

After announcing "normalization" with Cuba, Obama slaps sanctions on Venezuela

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President Barack Obama on Thursday signed into law legislation imposing a new set of sanctions against Venezuela. The action, taken just one day after he took what have been widely described as “historic” steps to “normalize” relations with Cuba, shed considerable light on the real aims being pursued in relation to the Caribbean island nation.

The “human rights” sanctions were imposed on the pretext of punishing individual Venezuelan officials for the handling of violent anti-government protests launched last February with the aim of deposing President Nicolas Maduro. The violence claimed the lives of 40 people, including numerous members of the security forces, as well as supporters of the government and others killed in confrontations at barricades erected by Maduro’s US-backed rightist opponents.

The “Venezuela Defense of Human Rights and Civil Society Act” abrogates or denies visas for a number of top Venezuelans and orders the freezing of any assets they may have in the US.

In another measure that serves to undermine the Venezuelan government, the US-based Fitch rating agency downgraded Venezuela’s credit rating from “B” to “CCC,” which suggests a likelihood of failure to meet payments.

Maduro, who only the previous day had praised Obama for his “brave and necessary gesture” toward Cuba, on Thursday denounced the new sanctions as “insolent measures taken by the imperial elite of the United States.” At the same time, he noted, “On the one hand, it recognizes the failure of the policies of aggression and blockade against our sister Cuba (...), and, on the other hand, it launches a new escalation of attacks” against Venezuela.

Underlying this seeming contradiction is a definite logic, however. The move toward rapprochement with

Cuba and the sanctions against Venezuela are different tactics that are directed toward the same aim: bringing to power pliant regimes prepared to more fully accept US semi-colonial domination.

Washington calculates that the fall of oil prices will destabilize Venezuela and create better conditions for orchestrating a right-wing campaign to depose the Maduro government. At the same time, it sees the economic and political destabilization of Venezuela, which has provided a lifeline to Cuba in the form of discounted oil shipments as well as tens of billions of dollars in loans, investments and grants, as a means of weakening Cuba and facilitating a restoration of the type of regime that characterized the country before the 1959 revolution.

For all of Obama’s rhetoric about “democracy,” “human rights” and “empowering the Cuban people,” these are the real aims and interests underlying the shift in Washington’s policy toward Havana.

While much has been written about Obama’s “bold move,” the real driving forces behind a change in Cuba policy have been corporate and financial sectors that have seen a market they believe should be theirs being dominated by China, Spain and other countries.

Fortune magazine’s response to Wednesday’s announcement was a story headlined, “Corporate lobbyists score victory in loosening of Cuban trade embargo.”

The story noted that truck and tractor manufacturer Caterpillar, the personal care product maker Colgate-Palmolive, and the insurance giant Chubb “all spent tens of thousands of dollars to lobby government officials this year about the Cuban embargo, according to regulatory documents.”

“PepsiCo wants in. So does Caterpillar and Marriott International,” the *New York Times* exclaimed. “Within

hours of President Obama's historic move to restore full diplomatic relations with Cuba, companies in the United States were already developing strategies to introduce their products and services to a market that they have not been in for the better part of 50 years—if ever.”

The *Financial Times* reported that “Cargill, the private US commodities trader, was among the first to welcome the announced easing of US trade restrictions on Cuba.” It noted that the company, “although a long-time supporter of the Republican Party [...] has long urged ending the more than 50-year trade embargo.”

While US business interests currently are exporting approximately \$500 million worth of goods to Cuba annually, consisting mostly of agricultural products, this flow is hobbled by financial restrictions requiring pre-payment through a third-party bank, typically in Europe. Other competitors, including Brazil, have been able to gain a greater share of the market by offering credit. Among the executive measures that Obama has announced is an easing of these financial barriers.

Propelled by these big business interests, Obama's changes in Cuban policy will apparently be rolled out rapidly, with regulatory changes on trade and travel made “as soon as new regulations can be published in the *Federal Register*,” according to the *Washington Post*.

Meanwhile, the process of restoring diplomatic relations is expected to begin next month with a visit to Havana by Assistant Secretary of State Roberta Jacobson. The official told the *Post* that the reestablishment of formal ties could be accomplished simply through an exchange of letters, and that Washington would then “change the sign” on its large US Interests Section in Havana, turning it into an embassy.

Asked about how quickly the new measures expanding trade, travel and US banking operations, as well as quadrupling the amount of money that can be sent to individuals on the island, will be implemented, Jacobson told the *Post*, “I am quite certain we're talking about days or weeks. Certainly not months.”

Washington's strategy is for the expansion of US trade and investment to intersect with the series of counter-reforms implemented over the past five years by the government of President Raul Castro, which have slashed government jobs and social spending

while spurring private enterprise and offering more favorable conditions for foreign capital to exploit cheap Cuban labor. The ultimate aim is the fostering of a new bourgeois layer as the social basis of a semi-colonial Cuban regime.



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