

Political Intervention, Sovereignty Erosion and Strategic Control of Resources: Evidence from The Venezuelan Case: (2026)²

Jose Malonde*

Compliance & Legal Management Specialist, Researcher in Labor Law Sciences and Corporate Risk Member – African Corporate and Government Counsel Forum (ACGC), Africa

Corresponding Author

Jose Malonde, Compliance & Legal Management Specialist, Researcher in Labor Law Sciences and Corporate Risk Member – African Corporate and Government Counsel Forum (ACGC), Africa.

Submitted: 2026, Mar 11; Accepted: 2026, Apr 07; Published: 2026, Apr 14

Citation: Malonde, J. (2026). Political Intervention, Sovereignty Erosion and Strategic Control of Resources: Evidence from The Venezuelan Case: (2026)². *World J Tourism Mgm*, 2(1), 01-07.

Abstract

This article examines how political intervention and the selective use of international legal norms reshape the international business environment, using Venezuela as a critical case. Drawing on insights from international law and international political economy, the study argues that interventions justified through discourses of democracy, stability and governance often conceal strategic economic objectives, particularly the control of natural resources. The paper analyses policy statements, sanctions regimes and intervention practices affecting Venezuela and evaluates their implications for foreign firms, host-state sovereignty and global energy markets. The findings suggest that such interventions generate systemic uncertainty for international business by weakening legal predictability, normalising exceptional measures and altering the balance of bargaining power between states and multinational enterprises. The Venezuelan case is treated as a critical case given its strategic relevance to global energy markets and its exposure to sustained external political and economic pressure.

Keywords: Political Risk, Sovereignty, International Intervention, Natural Resources, International Business, Venezuela

1. Introduction: Sovereignty and Its Erosion Through Political Intervention - Article 2(4) of the UN Charter and International Business Activity

Sovereignty, in international law, is the principle that a state has supreme authority over its territory and domestic affairs, free from external coercion. The extraterritorial capture and forcible transfer of Nicolás Maduro constitute a clear breach of the principle of non-intervention and a direct affront to Venezuela's national sovereignty. Such actions violate the prohibition on the use of force it is enshrined most clearly in Article 2(4) of the United Nations Charter, which obliges all Member States to refrain from threatening or using force against the territorial integrity or political independence of any state, absent Security Council authorization or a valid claim of self-defense.

The Secretary-General³ of the United Nations has expressly stated that the norms of the UN Charter were not upheld in this instance, emphasizing that the operation sets a dangerous precedent for the international legal order. This perspective has been echoed by numerous States and international legal scholars, who argue that unilateral military interventions outside the Charter framework

undermine the foundational principles of sovereign equality and peaceful dispute resolution.

How do political intervention and the selective application of international legal norms affect sovereignty, risk perception and strategic control in international business contexts? The central argument advanced is that interventions presented as normative or humanitarian measures frequently operate as mechanisms of economic reconfiguration, reshaping ownership structures, access to resources and bargaining power in global markets. Rather than enhancing institutional stability, such practices may increase uncertainty for international firms and weaken the foundations of rule-based international business.

This study contributes to the international business literature in three ways: It extends political risk theory by incorporating external intervention and legal ambiguity as core dimensions of business uncertainty, it demonstrates how sovereignty erosion reshapes bargaining dynamics between host states and multinational enterprises, It provides empirical insight into how geopolitical strategies influence global energy markets and international

business governance.

However, in the contemporary Venezuelan case:

- The U.S. military intervention of 3 January 2026, culminating in the capture of President Nicolás Maduro and his wife and their transfer to U.S. courts, has been widely described by legal experts and international bodies as a violation of these foundational norms, since no UN Security Council mandate or clear defensive justification appears to exist,
- Critics argue such unilateral use of force undermines the very notion of sovereign equality, effectively treating sovereignty as conditional rather than absolute, depending on power politics rather than international law [1].
- Impact on Sovereignty:
- Sovereignty becomes weakened when great powers intervene militarily under domestic legal logic (e.g., treating regime leaders as criminals subject to external jurisdiction) rather than an agreed multilateral legal framework,
- When interventions are justified selectively, law for others, discretionary action for oneself, it fosters the notion that sovereignty is unevenly respected.

