years, stunting the Cuban economy and causing billions of dollars in losses for the country. In Venezuela, the Trump Administration enacted a "maximum pressure" campaign aimed at deposing Maduro and establishing a democracy in Venezuela. These sanctions have also resulted in a cratering Venezuelan economy and devastating humanitarian consequences. Despite most sanctions having humanitarian exceptions to allow for some aid to enter, foreign companies often resist providing humanitarian aid in fear of punishment by the United States. In Cuba and Venezuela alike, there are widespread food and medicinal healthcare shortages. Cuba faces food insecurity due to a decline in agricultural productivity due to the embargo, as it has prevented important inputs, such as seeds and agricultural equipment, but also limited availability to participate in global food trade. In Venezuela, the economic sanctions have targeted the Venezuelan state oil company, resulting in a decline in oil productivity, and therefore there is less money to participate in trade. There has been a contraction of imports in Venezuela, resulting in these food and medicine shortages.

Sanctions also actively work against U.S. interests by creating irregular waves of migration, adding stress to an already broken immigration system. Evidence suggests that times of economic hardship – which are often propagated by sanctions – result in irregular waves of migration. This was seen in the depopulation of Cuba from 2021-2024, where over 18 percent of the island's population left after the post-Covid economic crisis and growing political repression. Venezuela saw a similar trend of outward migration from 2017-2018, during the time following the enactment of the first set of financial sanctions on Venezuela. As more people try to enter and find opportunities in the United States, mass migration constitutes a national security threat as the U.S. immigration system continues to be overwhelmed. Rather than framing migration towards the United States as a national security threat on the assumption that undocumented people pose a safety risk, U.S. politicians should acknowledge how their

harmful policies are a root cause of forced migration.

Endnotes

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