

**The Effects of Unilateral V.S. Multilateral Trade Restrictions: The Case of Iran and  
Venezuela**

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## Introduction:

Sanctions are common in today's world and are used for various purposes. In today's world, they are predominantly used to coerce foreign governments into changing their behavior or to access a particular resource. Over the past century with a rise in globalization, sanctions have become a more widely used practice, often by nations with larger economies. In 2023 the most notable sanctions are those placed on Russia for its invasion of Ukraine. The reason behind these sanctions is to punish Russia for invading Ukraine while also attempting to coerce Putin into a troop withdrawal. These sanctions are multilateral as they are the result of many countries uniting to make trade more difficult for Russia. While this is a good example of recent sanctioning, in this paper, we will be investigating the sanctions that the United States of America and organizations like the United Nations and the European Union have placed on Venezuela and Iran over the last couple of decades. This paper will discuss both the reasons for the decisions that were made as well as the implications for the victim country that received the sanctions.

Today, the United States of America has the largest economy in the world. Holding that global position means this nation does a lot of trade with other countries, importing and exporting goods for a wide variety of reasons. These trade routes include economies of all sizes, but sanctions placed on these countries by the U.S. have different impacts based on their respective current economic and political state. The Unilateral sanctions this paper will discuss include the United States sanctions on Venezuela and Iran. These decisions often have a long and complicated history going through many different generations. For that reason, aside from a brief history of these sanctions, the scope of this paper will be limited to the sanctions of the last four

U.S. presidential administrations. This will allow us to look at not only how these sanctions have evolved across different geopolitical climates and economic states of the world but also to see if the sanctions have deviated from their original goals and how they got to their current state today.

While wide-reaching, the effects of unilateral trade sanctions have their limits, often they do not have their intended effects and require other countries and international organizations to step in and contribute. The combined efforts of multilateral sanctions can put immense pressure on a country's economy, in the case of Iran United Nations support was necessary to exert proper pressure on the government of Iran to halt its nuclear program. While other efforts have been made to halt Iranian nuclear development, they have been crippled or stopped altogether in favor of increased sanctions and an economic embargo. A similarity of note between unilateral and multilateral sanctions is the effects on the people of the countries these measures are used against. Most usually it is the richest members of society in these countries that "weather the storm" so to speak and the working people are left with undue financial responsibility. With the United States being the economic powerhouse it is, we often see it behaving as a global police force that enforces western democratic ideals and steps in with hard-set sanctions and demands for countries who refuse to follow its lead. Something this paper will investigate is the effects of the US on global economic relations, specifically imposing sanctions that result in global adhesion by virtue of there being no other option than complicity with US policy. In this paper, we will be investigating the differences in efficacy between unilateral sanctions on Venezuela by the US and multilateral sanctions on Iran by the US and the UN Security Council.

## A Brief History:

Economic sanctioning is in no way a new tool used by world governments to achieve their global policy goals. What 150 years ago would have required military action, now requires a more liberal and non-combative form of warfare in the form of economic sanctions and embargos. While the origins of sanctioning are hard to place, a common consensus is found with the economic embargo placed by Athens on Megara in 432 BC to force them to comply with Athenian policy (Friedman 2012). In this case, it did not result in peace but instead incited the Peloponnesian war. Since then, between the years of 1894 and 1919 “peaceful” trade sanctions were realized to be a useful tool in coercing nations to comply with international and stateside regulations (Friedman 2012). While wide-reaching, it was realized early on that unilateral sanctioning was not a strong enough tool. This in turn led to President Woodrow Wilson endorsing the League of Nations, an economic partnership between countries that would allow absolute boycotts of rebellious nations’ goods and services by member countries and their citizens. Since then, trade sanctions have become an extremely widespread tool by global governments whose use has increased exponentially in recent years (Friedman 2012).