This dynamic signals to international business actors that the legal framework governing host states can be overridden or reinterpreted, increasing uncertainty about jurisdictional stability. International business activity increasingly unfolds in environments shaped by geopolitical tensions, institutional fragility and contested legal norms. In recent decades, political intervention, economic sanctions and normative discourses centred on democracy and governance have become recurring features of the global business landscape. These dynamics raise fundamental questions about sovereignty, legal certainty and the strategic behaviour of multinational enterprises operating in politically sensitive contexts.

The Venezuelan case offers a particularly illustrative setting for examining these dynamics. Despite being one of the world's most resource-rich countries, Venezuela has experienced sustained political intervention, extensive sanctions and persistent external pressure framed as efforts to restore democracy and regional stability. Simultaneously, these developments have coincided with explicit strategic interests in the country's energy sector, positioning Venezuela at the intersection of geopolitics and international business.

1.1. Sovereign State and Head-Of-State Immunity

Under customary international law, sitting heads of state generally enjoy immunity from the criminal jurisdiction of foreign states while they are in office. This principle protects national sovereignty and ensures that political leaders cannot be prosecuted abroad simply because another state claims domestic law violations.

The military capture and attempted prosecution of Nicolás Maduro in U.S. courts intensifies the legal violation because it represents an extraterritorial application of U.S. domestic law without a

multilateral legal basis or the consent of Venezuela's recognized government. By removing Maduro by force and rendering him to face charges in the United States, the action conflicts with well-established norms on immunity and sovereign equality that protect serving heads of state from foreign criminal proceedings.

According to international legal experts and United Nations authorities, no Security Council authorization or law of self-defense justified the use of force in this context, meaning that the operation may amount to a prohibited use of force under Article 2(4) of the UN Charter and infringes on the customary immunity that serves as a cornerstone of inter-state legal relations.

1.2. Consent vs. Multilateral mandate

Some commentators have argued that the United States could justify its actions by claiming that Maduro's government was illegitimate, or that his removal might be seen as a form of implied consent or a situation akin to a failed state. However, international law requires that consent for intervention must be given by the government that actually exercises effective control over territory, not merely declared by foreign states or based on contested political legitimacy.

In this instance, although some states refused to recognize Maduro's 2024 election results, he maintained effective control of Venezuelan territory at the time of the U.S. operation, and no authoritative multilateral process certified any alternate government's consent. Therefore, regardless of debates over political legitimacy, the absence of clear, lawful consent makes the intervention legally problematic under the *jus ad bellum* framework of the UN Charter.

1.3. Comparative law: freedom of intervention vs. Precedents

When compared with previous historical interventions, the Venezuelan case is distinct in several respects:

- Iraq (2003): The U.S.-led invasion lacked a definitive UN Security Council mandate and was broadly criticized as inconsistent with the UN Charter, though multiple Council resolutions were interpreted (controversially) to provide legal justification.
- Libya (2011): Military action to protect civilians was explicitly authorized by UNSC Resolution 1973, making it legally justifiable under Chapter VII.
- Panama (1989): U.S. forces removed General Manuel Noriega without UN consent under a domestic indictment, Panama is often cited as a precedent but involved unique historical and legal contexts.

The Venezuelan intervention resembles the Panama precedent (unilateral military action without multilateral mandate) in terms of methodology. However, it has deeper legal and symbolic implications because it involves the forcible removal and rendition of a sitting head of state to face domestic criminal charges, a step further than Panama and one that raises profound questions about sovereignty, immunity, and the boundaries of lawful force.

2. Practice and International Relations: Sovereignty Erosion and Power Politics

2.1. Hegemony and Regional Dynamics

The U.S. operation was accompanied by public statements indicating an intention to influence or manage Venezuelan political outcomes and control strategic resources, particularly oil, to prevent them from falling under the influence of geopolitical competitors such as China or Russia. This strategy invokes patterns of hegemonic behavior where strategic objectives override established legal norms in foreign policy decision-making.

