
Political Variables

In evaluating the success of economic sanctions, we first classify cases according to the type of foreign policy objective. The nature of the objective is an important political variable: Sanctions cannot stop a military assault as easily as they can free a political prisoner. Our analysis is organized by the five types of objectives listed earlier, namely: to effect relatively modest changes in the target country's policy, to change the target country's regime, to disrupt a relatively minor military adventure, to impair the military potential of an important adversary, and to change the target country's policies or behavior in other major ways.

In episodes where two ambitious goals are sought (some 12 cases in all), the cases are cross-listed under both objectives. Examples of dual-listing are those where regime change and impairment of military potential were side-by-side goals (e.g., the post-1990 UN and US sanctions against Iraq). However, in cases where the sender's objective was to change a target's regime, along with altering its policy in some modest way, the cases are listed only under the regime change goal. The reason is that sanctions imposed to change a target country's regime more often than not entail an ancillary goal of some modest policy change.¹

Six political variables are considered in this chapter: (1) presence of companion policies beyond routine diplomacy (e.g., covert action), (2) extent of international cooperation with the sender, (3) whether an international institution cooperated with the sender, (4) presence of offsetting international assistance to the target, (5) prior relations between sender and target, and (6) nature of the target country's regime (scaled autocracy to

1. There is one exception, Case 75-5: *US v. Chile*, where sanctions aimed at resolving the murder of Orlando Letelier and an American colleague in Washington, DC both preceded and extended beyond the broader efforts to restore democracy in Chile.

democracy) at the onset of sanctions. Information on political stability in the target country before and after sanctions were imposed is included in tables 3A.1 to 3A.5 (at the end of this chapter) but is discussed in chapter 4 in conjunction with the effects of economic conditions. For each goal category, we highlight the political variables that seem most relevant. The economic variables are discussed in chapter 4, and the results for all the variables in all categories are analyzed in chapter 6.

Modest Changes in Policy

Sender countries have frequently threatened or deployed sanctions to pursue relatively modest changes in the policies of target countries. Modest changes are not trivial changes. Changes that we have labeled modest may have loomed large in the political life of the sender or target during the time of confrontation. However, we apply the label “modest change” to policy goals that do not threaten the government in power or its military capabilities. For example, the settlement of an expropriation dispute or releasing a few political prisoners does not compare with stopping a military adventure or destabilizing a government.

Illustrative of these cases is Case 94-2, in which Greece blocked EU aid destined for Albania in a successful effort to shorten the jail time of ethnic Greek leaders imprisoned in Albania following their conviction as Greek spies. The objective was quite specific, and Greece had considerable leverage owing to Albania’s troubled economy. Another representative case was Case 92-11, in which the United States imposed mild sanctions on Nicaragua for three years (1992–95), both to encourage the government to establish better control of the military and to settle a number of expropriation cases. Because of its dominance in the Western Hemisphere, the United States achieved a measure of success in both objectives. In fact, the United States has actively pursued modest policy goals, accounting for 23 of the 43 modest policy change observations listed in table 3A.1.² A cosender accompanied the United States in 6 of the 23 cases.

Of the 43 modest change episodes listed in table 3A.1, we scored the policy result as positive (score of 3) or successful (score of 4) in 24 cases. In 27 of the 43 cases, we conclude that sanctions made a contribution to the outcome ranging from modest (3) to decisive (4). The combined result is that, in 22 of the 43 cases, we obtain a success score of 9 or higher (16 being the maximum success score). Thus, by our analysis, in half of the modest policy change cases, the sender country (often the United States)

2. To a small extent, the preponderance of US cases may reflect our inadvertent omission of contests between second-rank powers involving modest policy goals. However, the United States is also the most important sender in other more newsworthy categories as well, where the inadvertent omission of cases initiated by secondary powers seems less likely.

made some progress in achieving its goals through the use of economic sanctions. This, we think, is a significant finding: Batting .500 in diplomatic endeavors is a decent record.

