

US bans Chevron from Venezuela's oil sector amid rising military tensions

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7 March 2025

On Tuesday, the US Treasury Department set April 3 as the final day oil giant Chevron will be able to operate in Venezuela, even for maintenance purposes. Licenses for other foreign energy corporations will also be scrapped.

The revocation of oil licenses is a brutal provocation amid heightened military tensions with neighboring Guyana and the United States.

President Donald Trump ordered the Treasury Department to remove all “specific licenses” last week. Trump, who attempted to overturn the US elections in 2020 and is signing illegal executive decrees daily, said Venezuela has failed to meet democratic standards and respond efficiently to the deportation of migrants from the United States.

The licenses had provided an exemption to several North American, European and Indian companies from ongoing US sanctions on Venezuelan oil and gas that were imposed under the first Trump administration.

Their revocation ends a financial lifeline for Venezuela, with immediate, catastrophic consequences. Chevron produces 242,000 barrels per day, while Spanish Repsol, French Maurel et Prom and Italian Eni produce an additional 83,000 bpd, according to the latest figures available. In total, these firms account for about 30 percent of Venezuelan oil output.

Venezuelan reliance on Chevron for imported diluents to sell its heavy crude oil, technical expertise and resources for maintenance and operation will have a much broader impact. The sector had not recovered after years of declining infrastructure and capacity due to sanctions, mismanagement and corruption.

While private Chinese and Iranian firms are expected to step in, and Caracas has focused on appealing to India for cooperation on energy, China and Russia more broadly have pulled back from operations with

Venezuelan oil to avoid further US sanctions.

Oil production has historically been the main source of income for the Venezuelan government to pay for salaries, vital services and imports, including food, medicine and materials needed for production and maintenance.

The decision is only the latest instance in which the Trump administration responds to concessions made by other governments by pushing for more. It follows agreements reached in early February between Venezuelan President Nicolas Maduro and Trump's special envoy Richard Grenell, which included the release of six American prisoners and the resumption of deportation flights to Venezuela.

US Secretary of State Marco Rubio, however, has insisted that none of these talks will lead to the recognition of Maduro and made clear the ongoing intentions of ousting the Venezuelan government. Washington has continued to recognize US-backed opposition candidate Edmundo González Urrutia as president-elect following elections last July which both González and Maduro claimed to have won.

Along with the threats to “take back” the Panama Canal, control Greenland, invade Mexico and turn Canada into the 51st US state, the Trump administration is looking to assert its domination over the western hemisphere and turn its countries, particularly those with strategic natural resources like Venezuela's oil reserves, into semi-colonies.

The calculation behind these devastating sanctions was to encourage sections of the Venezuelan military and capitalist ruling clique to overthrow Maduro and set up a US puppet state; however, even after the economy was reduced to less than a fifth of its previous size and nearly 8 million people, roughly a third of the population, left the country, this strategy has failed to

oust Maduro.

This is due to the unpopularity of the far-right forces sponsored by the United States, who are known for demanding US sanctions and even an invasion, and not the result of popular policies by Maduro. On the contrary, the “Bolivarian” government has overseen an economic shock therapy to place the entire weight of the crisis on the shoulders of the working class while providing tax cuts and other incentives to foreign capital. A haphazard experiment of partial dollarization to overcome currency depreciation has made the economy much more vulnerable.

Given the failure of past coup attempts, Trump, Rubio and several other top officials have previously endorsed the possibility of a military incursion into Venezuela to overthrow Maduro. However, this could result in levels of destruction, death and economic cost akin to the US-led wars in the Middle East.

The recent decision by Donald Trump to revoke licenses that allowed Chevron to export Venezuelan oil is closely linked to rising tensions with neighboring Guyana.

Guyana’s President Irfaan Ali notified the Trump administration and other international allies on Saturday that an armed Venezuelan naval vessel had entered disputed waters that harbor a major offshore oil deposit being exploited by an Exxon-led consortium.

The Guyanese military, which operates in close collaboration with the Pentagon, deployed aircraft and naval vessels, while the US State Department warned on X: “Further provocation will result in consequences for the Maduro regime.

Venezuelan Vice-President and Oil Minister, Delcy Rodríguez denounced Ali for telling “bald-faced lies” indicating that the naval activities took place in “disputed international waters.” The disputed territory of “Guyana Essequibo,” she added, “belongs to Venezuelan men and women and nobody else, and we will defend it with our lives. Don’t even dare, here we have a Bolivarian National Armed Forces, a civic-military-police union that stands up to defend our country.”

The nationalist bombast and militarism are signs of a cornered regime. The danger that Caracas makes the reactionary decision to move into the disputed territory and take the bait set up by Washington, similar to the Russian invasion of Ukraine in February 2022, cannot

be discarded.

Rodríguez called Trump’s license revocation “damaging and inexplicable.” But the intensification of efforts to install a puppet regime are not only explicable but the only reasonable expectation from US imperialism and its leader Trump, who models his regime after Hitler.

The Venezuelan ruling clique around Maduro has made clear that it is ultimately dependent upon and subservient to US imperialism and unable to muster a genuine defense against threats of neo-colonial subjugation. These threats, involving economic and potentially military devastation, can only be confronted through the independent mobilization of the working class in Venezuela, in a united struggle with workers of the United States and across the region on the basis of a socialist program.



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