International reactions reflect significant diplomatic tensions:

- Major powers like China and Russia condemned the U.S. military operation as a clear violation of sovereignty and international law, emphasizing that such unilateral actions threaten global stability.
- States in Latin America and the Global South, including Brazil and Mexico, voiced serious concerns about the erosion of international norms and what they see as a dangerous precedent for interstate conduct.
- Some ASEAN members and other regional actors warned that such interventions could undermine the rules-based order and set a precedent that sovereignty is “optional” for powerful states, a reinterpretation of state sovereignty shaped by power rather than law.
- This diversity of international reactions highlights that state sovereignty, traditionally considered an inviolable right, is now subject to reinterpretation influenced by geopolitical influence and strategic priorities.

2.2. Strategic Natural Resource Control

In the aftermath of the intervention, U.S. policy decisions revealed a pronounced focus on Venezuela’s oil sector. For example, an executive order was issued to protect Venezuelan oil revenue from judicial claims and to encourage U.S. corporate involvement in the country’s energy sector, effectively bypassing Venezuelan authorities.

This strategic engagement demonstrates how natural resources shift from being merely economic assets to becoming instruments of geopolitical leverage. Control over energy resources can directly shape foreign policy and military strategy and may influence intervention decisions in ways that complicate legal and ethical assessments. This pattern reinforces concerns that resource interests can supersede commitments to international legal norms.

2.3. Juridical Practicalities: Enforcement, Accountability, and Precedents - Enforcement Gaps

A practical limitation of the contemporary international legal system is its inability to enforce legal norms effectively against powerful states that violate core principles such as the prohibition on the use of force. When a state with veto power in the UN Security Council engages in actions widely perceived as illegal, the Council is structurally unable to hold it accountable.

This gap raises major concerns about the instrumentalization of law for political ends, as powerful states may justify unilateral military operations using domestic legal rhetoric (e.g., law enforcement) without satisfying the strict conditions of international law.

2.4. Legal and Normative Precedent

Legal experts warn that if such operations are treated as legal or normalized internationally, the meaning of Article 2(4)’s prohibition on the use of force could become diluted. This would potentially open the door for other states to undertake similar interventions under varied pretexts, whether security, narcotics, terrorism, or regime delegitimization, undermining the restricting role the UN Charter was designed to play in interstate conflict.

2.5. Universal jurisdiction vs. Territorial sovereignty

Attempts to apply universal or extraterritorial jurisdiction, as seen with U.S. efforts to prosecute Maduro, conflict with fundamental principles of territorial sovereignty and diplomatic immunity. International legal practice generally limits extraterritorial criminal jurisdiction to very narrow exceptions, such as universal jurisdiction for serious international crimes (e.g., genocide or war crimes), and not for ordinary criminal charges that are the basis of the U.S. indictment in this case.

2.6. Legal Dimensions of Sovereignty Erosion: Violation of the Charter

International law clearly prohibits the use of force absent Security Council authorization or a defensible self-defense claim. The 2026 US military operation in Venezuela lacked both, making it *prima facie* inconsistent with the UN Charter’s jus ad bellum regime. While the United States claimed the operation was justified on law-enforcement or counter-narcotics grounds, such rationales do not qualify as lawful bases for the use of armed force under Article 51 (self-defense) or any recognized exception to Article 2(4). Moreover, experts observed that prosecuting alleged criminal conduct, even narcotics trafficking, does not legitimize cross-border military operations without consent from the affected state or a Security Council resolution.

2.7. Sovereignty and Head-of-State Immunity

Customary international law shields sitting heads of state from foreign criminal jurisdiction, a principle designed to protect diplomatic relations and sovereign equality. The forcible removal and prosecution of President Maduro contravene this norm, intensifying legal debate about the limits of extraterritorial jurisdiction and executive immunity.