In their quest for modest policy changes, sender countries seldom employ covert force, nor do they engage in quasi-military measures or regular military action. In this group of cases, sanctions are normally the stand-alone policy instrument. In fact, companion policies were deployed in only 7 out of 43 modest policy change episodes (table 3A.1) and were more frequently associated with failure than success. Senders do not typically seek cooperation in these cases, nor do other countries offer to bail out targets. Only 9 of 43 episodes involved more than minor cooperation, and only 4 targets attracted any offsetting assistance from the sender's rivals.

A common feature across most categories is that relations between the sender and target, prior to sanctions, are generally better in success cases than in failure cases. Our prior relations index averages 2.3 for the successes in the modest policy change category and 2.0 for the failures. It is easy to rationalize that economic sanctions would be more effective against friends than enemies: Groups in the target country that are sympathetic with the policy goals are likely to find a stronger voice when relations with the sender country were cordial prior to the episode.

A related finding is that sanctions seeking a modest change in policy are more successful against target countries that are relatively more democratic (2.2 versus 1.7 on our regime type index). Democracies are by definition more open to voices advocating a policy shift than autocratic countries. If important internal groups see merit in a policy change, that view is more likely to find advocates within the top circles of a democratic government. Unexpectedly, in this and most other goal categories (all but military disruption), sanctions were somewhat more likely to fail against targets that had suffered relatively greater political instability over the previous 10 years. This finding is discussed in more detail in chapter 4, in conjunction with the results related to economic health variables and the combined economic health and political stability variable used in previous editions.

Regime Change

By far, regime change is the most frequent foreign policy objective of economic sanctions, accounting for 80 out of the 204 observations (table 3A.2, including in both counts cross-listed cases and cases with multiple phases).³ We score just under a third of the regime change episodes a success from

3. In the second edition of *Economic Sanctions Reconsidered*, we labeled "regime change" episodes as "destabilization" cases. Here we adopt the broader term "regime change" to encompass not only the explicit targeting of a particular foreign leader but also structural changes that imply new leadership, most notably the embrace of democracy.

the standpoint of the country imposing sanctions—a success ratio well below the rate for modest policy change cases but much the same as other major foreign policy objectives. In our view, success in a third of the cases contrasts favorably with the skepticism often expressed in the literature. International institutions (such as the United Nations and the Organization of American States) played a role in 36 percent of the successful episodes and 24 percent of the failures.

The Cold War era (1945–89) was particularly rich in regime change cases, accounting for 46 out of the 80 observations, most of them colored by tension between Moscow and Washington. For example, in episodes involving Yugoslavia, Finland, and Albania, the Soviet Union found its smaller allies attempting to stray from the socialist sphere, whereas in cases involving Cuba, Brazil, Chile, and Nicaragua, the United States suspected its Latin American neighbors of stealing away from the capitalist camp. More than a third of the cases during the Cold War era involved attempts to overthrow the regimes of former friends.

Illustrative instances of modest goals that accompanied regime change cases include: to compensate for expropriation (as in Case 62-1: US v. Brazil), to renounce terrorism (Case 78-8: US v. Libya), to cease drug dealing (Case 87-1: US v. Panama), and to energize antinarcotics efforts (Case 96-4: US v. Colombia). In celebrated cases leaving aside Cold War episodes, the United States has sought regime change because the target government adopted a deeply hostile attitude toward the United States (and vice versa). Cuba since 1990 (Case 60-3) and Iraq (Case 90-1) are classic episodes of this genre. Regime change is sometimes a goal of major wars, and accordingly two cases are cross-listed: World War II (Case 39-1) and the Korean War (Case 50-1). As well, regime change was a corollary objective in two other military impairment cases, two military adventure cases, and one case classed under other major goals—and again all these cases are cross-listed.