This paper will focus mainly on the effects of sanctions on Venezuela and Iran. Starting in 2001 and following the terrorist attacks of September 11<sup>th</sup>, the Bush Administration enacted Executive Order 13224 which applied to certain entities accused of supporting terrorism-related activities in Iran (Nada et al. 2023). Following 2005, US sanctioning started to focus more on hindering Iranian nuclear proliferation. Sanctioning continued through 2015 when the Iran nuclear deal was signed and consequently severely hobbled Iran’s abilities to produce nuclear materials in favor of a decrease in sanctions and increased economic freedom (Nada et al. 2023).

This deal fell through however when the Trump Administration chose to withdraw from the deal and instead opted to reintroduce trade sanctions because they believed Iran was still enriching uranium. This move was controversial, and its effects are still being monitored with attempts to renew the Iran deal under the Biden Administration.

Sanctioning on Venezuela is similar to what is seen in Iran, but instead mainly focuses on limiting what certain individuals and companies can do. For over 15 years the US has imposed trade sanctions for the actions of the Venezuelan government and certain high-ranking individuals in the country. These started with sanctions relating to the refusal to cooperate with US anti-drug and counterterrorism efforts (Roy 2022). This was followed by the Obama Administration imposing targeted sanctions on individuals such as Venezuelan president Nicolas Maduro for human rights violations, corruption, and anti-democratic actions. Further action was taken by the Trump administration in an attempt to curb authoritarian moves by Maduro as well as to support the interim government led by national assemblyman Juan Guaido (Roy 2022). Despite these actions by the US and international groups President Maduro has since consolidated power.

Sanctions on Iran have also been placed by the United Nations and the European Union. A good amount of these sanctions have been led by the United States to cripple Iran financially and economically. In 2005, the International Atomic Energy Association (IAEA), the United Nation's nuclear watchdog, found that Iran was not compliant with the nuclear standards of the organization which led to the United States championing efforts globally to cripple Iran financially and economically (Laub n.d.). In 2006, under the Bush administration, the U.S. Treasury department convinced over 90 international banks from dozens of countries to get foreign banks to stop doing business with Iran, claiming they had bad business practices (Hadley

2019). The economic sanctions on Iran blocked the nation from exporting oil and punished anyone who was found to be funding the country's oil industry. Between the years of 2007 and 2012, the UN and EU continued to place sanctions on Iran that include blocking nonhumanitarian aid, mandating states to inspect cargo suspected of containing illegal items, banning the import of oil and other petrochemicals, and many more (Laub n.d.). Many of these new punishments followed the sanctions that the United States had already placed on Iran.

## United States' Rationale Behind Iranian Sanctioning:

The history of the current sanctions on Iran can be traced back to the Carter administration. In 1979 a group of radical students seized the U.S. embassy and took hostages leading the United States to ban all Iranian imports and impose a 12 billion dollar freeze on Iranian assets. Although both the Reagan and Clinton administration created new sanctions on Iran, they will not be included within the scope of this paper. Instead, we will look at four more recent U.S. Presidencies; the Bush administration, the Obama administration, the Trump administration, and the present-day Biden administration.

### 1. Bush Administration

After the attacks on 9/11, the Bush administration took a lack of sustained positive responses from the Iranian president at the time, Mohammad Khatami, as evidence that the Iranian government was unwilling to improve relationships with the U.S. In 2002 in a State of the Union speech, President Bush called the countries Iran, Iraq, and North Korea an "Axis of evil". This came after increased concerns about nuclear terrorism, the idea that the two dangers would become one, and named these

three countries as the biggest threats to global security. Nevertheless, the United States and Iran worked together at the Bonn conference in December 2002 which sought to establish the first post-Taliban government in Afghanistan. In 2004, after getting rid of Saddam Hussein in Iraq, the United States and Iran tried to work together to put together a new government in Iraq. This involved 3 meetings between diplomats from both governments, but little was accomplished.