3. International Relations and Strategic Motivations: Geopolitical Reactions

The global response to the intervention was highly polarized: many Global South states, such as Cuba, Brazil, and Mexico, condemned the U.S. action as a breach of sovereignty and a threat to regional stability, while some NATO members and other Western states were more cautious or supportive. China publicly denounced the

operation as a serious violation of international law, emphasizing threats to peace and security in Latin America and the Caribbean. Similarly, regional organizations like the African Union stressed adherence to the UN Charter's principles of sovereignty and territorial integrity. This international friction highlights how hegemonic interventions intersect with multipolar competition between major powers, particularly where strategic resources like oil are concerned.

3.1. Strategic Resource Control

Venezuela's abundant oil and mineral reserves have long made it a focal point of global energy geopolitics. Some analysts argue that beyond stated law-enforcement objectives, the United States sought to secure influence over strategic energy resources that have been central to global markets and foreign investments. The subsequent U.S. executive actions to block seizure of Venezuelan oil revenue and encourage U.S. oil industry involvement underscore how resource control becomes enmeshed with military operations and political objectives.

3.2. Acts on International Business and Investment: Heightened Political Risk

Political risk, traditionally conceptualized in terms of expropriation, regulatory change, and local instability, now increasingly incorporates external military actions and geopolitical volatility. When sovereignty can be overridden by powerful states without clear multilateral legitimacy, investors face heightened uncertainty about legal frameworks and risk mitigation mechanisms such as international arbitration. Businesses dependent on long-term commitments in strategic sectors, such as energy, mining, and natural resources, must adjust their risk models to account for unpredictable external interventions that could alter regulatory environments and rights to assets. This erodes confidence in host-state legal protections.

3.3. Jurisdictional Uncertainty and Contract Enforcement

The Venezuelan case vividly demonstrates that contractual stability and international legal protection are vulnerable when powerful states act outside established legal norms. Multinationals may face diminished enforcement of contracts, abrupt policy shifts, or forced renegotiations of commercial terms, leading to increased use of political risk insurance, contractual exit clauses, and geographic diversification strategies.

3.4. Implications for Sovereignty Norms and Global Order: Erosion of Multilateral Constraints

The 2026 intervention calls into question the resilience of the rules-based international order. If powerful states can bypass multilateral law with impunity, this undermines the normative frameworks that have regulated interstate conduct since World War II. A weakening of these constraints' risks normalizing unilateral use of force, potentially catalyzing similar behavior by other states and eroding the primacy of international legal mechanisms.

3.5. Toward a New Geopolitical Environment

This case suggests a shift toward a more fluid geopolitical order, in which traditional legal commitments coexist uneasily with assertive power politics and strategic competition over resources. Multinational corporations and states alike must navigate this evolving landscape where legal certainty is diminishing, and geopolitical interests increasingly shape the rules of engagement.

3.6. Political Risk, Sovereignty and International Business

Political risk has long been recognised as a core concern in international business research [2,3]. Traditional approaches focus on expropriation, regulatory instability and government intervention. However, recent scholarship highlights the growing relevance of external political risk, where foreign state actions, sanctions and geopolitical conflicts significantly affect host-country business environments [4].

Sovereignty erosion through economic pressure and indirect intervention complicates firms' strategic calculations. As argue, power in the global economy increasingly operates through structural mechanisms rather than direct control, influencing market access, legal frameworks and investment security [5,6].

The selective application of international legal norms, whereby major powers invoke or disregard them according to strategic interests, directly influences perceptions of political and legal risk among investors and multinational corporations. In the context of the United States' operation that resulted in the capture of Nicolás Maduro, Washington defended the action as a lawenforcement measure against narcotics trafficking. However, the absence of legitimate authorization from the United Nations, the lack of Venezuelan consent, and the failure to satisfy recognized legal bases under the UN Charter have prompted widespread criticism that such operations permit international legal norms to be treated as flexible instruments of strategic convenience rather than as universal and binding obligations.

This selective enforcement undermines confidence in multilateral legal mechanisms, including international arbitration and investment protection frameworks, and encourages corporations to recalibrate their political risk metrics to account for scenarios in which established legal structures may be subverted by the geopolitical decisions of powerful states. Critics argue that tolerating such actions risks opening the door to a more unstable global environment in which the use of force supersedes the rule of law and erodes the normative foundations of the contemporary international order.