In cases initiated after the Cold War, regime change (generally led by the United States and the European Union) emerges as a common strategy for restoring or promoting democratic forms of government. Africa has been a frequent locale, accounting for 14 of the 30 cases since 1989, identified in table 3A.2. From the standpoint of target governments, a campaign by outside powers to insist on “clean” elections and other insignia of a democratic political structure looks much the same as a campaign to drive the sitting president from power. For this reason, such cases are classified as regime changes.

The most renowned case of this nature is Case 62-2: UN v. South Africa,⁴ where the goal was to end apartheid. Everyone recognized that holding fair elections, with full participation, would spell the end of rule by a white minority government—an outcome that President F. W. de Klerk fi-

4. US sanctions (Case 85-1) significantly buttressed the UN case.

nally accepted as inevitable in 1994. In another example, Case 99-2, the United States, the European Union, and France worked to restore democracy in the Ivory Coast following a coup. During the post-Cold War era, in which regime change cases were mainly attempts to promote democratic elections, only 9 of 30 cases were successes. During the Cold War era, economic sanctions were frequently bolstered by companion measures in regime change cases. Covert action and quasi-military operations regularly played a role, and in a few instances both during and after the Cold War (namely, Panama, Haiti, and Iraq) regular military action was an essential part of the mix. However, companion policies were far less frequent in the post-Cold War cases than in earlier decades.

Regime change efforts during the Cold War were one front in the larger geopolitical battle, and thus targets frequently received assistance from the enemy of the sender country. For example, in two Cold War cases (Case 48-4: USSR v. Yugoslavia and Case 61-2: USSR v. Albania) the Soviet Union was supported by its East European allies, and in the long-running Cuba episode (Case 60-3) the United States enjoyed some international cooperation in its early efforts at isolating Havana. But in all three instances the target country received considerable material and moral support from the opposing major power—the United States or the Soviet Union. Support compensated for the impact of the sanctions on the target country and contributed to low success scores.⁵

Disrupting Military Adventures

At the close of World War I, the classic rationale offered for economic sanctions was to preserve peace, usually by coercing an aggressive country to abandon its military adventure. Lord Curzon, a member of the war cabinet of British Prime Minister David Lloyd George, suggested in 1918 that the sure application of sanctions might have averted the outbreak of a lesser conflict than World War I:

Sanctions did not, it is true, succeed in preventing the war; they have not, at any rate at present curtailed its duration, but I should like to put it this way. I doubt very much whether, if Germany had anticipated when she plunged into war the consequences, commercial, financial, and otherwise, which would be entailed upon her by two, three, or four years of war, she would not have been eager to plunge in as she was. Remember this. Though possibly we have not done all we desired, we have done a great deal, and we could have done a great deal more if our hands had not been tied by certain difficulties. It is naturally a delicate matter for me to allude to this. A good many of them have been removed by the entry of the United States of America into the war, but we have always the task of handling with great and necessary delicacy the neutral states, and this difficulty still remains with us. (Quoted in Mitrany 1925, 36)

5. It is worth noting that we still score Cuba sanctions as a failure, even though external support withered with the collapse of the Soviet Union.

Influenced by Lord Curzon and President Woodrow Wilson, after World War I, British and American policy officials came to view sanctions as an explicit substitute for military action. This doctrine dominated official thinking until the dismal failure of the League of Nations to restrain Benito Mussolini in his conquest of Abyssinia (Case 35-1). Thereafter, advocates viewed sanctions as a key component of an overall effort to disrupt unwelcome military adventures. In recent years, the doctrine has taken a further twist: To reverse military adventures, sanctions are sometimes utilized as a prelude to force rather than a substitute for force.

Table 3A.3 identifies 19 military adventure cases (of which 5 are cross-listed in other goal categories). We define disrupting a military adventure as an action on a scale less grand than the two World Wars, the Korean War, or the Cold War, and an action where the sender is not itself involved as a military participant. As mentioned, the classic (and failed) instance of the use of sanctions to thwart a military adventure was Case 35-1: League of Nations and UK v. Italy. Other instances include Case 40-1: US v. Japan; Case 60-3: US v. Cuba; and Case 95-1: US v. Peru and Ecuador (border conflict).