In the years following, Iran increased the amount of training and aid for Shiite extremists and terrorist groups like the Taliban, Hezbollah, Palestinian Islamic Jihad, and Hamas. In April 2006, Iran announced that it had resumed nuclear enrichment in Natanz (Hadley 2019). The announcement led the United States and its European allies to act by winning international support for four different U.N. Security Council resolutions. They quickly began sanctioning Iran's missile program, their nuclear program, and anyone that was connected to it. They also created travel bans and asset freezes and asked other countries to be vigilant when selling arms to the country. On top of that the United States also imposed sanctions on the Islamic Revolutionary Guard Corps and Iranian State-owned banks. The U.S. Treasury Department led a global campaign to get as many banks as possible to stop doing business with Iran claiming that anyone who did business with them had "reputational risks" (Hadley 2019). The campaign was ultimately successful with over 90 major banks from 12 different countries signing on. By also separately sanctioning people who were responsible for funding Iran's weapons program as well as targeting key Iranian banks, the U.S. along with the U.N. sent a clear and stark message to anyone who wanted to do business with the nation.



## 2. Obama Administration

The Obama administration continued to increase sanctions on Iran by imposing sanctions on their key economic industries, specifically oil. On July 30, 2012, President Obama signed an executive order that expanded the scope of the sanctions that were already placed on the country by punishing any individual or entity that is involved in the purchase or creation of Iranian Oil. This was the fifth Executive order signed by the Obama administration in the 12 months before July 30, 2012. These sanctions, aside from hindering Iran's oil and petrochemical industry, authorized sanctions and visa bans on anyone that committed human rights abuses via information technology, punished anyone who tried to avoid U.S. sanctions and blocked Iran's access to International Financial markets.

The effects of these sanctions along with the ones imposed by the Bush administration were quickly felt by Iran which had become an economically crippled nation. In July 2015, Iran and the P5+1 came up with the Joint Comprehensive Plan of Action which is also known as the Iran Nuclear Deal. It was regarded as a landmark accord between the nations and outlined plans for Iran to dismantle its nuclear program as well as opening its facilities for inspections in return for global sanction reliefs (Laub n.d.). On January 16, 2016, the International Atomic Energy Association confirmed that Iran had been completing their side of the deal to ensure that Iran's nuclear program remains peaceful. Between October 2015 and January 2016, Iran shipped 25,000 pounds of Uranium out of the country, dismantled and removed two-thirds of its centrifuges, removed Calandria (technology essential for nuclear refinement) from its reactor and filled it with concrete, and provided

unprecedented access to its nuclear facilities and its supply chain (National Archives and Records Administration 2015). By blocking all pathways to build a nuclear weapon and allowing the IAEA to inspect Iran's nuclear program at every stage, the Iran Nuclear Deal made it impossible for the nation to build a weapon of mass destruction.

### 3. Trump Administration

After Trump became president, he withdrew from the Iran Nuclear deal and reimposed the sanctions lifted on Iran after only three years of the deal being in place. This move came as a shock to much of the world as the Iran Nuclear deal was considered a landmark achievement in world peace. President Trump had been a strong critic of the deal since before he had joined the office, even once stating, "The Iran Nuclear Deal is one of the worst and most one-sided transactions the United States has ever entered".

There are a few different reasons why the Trump administration felt this way. For starters, reports released by Israeli intelligence stated that Iran had lied about developing nuclear weapons for years and that the fact that Iran had not come clean about its nuclear weapons before signing made it seem as if the nation entered the agreement in bad faith. The administration also claimed that the deal had not dealt with Iran's missile program, it did not include a strong enough mechanism for inspections, and that it had given the country too big of a windfall of cash and access to the international financial system for trade and investment (National Archives and Records Administration 2018). The administration claimed that by opening up Iran's economy again, the Iran Nuclear deal had also inadvertently created funding for terrorist organizations in the middle east. Iran,

rather than spending its large influx of cash on the betterment of its people, had been spending its money on expanding their military and funding terrorist proxies.