3.7. Normative Discourse and Strategic Economic Interests

The attack was motivated, at least in part, by strategic interests associated with the control of Venezuela's natural resource wealth, rather than being driven exclusively by concerns about internal security or corruption. This focus on natural resources reshapes the global business dynamic: multinational corporations operating

in the oil sector or within supply chains dependent on strategic resources are beginning to reevaluate their investment decisions when confronted with the possibility that political regimes, rather than legitimate contracts, may determine access to those resources. Such an unstable environment increases the cost of capital, diminishes the attractiveness of long-term investments, and may lead to a reallocation of investment toward countries perceived as legally more stable.

International business scholars have increasingly examined how normative frameworks, such as governance standards, democracy promotion and compliance regimes, interact with firm strategies [7]. While these norms may enhance transparency, they can also function selectively, privileging certain actors while marginalising others. Critical perspectives suggest that the deployment of legal and moral narratives often aligns with strategic economic interests, particularly in sectors involving natural resources [8,9].

In the Venezuelan case, democratic rhetoric coexists with policy choices that facilitate access to energy assets by external actors, raising concerns about the instrumentalisation of legal and political norms. The international reaction to the intervention exemplifies a division between proponents of a legal multilateral order and advocates of an order shaped by the hegemony of major powers. Countries of the Global South, in particular, have warned that accepting the normalization of this type of action undermines core principles of international law, including respect for territorial integrity and the sovereignty of States.

Many governments and regional actors have condemned the operation as a violation of international law and a dangerous precedent, stressing that decisions about a nation's political future must be determined through peaceful and multilateral mechanisms rather than unilateral force. For investors, this debate is not merely abstract: perceptions of political risk directly affect business decisions [10]. An environment in which international norms appear optional, dependent on the political will of the most powerful states, heightens legal and political uncertainty, which in turn influences the assessment of project risk and the structuring of mitigation strategies, such as political risk insurance, geographic diversification, and cautious capital allocation

3.8. The Erosion of Limits on The Use of Force and The Risk of a New World Order

The United States' intervention in Venezuela in January 2026 not only violated fundamental principles of international law, such as the prohibition on the use of force against the territorial integrity and political independence of a sovereign state, but also drew strong criticism from international actors, including the United Nations [11]. UN officials warned that the action "makes the world less safe" and sets a dangerous precedent by undermining the established legal architecture of global security. This perception that major powers can operate above international norms establishes a pattern that other hegemonic states may feel

encouraged to replicate within their own spheres of influence, particularly when such interventions are justified under broader economic or strategic logics, for example, the control of natural resources and global trade routes.

The normalization of such actions weakens the multilateral legal framework that balances power among states, facilitating the emergence of an informal new world order in which international law is supplanted by a logic of force and strategic interests. This structural shift has direct implications for multinational corporations: legal uncertainty and the perception that agreements, contracts, and legal protections can be disregarded in the face of geopolitical interests significantly elevate political and commercial risk.

In particular, multinationals dependent on long-term contracts in strategic sectors such as energy, mining, and technology may face unforeseen losses, de facto nationalizations, operational restrictions, or abrupt market reconfigurations when external interventions alter regulatory environments without effective mechanisms for compensation or international arbitration [12]. Therefore, the absence of clear limits on the use of power by hegemonic states not only compromises the formal sovereignty of weaker states but also threatens to transform the international system into a domain where "might makes right" prevails, thereby substantially eroding the legal stability that underpins foreign investment and sustainable corporate strategie

4. The Principal Implications for Multinational Corporations

The principal implications for multinational corporations in an environment marked by heightened political intervention and the erosion of constraints on the use of power by hegemonic actors are both substantive and multidimensional. In such contexts, the predictability and enforceability of international norms and regulatory frameworks weaken, leading to heightened legal and political uncertainty that can materially affect corporate strategy, especially in decisions related to foreign direct investment, contractual stability, and long-term commitments. Empirical studies have found that increased political risk is associated with higher exit probabilities for multinational affiliates and reduced investment incentives, as investors require greater risk premiums or withdraw from unstable markets altogether [13].