Success was achieved in just 4 of these episodes, with scores of 12 or 16. Sanctions failed to deter the target country's martial ambitions in 15 cases. It is worth noting that, since the 1960s, not even one success has been attributable to sanctions. This category by far accounts for our lowest success ratio, under 1 in 5.

Because successes are so few and because the cases are so different from one another, it is difficult to ferret out potential sources of success and failure in these cases. Indeed, this set of observations contradicts several patterns we observe elsewhere, including in chapter 4. For example, unlike the other major goal categories, companion measures appear only in failed episodes, compliant targets were relatively more stable, and the costs imposed on the target in successes were just a third of those in failures.

Impairing Military Potential

The immediate purpose of practically every economic sanctions episode is to diminish the potential power of the target country. Nevertheless, we can distinguish between the imposition of economic measures to achieve defined political goals and the conduct of a major war or economic campaign to weaken an adversary. Table 3A.4 lists 29 episodes, many of them involving contests between major powers, often in wartime or in the shadow of war. In recent decades, another branch of cases has become prominent: efforts by the United States and other powers to limit the acquisition of nuclear weapons by secondary powers.

In neither of the two World Wars, the Cold War, nor the Korean and Vietnam wars did the Allies believe that sanctions would decisively con-

tribute to the outcome. Instead, they expected that economic denial would marginally erode the adversary's military capabilities, thereby constraining its actions. Economic sanctions became a minor adjunct to major war efforts, and "trading with the enemy" was labeled an offense in its own right, quite apart from calculations of cost and benefit. Thus for nearly four decades (until 1990), the United States sought to constrain the Soviet military machine by denying it technological sustenance, initially through the Coordinating Committee for Multilateral Export Controls (CoCom) (Case 48-5) and later, in the 1980s, through additional measures associated with the Afghanistan invasion (Case 80-1) and the Polish crisis (Case 81-3). Comparable broad sanctions were imposed on China (Case 49-1).⁶ The nuclear weapons cases echo the same refrain but at a lower decibel level.

Often the targets were major powers—not only Germany in the two World Wars but also the Soviet Union, China, and India. It is unreasonable to expect that sanctions that disrupt a modest amount of trade or finance can significantly detract from the economic strength or military ambitions of a major power. Few policymakers in the sender countries entertained such overblown expectations. Even in wartime, as subsequent studies of defeated Germany showed, it was hard to find economic links whose destruction—whether by sanctions or by bombing—could cripple the war machine. Instead, the contribution of sanctions was attrition. Similarly, if CoCom and ChinCom played any role in the economic troubles of the Soviet Union and China (under Mao), respectively, it was small. Denial of critical components and technology hindered Soviet and Chinese advances in particular weapons systems, but broad economic sanctions hindered the Soviet and Chinese economies far less than mismanagement within the communist camp.

As with regime change and military adventures, about a third of the military impairment cases passed our threshold test of success (table 3A.4). Not surprisingly, companion policies were associated with about twice as many success cases (78 percent) as failure cases (35 percent) and relations between sender and target prior to the imposition of sanctions tended toward the adversarial, with no impact on the outcome. Sender countries gained cooperation from individual allies and international organizations more often in successes than failures. On the whole, the target countries were politically stable even when in desperate economic straits (such as North Korea, North Vietnam, and Iraq).

In a few impairment cases, a related objective was regime change. That was a central goal in World War II and the Korean War, and it eventually became an explicit goal in two weapons of mass destruction (WMD) cases: Libya and Iraq. However, regime change was not a goal in several other

6. To this day, the United States and its allies, operating through the Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies, attempt to deny advanced military technology to Russia, China, and several other countries.