#### 4. Biden Administration (As of Feb 2023)

As of February 2023, the Biden administration is seeking to re-enter the Iran Nuclear Deal, but this task has many of the same challenges from the first time the deal was signed. These challenges include an Iranian government that is not fond of the United States, regional partners in the area that don't like the idea of any US- Iranian engagement, as well as a lack of domestic support to sustain diplomacy with Iran (Singh 2021). The General Marshall Fund (GMF), a think tank located in the United States, expects the Biden administration to focus on two main objectives initially. The first is to get Iran to return to compliance with the nuclear aspects of the original agreement. The second is to start negotiations on three areas outside of the original nuclear deal: Iran's missile development program, the country's negative influence in the area, and extending the timeline on some of its civil nuclear activities (Tam 2023).

#### Effects

The overall effects of the sanctions vary from administration to administration but at a high level, the sanctioning of Iran under every presidency had significantly hurt the country and its people while the Iran Nuclear Deal had opened up the possibility for the country to return to a place of healthy economic growth. Within Iran, the effects of the sanctions imposed had a huge impact. Under the Bush administration, the sanctions imposed left behind an international framework for creating incentives for Iran, provided they showed positive behavior on the global stage. The administration had also created a new set of tools to increase economic pressure by cutting off Iran from the International financial system. These sanctions were also followed by

an increase in U.S. military presence in the area to secure the United States' interests. Within the country, the sanctions also led to the United States increasing the flow of news and information into Iran. Provisions were also made to allow refugees from Afghanistan and Iraq to have a voice in Iran's elections (Clawson 2016).

Under the Obama administration, the Iran nuclear deal meant that sanctions were to be lifted on the nation in return for Iran dismantling its nuclear program. This meant that Iran could finally meet its economic potential by resuming trade and restarting its key industries. Iran holds 9.3% of the world's proven oil reserves and 18.2% of the world's proven gas reserves (Dun and Bradstreet 2016). Iran's energy sector restarting means an overall boost to its economy which signifies opening the nation to foreign investment and creating job opportunities domestically.

Unfortunately, the large influx of money that flowed into the country wasn't being spent in the best ways. The Trump administration criticized Iran for not spending money on the betterment of its people. Iran had instead used its freedom to fund terrorism and to it playing a larger role in activities relating to destabilizing the area. This led to him withdrawing from the Iran Nuclear Deal which again placed the country under a wide net of intense sanctions. This act faced criticism from the global community which had spent years putting the deal together. Critics also say that the Iran Nuclear Deal was never supposed to touch on the way Iran chose to spend its money but rather to make it impossible for the nation to develop nuclear weapons.

The move to leave the Iran Nuclear Deal and reimpose sanctions on the country had a very negative impact on the everyday lives of Iranians. The reimposition of sanctions also included the end of humanitarian aid to Iran due to fears of the United States triggering secondary sanctions on themselves. This meant that millions of Iranians no longer had access to essential medicines (Human Rights Watch 2020).

The sanctioning of Iran by the United States was seen initially as successful. They were able to bring the smaller nation to the negotiating table where it agreed to the terms laid out by the rest of the world. After signing, however, Iran quickly went back to committing human rights abuses and funding terrorist organizations in the area. While their nuclear weapons program was all but dismantled, they continued to do a lot of the same violations that led to sanctions being imposed on them in the first place. The withdrawal of the United States from the Iran Nuclear Deal was ultimately a move to bring Iran back to the negotiating table and to outline stricter regulations for the country to follow. Only time will tell how successful this move was, but judging from how long it took for Iran and the United Nations P5+1 to agree the first time, the newly placed sanctions on Iran might be here to stay for a while.

## United States' Rationale in Venezuelan Sanctioning:

Starting in 2006 the United States Government imposed several different sanctions on the government and specific individuals in Venezuela. These have had various effects which will be investigated further in the paper, but for now, we will just detail a few of the different types of sanctions levied on Venezuela.