For example, research on multinational exit behavior in high-risk environments, such as those marked by political instability, demonstrates that firms adjust their strategic positions when political risks escalate.

Moreover, geopolitical risks, including conflict, intervention by powerful states, and broader instability, are shown to negatively affect subsidiary performance and investor confidence, particularly in contexts where the local business environment deteriorates as a result of such risks. The literature also emphasizes that multinational firms adjust their risk mitigation strategies, including

the use of political risk insurance, geographic diversification, and enhanced stakeholder engagement, to cope with volatile host-country conditions.

Thus, in a world where the rule-based international order is perceived as weakened and the actions of hegemonic powers are less constrained by legal norms, multinational corporations face elevated costs of capital, more complex risk assessments, and potential shifts in global capital allocation toward jurisdictions considered more stable and legally predictable. As a consequence, long-term growth opportunities in politically volatile regions may diminish as firms prioritize environments with stronger institutional protections and lower probabilities of geopolitical disruption.

4.1. Increased Political and Jurisdictional Risk

Multinational corporations depend on legal predictability and institutional stability to invest and operate. The normalization of interventions by powers without clear constraints can:

- Significantly increase the political risk perceived by investors, leading companies to adopt more cautious strategies or to postpone investments in unstable regions. Political risk refers to the likelihood that political decisions, events, or conditions will adversely affect the expected value of a business action or investment and is a key factor in multinational risk assessment.
- Elevate the probability of abrupt measures against foreign assets, such as expropriations, regulatory changes, or asset freezes, because the political environment becomes less predictable. Political risk encompasses not only violent events but also regulatory and policy shifts that can disrupt operations, contract enforcement, and investment outcomes

4.2. Reevaluation of Entry Strategies and Capital Structures

Geopolitical conflicts and military interventions can lead multinational corporations to reassess their capital structures, physical presence, or equity participation in affected countries: Firms may reduce the capital allocated to local affiliates or alter ownership structures to mitigate risks of expropriation or loss of control, as higher political risk encourages firms to adjust financing and ownership decisions to protect assets and returns. Empirical research shows that, in environments with elevated political risk, multinational firms tend to decrease ownership shares in foreign affiliates and adjust their capital structure in response to risk factors such as expropriation or discriminatory regulatory measures.

There is an increase in the use of legal protection mechanisms, political risk insurance, and contractual exit clauses in international agreements as firms seek to hedge against adverse political actions by host governments. Political risk insurance and similar instruments provide investors with compensation for losses related to government actions, including expropriation, restrictions on capital transfers, or contract breaches, thereby serving as a key component of risk management strategies in volatile jurisdictions.

4.3. Discontinuation of Operations or Market Exit

Geopolitical conflicts and political instability can lead to the **direct withdrawal of multinational corporations from markets considered high-risk**, as evidenced by the dissolution of foreign subsidiaries in contexts of prolonged crises. Research shows that higher geopolitical risk in host countries negatively affects subsidiary performance and can prompt firms to reevaluate or reduce their presence in unstable environments.

4.4. Impact on Supply Chains and Operating Costs

Geopolitical instability tends to:

- Increase operating costs due to higher expenditures on security, insurance, and regulatory compliance, as firms seek to protect assets and maintain business continuity in uncertain environments.
- Generate disruptions in supply chains, affecting logistics, delivery timelines, and costs, especially for sectors dependent on commodities or sensitive regional infrastructure. Studies demonstrate that elevated geopolitical risk significantly weakens global supply chain resilience, leading to tighter trade credit conditions and higher inventory costs as firms adopt precautionary measures.