WMD cases: South Korea, Taiwan, Pakistan, and India. Regime change remains an unstated goal in two other nuclear cases: North Korea and Iran.⁷

In four cases, sanctions helped dissuade target countries from the pursuit of nuclear weapons. Two early and successful episodes involved the threat of US sanctions against South Korea (Case 75-1) and Taiwan (Case 76-2) when intelligence revealed that those allies were exploring nuclear weapons. In Case 78-8: US v. Libya, the United States had multiple goals—regime change, antiterrorism, compensation for Pan Am 103 victims, and renunciation of WMD. When President Muammar Gadhafi reversed diplomatic course in 2003, among other policy changes he abandoned Libya's quest for nuclear weapons. Finally the prolonged and harsh sanctions that deprived Saddam Hussein of resources were more successful than many realized in preventing the rebuilding of Iraq's WMD arsenal, including nuclear weapons (Case 90-1). Right to the end, Saddam maintained the bluff that he had WMD—fooling US intelligence and two presidents, several European prime ministers, along with his neighbors and the Iraqi people.⁸ Instead, Saddam chose to spend his oil money on police and palaces to maintain his regime, rather than on chemical, biological, and nuclear weapons.

On the other side of the ledger, sanctions did not deter India (Case 78-4) and Pakistan (Case 79-2) from building nuclear bombs nor North Korea (Case 93-1, second phase) and Iran (Case 84-1) from vigorous and continuing efforts. In each of these episodes, denial of key components (such as centrifuges and triggering mechanisms) has no doubt added years to the target country's quest. But once national leaders elevated nuclear weapons capability to an overriding goal, sanctions lost their coercive effect.

Other Major Policy Changes

Under this heading we put a variety of cases that are not comfortably classified exclusively or at all under other categories, while three cases are cross-listed. We include in the major policy change category those cases where country A sanctioned country B because of country B's relations with country C. Examples include Case 73-1: Arab League v. US, over US support for Israel in the October war; Case 89-1: India v. Nepal, over Nepal's relations with China; and Case 92-10: China v. France, over French sales of arms to Taiwan.

7. President George W. Bush characterized North Korea and Iran, along with Iraq, as members of the "axis of evil" in his State of the Union address in January 2002. While these are borderline instances, we have not cross-listed the two cases under the regime change heading because explicit US goals—and those of key US allies—are focused on dismantling the nuclear capabilities of North Korea and Iran.

8. The evidence, even at the time, was far stronger for chemical than for nuclear weapons.

As with regime change and military impairment cases, success was achieved in just under a third of these cases (table 3A.5). A recent success was Case 91-4, in which the United States and the Netherlands persuaded Indonesia to abandon its occupation of East Timor.⁹ Mentioning just two failures, there is little evidence that the Arab League boycott has moved Israel on the question of establishing a Palestinian homeland (Case 46-1) and sanctions did not help Indonesia prevent the consolidation of neighboring territory into Malaysia (Case 63-2).

Companion policies were frequently used but not particularly helpful in this category. As in the military impairment cases, however, international cooperation with the sender was significantly higher in success cases than in failures (2.5 versus 1.8 on our 4-part index), and international assistance to the target was significantly lower in success cases (10 percent of successes versus 35 percent in failures). The warmth of relations prior to sanctions appears to have been more important in this category than most others (2.5 for successes versus 1.9 for failures on our 3-point index), and sanctions were also more likely to succeed against democratic regimes.