### 1. Terror Related Sanctions

The United States initiated Unilateral sanctions starting in 2006 for failure to cooperate with “anti-terrorism” efforts and failure to abide by section 40A of the Arms Export Control Act. These sanctions are re-evaluated by the secretary of state on an annual basis and are still imposed as of 2022. In 2008 the treasury imposed financial sanctions on two individuals and two travel agencies in Venezuela for

financially supporting the radical group Hezbollah according to Executive Order 13224 (Congressional Research Service 2022).

2. Drug Trafficking-Related Sanctions

Starting in 2005, pursuant with procedures in the Foreign Relations Authorization Act President Bush made the annual determination that Venezuela failed to adhere to its international narcotics agreements. This agreement continued through to the Biden Administration where sanctions were still levied on Venezuela except loosened to limit effects on the citizens. These sanctions were loosened to allow Chevron to start oil production. Following the Foreign Narcotics Kingpin Designation Act, the Treasury imposed financial sanctions on 22 individuals and 27 companies due to their ties with Specially Designated Drug Traffickers (Congressional Research Service 2022).

3. Individually Targeted Sanctions

As covered above, there are many examples of sanctions imposed on individuals, and in Venezuela the use of individual sanctions was widespread. One such example is the sanctions levied on Oil Minister Tareck al Aisami for his ties to drug trafficking-related activities. Others include President Maduro; his wife, Celia Flores, and son, Nicolas Maduro Guerra; Executive Vice President Deley Rodriguez; socialist party leader, Diosado Cabello, and various other government executives and people with ties to groups who do not uphold International and US motivations. These people are essentially “black-balled” from international financial agreements and institutions for their association with the Maduro government as well as human

rights violations and terror-related actions. As of 2022 112 Venezuelans and 18 entities (Congressional Research Service 2022).

#### 4. Other/Broad Sanctions

Additionally, in 2018 President Trump issued Executive Order 13850 which set forth a framework to block the assets of and prohibit certain transactions with anyone determined by the secretary of the Treasury to operate within the Venezuelan economy and/or pursue corrupt transactions with the Maduro Government. As of 2022, the Treasury department slightly loosened restrictions on Chevron to discuss further business actions with PdVSA, essentially granting Chevron Monopoly power in Venezuela while only exporting oil to the US. In 2019 when the US got word of Moscow-based banks funneling revenue into Venezuela for oil sales. First, they sanctioned the Moscow bank, then imposed sanctions on Venezuelan gold company Minerven for using illicit gold sales to provide funding to Maduro (Congressional Research Service 2022).

The use of various forms of economic sanctions on Venezuela has had widespread effects and implications for their economy and people. But something of interest to this paper is both the economic and political rationale behind the sanctions. The process of sanctioning Venezuela has been ongoing since the onset of the Obama administration. Since then, there have been two new Presidential administrations and with that the imposition of various sanctions. We will quickly cover the rationale behind each administration before covering the effects of their work.

##### 1. Obama Administration

The Obama administration responded to human rights violations, corruption, and anti-democratic actions. These sanctions were levied against 7 individuals for significant acts of violence, violations of human rights, repressive actions, and acts of conspiracy against the people of Venezuela. Many of these acts were focused on anti-government protestors and journalists. Much of the Obama administration's work was focused on stopping cruel actions by President Chavez and the government on its people. (Roy 2022)

## 2. Trump Administration

The Trump administration focused many of its efforts on expanding sanctions on Venezuela in response to increased authoritarian moves by President Maduro and to back the interim government headed by then-National Assembly President Juan Guaido. Despite their efforts, the Maduro campaign consolidated power. Much of President Trump's moves in Venezuela were made to oust Maduro, but many failed and left the people of Venezuela in economic hardship (Roy 2022). Many of the Trump administration's sanctions were focused on banning banking and oil from the US and subsequently global markets. Many regarded President Trump's moves as lackluster and only provided further issues for the people of Venezuela and the incoming Biden administration (Bartlett & Ophel 2021).