4.5. Volatility in Financial Markets and Contract Reevaluation

Instability caused by unilateral actions of major powers heightens global uncertainty, exerting pressure on financial markets, asset valuations, and financing conditions:

- Corporate ventures increasingly rely on financial hedging against exchange rate and geopolitical risk to mitigate potential losses associated with market volatility.
- Long-term contracts may be renegotiated or re-priced in response to sudden risk exposures, as geopolitical shocks influence cost structures, risk premia, and the viability of previously agreed terms. The International Monetary Fund (IMF) has cautioned that global financial markets may be underestimating geopolitical risks, which could contribute to sudden market shocks.

4.6. Misalignment with Responsibility Policies and Reputation Risk

Multinational corporations must also consider reputational risks: operating in or engaging commercially with states involved in legal and ethical controversies (such as interventions perceived to contravene international law) can adversely affect public perception, stakeholder trust, and relationships with governments and consumers. Elevated geopolitical risk often prompts firms to enhance political risk management and corporate social responsibility strategies to maintain legitimacy and protect brand value in global markets.

5. Conclusion

The Venezuelan case illustrates a broader pattern in global business governance: the normalization of exceptional measures, sanctions, indirect intervention and regulatory ambiguity, weakens the rule-

based international system while redistributing economic power in favour of dominant actors. This dynamic challenge prevailing assumptions in international business theory that associate institutional reform with increased stability and market efficiency. From a theoretical perspective, this study advances political risk research by highlighting external intervention and legal selectivity as central dimensions of international business risk. Practically, it underscores the need for multinational enterprises to reassess strategies in politically contested environments, where compliance with formal rules may offer limited protection against structurally embedded power asymmetries.

The United States intervention in Venezuela in 2026 represents a case that differs significantly from other interventions, such as those in Iraq in 2003 or Libya in 2011, in terms of legal legitimacy and effects on sovereignty. Unlike the Libya intervention—which was authorized by the UN Security Council, The U.S. military operation in Venezuela did not have Security Council authorization and was widely condemned as a violation of international law and Venezuelan sovereignty. Critics have argued that unilateral use of force undermines the normative international order by bypassing multilateral legal mechanisms and blurring legal relations between states and corporations

This crucial difference suggests that political risk perceptions for investors increase not only when sovereignty is violated but also when there are no multilateral mechanisms to restore long-term legal predictability. Consequently, territorial integrity and institutional stability should be considered central indicators when assessing risk in international business contexts affected by external intervention.

References

1. Reuters. (2026, January 3). UN chief on Venezuela: US action

sets 'dangerous precedent'. Reuters. Retrieved from, accessed in 11.01.26

2. Kobrin, S. J. (1979). Political risk: A review and reconsideration. *Journal of International Business Studies*, 10(1), 67–80.
3. Henisz, W. J. (2000). The institutional environment for multinational investment. *Journal of Law, Economics, and Organization*, 16(2), 334–364.
4. Cuervo-Cazurra, A., Inkpen, A., Musacchio, A., & Ramaswamy, K. (2018). Governments as owners: State-owned multinational companies. *Journal of International Business Studies*, 49(1), 1–23
5. Strange, S. (1996). *The retreat of the state*. Cambridge University Press.
6. Cox, R. W. (1987). *Production, power, and world order*. Columbia University Press.
7. Witt, M. A., & Lewin, A. Y. (2007). Outward Foreign Direct Investment as Escape Response. *Journal of International Business Studies*, 38(4), 579–594
8. Stopford, J. M., & Strange, S. (1991). *Rival states, rival firms*. Cambridge University Press.
9. Dunning, J. H. (2001). The eclectic (OLI) paradigm of international production. *International Journal of the Economics of Business*, 8(2), 173–190.
10. Global Times. (2026, January). *US strikes on Venezuela draw widespread condemnation*. accessed in 11.01. 26
11. Brownlie, I. (2008). *Principles of public international law* (7th ed.). Oxford University Press.
12. Franck, T. M. (1992). The emerging right to democratic governance. *American Journal of International Law*, 86(1), 46–91
13. Koskenniemi, M. (2005). *From apology to utopia*. Cambridge University Press.

Copyright: ©2026 Jose Malonde. This is an open-access article distributed under the terms of the Creative Commons Attribution License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original author and source are credited.