

Chevron, Sanctions, and the Venezuelan Dilemma: Who Benefits from Oil?

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The recent revocation of the license that allowed Chevron to operate in Venezuela has reignited a latent conflict between economic interests, foreign policy, and energy security. The decision, made by the Trump administration as part of its "maximum pressure" policy against Nicolás Maduro's regime, has had a direct impact on the presence of the last major U.S. oil company in Venezuelan soil.

For decades, Chevron maintained strategic operations in Venezuela through joint ventures with the state-owned PDVSA. This presence was justified on the premise that its activities did not directly benefit the regime but contributed to preserving assets and technical expertise essential for a future democratic transition. However, this narrative began to fracture in early 2025 when reports surfaced indicating that Chevron had submitted tax declarations for approximately \$300 million to the SENIAT, the regime's tax authority.

According to documents revealed by Energy Analytics Institute, these tax commitments could represent an indirect injection of funds into the Venezuelan state, which would contradict the restrictions imposed by General License 41 issued by the U.S. Office of Foreign Assets Control (OFAC) during the Biden administration. This license remained in effect until its revocation in March 2025, which explicitly prohibited any direct or indirect payments to the Venezuelan government or entities under its control.

The Trump administration's response was decisive. The Secretary of Energy stated in recent remarks, "No company can continue to strengthen Maduro's repressive apparatus through oil wealth. The United States will not be complicit." Chevron was given an ultimatum to cease operations by April 3, under threat of sanctions and future legal actions.

However, the company has adopted a dual strategy: politically pressuring Washington and maintaining its operational infrastructure in Venezuela. Its CEO, Mike Wirth, has held meetings with State Department officials and Congressional leaders, arguing that a permanent withdrawal would affect U.S. energy security and hand over Venezuela's oil industry to rival actors such as China, Russia, or Iran. Meanwhile, reports from Energy Connects suggest that Chevron contractors and employees in Venezuela have not yet received formal orders to halt activities, suggesting an intention to resist operational closure while exploring diplomatic solutions.

Venezuela's Strategic Shift: Russia, China, and Iran

While Chevron finds itself caught between the pressure from the U.S. government and its own corporate interests, Nicolás Maduro's regime has begun to diversify its international partners. Faced with the possibility of Chevron's departure, Venezuela is intensifying its relations with non-Western powers such as Russia, China, and Iran, seeking an alternative to keep its oil industry operational despite sanctions.

Russia, through its oil giant Rosneft, has had an active presence in Venezuela for several years. Its involvement could intensify even further if Chevron withdraws, with expectations that Rosneft will expand its investments in the heavy crude reserves of the Orinoco Oil Belt, the world's largest oil reserve. At the same time, China has been a key partner for the Venezuelan government, providing financing in exchange for oil. The expansion of Chinese companies in the energy sector could be a major response to Chevron's departure.

Tehran, on the other hand, has been strengthening as a strategic ally. Iran has faced sanctions similar to Venezuela's and has become an expert in operating in restricted international markets, making it an attractive partner for Caracas. Collaboration with Iran could involve not only the oil sector but also the transfer of technology and logistical support to keep the oil fields running.

Chevron's Actions: Violation of Sanctions?

Chevron's presence in Venezuela has come under increasing scrutiny in the United States. While there is no public evidence of a formal investigation by OFAC, reports about Chevron's fiscal activities in Venezuela, particularly the submission of declarations for around \$300 million to SENIAT, have raised concerns among U.S. officials and lawmakers. These concerns have arisen in the context of the already revoked General License 41, which explicitly prohibited any payments, direct or indirect, to Nicolás Maduro's regime. Although it is not confirmed that Chevron made these payments, the mere fact of submitting the declarations has raised alarm about a possible violation of U.S. sanctions.

Voices within Congress, such as that of Congresswoman María Elvira Salazar, have accused Chevron of "benefiting from oppression" and have called for greater transparency about the company's activities. The political environment points to a hardening of the stance against multinational companies operating in sanctioned countries, with Chevron emerging as a symbol of the tension between economic interests and legal principles.

Political Reactions and Geopolitical Consequences

The controversy has escalated legislatively. The incoming Secretary of State, Marco Rubio, has pledged to review in detail the role of U.S. companies that may have violated sanctions, and more rigorous oversight from Congress is expected. In this complex web of crosscutting interests, Chevron finds itself in an ambiguous position: pressuring to protect its assets and influence but facing legal and ethical questions about its role in Venezuela. The conflict highlights an uncomfortable reality: when corporate interests and democratic principles collide, the law is often called into question.

Meanwhile, Maduro's regime continues to bet on alliances with powers like Russia, China, and Iran, which could not only replace Chevron but also reshape the regional energy map. The eventual departure of the U.S. oil company would not be a setback for Venezuela but an opportunity to consolidate a new energy bloc alternative to the Western axis.

Final Reflection: Between Oil and Dignity

Beyond the standoff between Chevron, the State Department, and the regime's new geopolitical partners, **Venezuelans face a reality where oil remains a symbol of potential wealth but also of historical frustration.** While great powers negotiate licenses, sanctions, or contracts, the majority of citizens grapple with power outages, collapsing hospitals, and insufficient salaries.

The aspirations of ordinary Venezuelans are not limited to the restoration of oil production but also to the restoration of democracy itself. It is evident that investment and technology are needed to recover the energy industry, but this recovery cannot be separated from respect for human rights or the rebuilding of the country's institutions.

There is a widely shared perception in Venezuelan society: **oil revenues have repeatedly ended up concentrated in the hands of the corrupt chavista elite, fueling networks of power and repression instead of being translated into collective welfare.** This mistrust is rooted in years of opacity, misappropriation of public funds, and the political use of state resources.

If energy alliances — whether with Chevron or with actors like China, Russia, or Iran — continue to ignore these fundamental demands, **Venezuela risks repeating the same cycle: wealth without development, oil without freedom.**

The real challenge is not just who controls the wells but who is willing to build a Venezuela where oil becomes a resource for collective well-being, not a tool of political control.