## 3. Biden Administration

President Biden has recently come into power and has opted to maintain sanctions on the Maduro government and its enablers, but recently in November 2022, the treasure department under Bidens issue allowed Chevron to resume limited operations in the country after Maduro agreed to resume negotiations with opposition parties.



This Move is interesting because at first glance it appears to give Chevron a large control of the Venezuelan oil market for six months by allowing it to be the only exporter of oil to the US. Though this has been in part responsible for the improvement of the once-decimated Venezuelan economy (Roy 2022).

### Effects

The effects of sanctioning Venezuela by the US are hard to quantify, but for the most part, unilateral work by the US has put much strain on the lives of the Venezuelan people while the top earners and members of the government have been able to "weather the storm" so to speak. While much of this is subject to debate many who criticize the use of sanctions label the Trump-era punishments as blunt and crude. Critics say the estimated \$17.5 billion asset freeze that was imposed on Venezuela in 2019 was partially responsible for the jump in mortality rates, hunger, and exacerbated the migration crisis by holding assets that could have been sold off to make valuable goods available to the people (Weisbrot & Sachs 2019). Those who criticize Trump's moves also find an issue in his oil embargo claiming that the 431,000 barrels of oil per day decline over the course of 6 months led to a 36.4% decline in oil production and if extended through the year it would have resulted in \$6.8 billion in foreign exchange earnings. Specifically, Mark Weisbrot and Jeffrey Sachs point out that an estimated 300,000 people are at risk due to lack of access to medical treatments, specifically 80,000 people with HIV going years without antiretroviral treatments and 16,000 who have gone without cancer treatments. Weisbrot and Sachs also detail that food imports have dropped from \$2.46 billion in 2018 from \$11.2 billion in

2013 which they point out could be responsible for the jump in hunger rates as well as contributing to malnutrition and growth stunting in children.

While Weisbrot and Sachs argue for a causal link between the 2017-19 sanctions and the decline of the Venezuelan people and economy, Dany Bahar, Sebastian Bustos, Jose R. Morales, and Miguel A. Santos argue that much of the Venezuelan decline started far before economic sanctions were in place. In terms of financial market access Bahar et al. argues that financial markets had begun to close out Venezuela far before the issuance of the sanctions in

2017. Bahar et al. point out that sanctions were announced on August 25, 2017, yet the Venezuelan sovereign spread (premium that bondholders demand the country pay over the risk-free rate) averaged 2884 basis points in the 30 days leading to the sanctions which is