Politics, the Cold War, and Sanctions Targets

Table 3A.6 sorts the countries targeted in sanctions cases by region. Asian and Latin American nations were the most frequent subjects (42 cases in each region), while Middle Eastern states were the least frequently targeted (only 20 cases), perhaps because of concerns that Middle Eastern states could retaliate using the oil weapon. More interesting is the character of cases. In Latin America and Africa, regime change cases dominate the picture, and they account for about a third of the total caseload in non-OECD Europe and Asia. Modest policy changes are more important in the OECD, non-OECD Europe, and the Middle East. It is worth noting that the United States, Canada, and Mexico have rarely been the target of economic sanctions—reflecting, of course, the hegemonic position of the United States after World War II.¹⁰

9. In an intermediate phase of this episode, the United States, through its influence on the multilateral development banks and the International Monetary Fund, deliberately or inadvertently helped destabilize the Suharto government in Jakarta in 1998. Because US political intentions in withholding funds from Jakarta during the Asian financial crisis are not entirely clear, we have not listed this episode as a regime change case. An earlier phase, when the United States and the Netherlands sought more limited improvements in human rights in East Timor, is also listed under modest policy goals.

10. The Arab League sanctioned the United States in the wake of the October war (Case 73-1), and the United States and the United Kingdom sanctioned Mexico following the nationalization of oil prior to World War II (Case 38-1).

Also interesting is the changing distribution of targets over time as shown in the bottom half of table 3A.6. Before 1969 OECD Europe, Latin America, and Asia were favorite targets, reflecting interwar and Cold War tensions. Between 1970 and 1989, the targets were rather evenly spread across the six regions, though with a concentration in Latin America and Asia—again reflecting the Cold War and growing concern about human rights. In the 1990s the most prominent focus was Africa. The number of cases initiated against OECD countries, Latin America, the Middle East, and Asia remained relatively stable over the last three decades of the 20th century. The sharp increase in cases targeting Africa and non-OECD Europe reflects the end of the Cold War (sanctions by Russia against former Soviet republics) and increasing concerns about ethnic conflict, human rights, and democracy. The impact of the end of the Cold War on sanctions policy is explored further in chapter 5.

Appendix 3A

Table 3A.1 Cases involving modest changes in the target-country policies: Political Variables

Case ^a	Sender ^b	Target	Policy result ^c	Sanctions contribution ^d	Success score ^e	Companion policies ^f	International cooperation with sender ^g	International assistance to target ^h	Cooperating international organization ⁱ	Duration of sanctions ^j	Prior relations ^k	Regime of target ^l	Political stability prior ^m	Political stability during ⁿ
33-1	United Kingdom	USSR	4	3	12	—	1	—	—	1	1	1	0.0	0.0
38-1	United States, United Kingdom	Mexico	3	3	9	—	2	—	—	9	2	1	0.1	0.0
54-1	USSR	Australia	1	2	2	—	—	—	—	1	1	3	0.0	0.0
56-2	United States, United Kingdom, France	Egypt	3	3	9	R	—	—	—	1	2	1	0.1	0.0
61-1	United States	Ceylon	4	4	16	—	1	A	—	4	2	3	0.0	0.0
62-3	USSR	Romania	1	2	2	—	4	—	—	1	3	1	0.0	0.0
64-1	France	Tunisia	2	3	6	—	1	—	—	2	3	1	0.1	0.0
65-1	United States	Chile	3	3	9	—	1	—	—	1	2	3	0.0	0.0
65-2	United States	India	4	4	16	—	1	—	—	2	2	3	0.0	0.0
68-1	United States	Peru	1	1	1	—	1	—	—	1	2	2	0.0	1.0
68-2	United States	Peru	3	3	12	—	1	—	—	6	2	1	0.1	0.0
71-2	United Kingdom	Malta	3	2	6	—	1	A	—	1	3	n.a.	n.a.	n.a.
75-2	United States	USSR	4	2	8	—	1	—	—	19	1	1	0.0	0.3
75-5*	United States	Chile	2	3	12	—	1	—	—	15	2	1	0.1	0.2
77-4 (1)	Canada	European Community	3	3	9	—	1	—	—	1	3	3	0.0	0.0
77-4 (2)	Canada	Japan	3	3	9	—	1	—	—	1	3	3	0.0	0.0

(table continues next page)