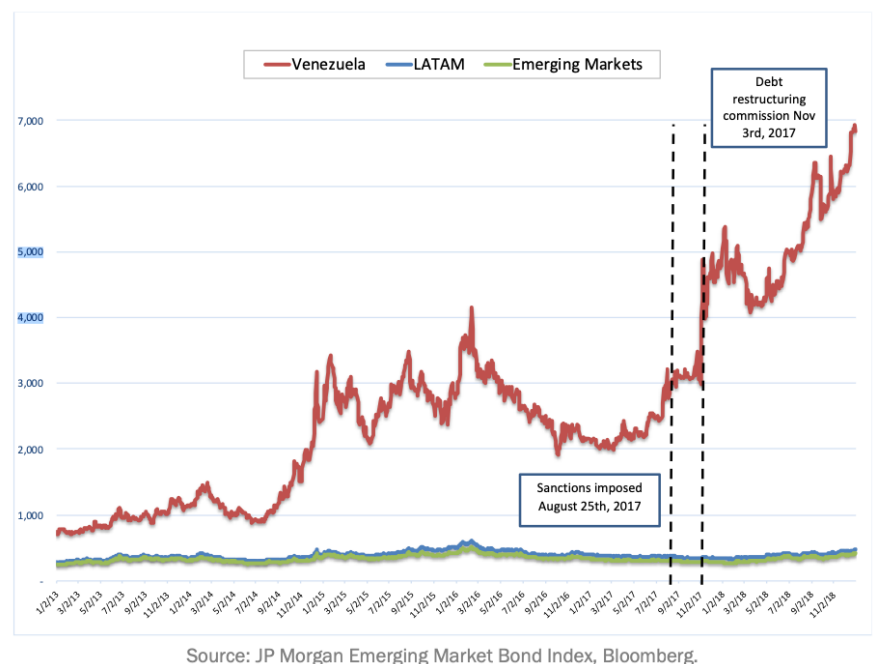


Figure 1 (Bahar et al. 2019)

7.8 times the spread paid by the rest of Latin America and 9.5 times the spread paid by emerging markets during the same period. Demonstrating that the restructuring of Venezuela's debt was already being hampered before the announcement of sanctions and that investors anticipated this. Figure 1 shows this rise in sovereign risk. Much of the claims made by Bahar et al. demonstrate that economic mismanagement and hyperinflation long precede most sanctions.

Figure 2 captures the decline and growth of Venezuela's economy and helps highlight the effects of the many sanctions imposed on them: This figure shows the annual percentage change of real gross domestic product and highlights the moves made by the three past US presidential administrations. The sharpest decline in Venezuela occurs in 2017-19 when the most severe policies were undertaken, but we can see in 2021-22 positive growth

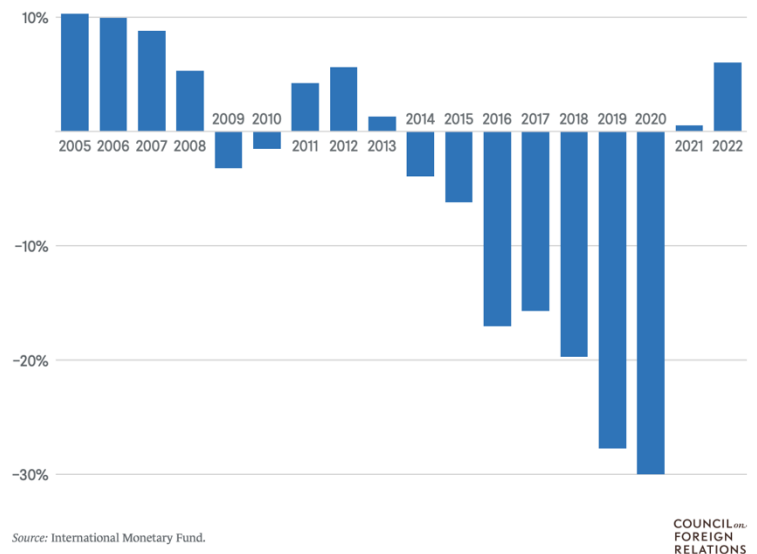


Figure 2 (Roy 2022).

rates which could be indicative that the moves made by the Biden administration are helping to foster a better economic environment in Venezuela by allowing oil to be produced and exported once again (Roy 2022). These moves by the Biden administration could be seen as promoting US oil exports since they have only allowed US oil giant Chevron to produce and export oil to the US alone.

For the most part, efforts to oust Maduro through sanctioning have left the Venezuelan economy in ruin and left the people starving and sick. Many critics and analysts agree that something else must be done.

### US Influence on Global Sanctions:

The United States has had immense sway on global politics, it can be seen using its massive GDP and influence to push forward its international and domestic goals using sanctions

and leadership in international organizations. This is very apparent when looking at the sanctions imposed on Iran. The United States led global efforts to cripple the nation, convincing the world's largest economies to join them in imposing heavy sanctions. It led the global campaign to convince banks to stop doing business with Iran, a move that's been seen again more recently with Russia.

Something that separates the United States from its counterparts in the U.N. is the sheer size of its economy. Often, moves that are made by the U.S. don't have to be followed up by the U.N. In the case of Venezuela, most of the sanctions imposed on the country were unilaterally placed. The U.S. was able to cut off the country's supply chain and take over its key industries without any support from other nations. This is also partly true for Iran. The sanctions from the Carter administration through to the Bush administration were mostly Unilateral. It wasn't until the Bush Administration and 9/11 that other nations joined the U.S. in punishing Iran.

## Conclusion:

Taking everything into account, our dive into Unilateral moves by the US on Iran and Venezuela have shown how the United States achieves foreign policy directives without military force. The unilateral moves made by the US on Iran have flipped and flopped repeatedly regarding political motivations, but one thing should be made clear: Nuclear proliferation and anti-terror directives were paramount to kicking US efforts across the goal line. Following 9/11 the Bush administration was focused on curbing further terrorism and as such chose to impose sanctions across the globe to prevent countries from developing weapons of mass destruction.

These sentiments were carried through the Obama administration where efforts were focused on limiting Iranian earnings to prevent funding from being allocated to nuclear proliferation. Under Obama, the Iran Nuclear Deal was signed and limited the enrichment of uranium to a crawl. Some hailed this as a perfect solution to the nuclear arms race occurring during the time, while others criticize this move as not being harsh enough and instead poured money into Iran's nuclear program by lifting sanctions in support of minimal nuclear progress. This idea is what prompted President Trump into favoring tighter sanctions on Iran over what he considered to be a weak Iran Nuclear Deal. The effects of exiting this deal are still under investigation, but there have been murmurs by the current administration to re-enter talks with Iran to potentially find another solution or re-negotiate the previous agreement. Much of the renewed sanctions have left the Iranian economy in shambles and its people even worse off. Many international groups and banks fear sanctions being imposed on them by the US and international groups if they re-initiate business ties with Iran as a result of this many in Iran is left without access to the many necessities of life they require. Although for the Trump administration, this was the intended effect. "Things are much worse for the Iranian people [with the US sanctions], and we are convinced that will lead the Iranian people to rise up and change the behavior of the regime." – Mike Pompeo to CBS News (Human Rights Watch 2020). This quote demonstrates that the Trump organization believed that by squeezing the people of Iran, they would therefore force their own government to change. Whether this effect will be realized is still up in the air.

The effects on Venezuela are very similar to what is seen in Iran. The long history of sanctions on Venezuela lead to much economic strife within the country, some critics of the sanctions claim that they caused worsened human rights conditions in the country, while others report that the decline was due in fact to the leadership of Venezuela rather than US intervention.

Much of the restrictions imposed on Venezuela took the form of individual sanctions that blocked interaction with global commodities and US assets. While the Trump administration took a harsher stance on the Venezuelan conflict and instead opted for a financial and oil embargo on the country which left the country with little to no way to restructure its debt or increase revenues, these effects in turn matriculated through to the civilian population. It wasn't until the Biden administration that less strict restrictions were instituted, allowing US oil giant Chevron to produce and export oil to the American market. Many of these moves were designed to oust the leadership of the country President Maduro, but many of these failed and Maduro continues to consolidate and control power in the country.

While Unilateral sanctions are strong when imposed by a large economy on small ones, the true effects of sanctioning come to fruition when they garner international support and multilateral action is taken. As seen in Venezuela, many of the attempts to coerce a change in the government failed due to the lack of international support for their imposition. We can see in the case of Iran that multilateral action resulted in deals being signed and action being taken though much of this action was at the direction of Washington and the international community followed suit.

Overall economic sanctions are a useful tool in coercing foreign powers to adhere to international and domestic laws and the status quo, but many of these efforts fail if they don't gather enough support from other economic allies or if your economy isn't big enough to swing its weight around globally. When failure is the outcome, it is usually not the imposing country that feels the effects of their actions but the citizens of the countries they impose on.

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