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Introduction

On May 22, 2003 the United Nations Security Council unanimously passed Resolution 1483, formally ending more than a decade of comprehensive sanctions against Iraq. During the 1990s, the Iraqi sanctions regime, the most comprehensive sanctions effort since World War II, dominated the debate about the use and effectiveness of economic sanctions, their humanitarian impact, and the legitimacy and morality of this "deadly weapon."

The long debate over the utility of economic sanctions, launched by US President Woodrow Wilson in response to the horrors of World War I, continues to this day.[1] Though few still concur with President Wilson that sanctions can be an alternative to war, advocates of sanctions still regard them as an important weapon in the foreign policy arsenal. They believe that sanctions can play a useful signaling role, in addition to whatever successes they achieve in their own right. Skeptics question whether sanctions are an effective instrument, especially when used unilaterally as a stand-alone weapon, since target regimes often can insulate themselves from the harsh impact even if the general population suffers. Skeptics also question whether the costs borne by other countries and populations indirectly affected by the sanctions, and by domestic firms and workers, are worth the benefits derived. At the beginning of the 21st century, the same as a century earlier, economic sanctions remain an important yet controversial foreign policy tool.

1. Speaking in Indianapolis in 1919, President Wilson said: "A nation that is boycotted is a nation that is in sight of surrender. Apply this economic, peaceful, silent, deadly remedy and there will be no need for force. It is a terrible remedy. It does not cost a life outside the nation boycotted but it brings a pressure upon the nation which, in my judgment, no modern nation could resist" (quoted in Padover 1942, 108). These views were reflected in the legal structure of the League of Nations, which gave prominence to the collective use of economic sanctions as a means of deterring aggression.

To put these issues in perspective, we delved into the rich history of the use of sanctions in the 20th century. Our main purpose is to identify circumstances in which economic sanctions are most likely to contribute to attaining foreign policy goals. Accordingly, our study concentrates on four central questions:

- What has been the record of economic sanctions in achieving foreign policy goals?
- What factors—both political and economic—improve the chances that sanctions will make a positive contribution to the desired foreign policy outcome?
- What are the costs of sanctions to both target and sender[2] countries?
- What lessons can be drawn from this experience to guide policymakers on the use of sanctions in the future?

A Case Study Approach

Much has been written about the use of economic sanctions in the conduct of foreign policy, and most of the literature takes the form of studies of one or a few sanctions episodes. In this study we attempt to extract propositions of general validity from that literature. The starting point for our analysis is the list in table 1A.1 (at the end of this chapter) of 174 cases of economic sanctions, from the Allied blockade of Germany in World War I through the threat by the Organization of American States (OAS) and the United States to impose sanctions against Ecuador in 2000 in response to the coup against President Jamil Mahuad. Each case abstract summarizes the key events of the episode, goals of the sender, response of the target, attitudes of third countries, and economic costs to both target and sender. It concludes with an overall assessment of the episode by scholars who have studied the case, along with our own summary evaluation. In some episodes, such as US sanctions against Cuba and UN sanctions against Iraq, the goals of the sender country or coalition or other circumstances have significantly changed over time. Depending on how much overlap or continuity there is, these stories may be broken into separate case studies, or the evolving goals may be evaluated in discrete phases of a single case.[3]

2. We use the term "sender" to denote the country that is pursuing foreign policy goals at least in part through the threat or imposition of economic sanctions. A synonymous term often found in the literature is "sanctioner."

3. Cases involving multiple goals, phases, or targets have separate entries for each observation in our new database (Hufbauer, Schott, Elliott, and Oegg 2007) for this third edition. For example, Case 95-1 details US sanctions against both Ecuador and Peru, but the variables are distinct for each target country. Thus, there are 204 observations for the 174 case studies, and

Each case has 14 variables, which across 204 episodes creates the most detailed dataset on the global use of sanctions. Each case history cites sources for all data presented, so we have minimized source notes in this book.[4] A bibliography follows chapter 6. Moreover, because our case histories summarize each episode, and because detailed narratives can be found in the literature, we deliberately refrain from describing extensively the events of individual case studies in this book.

The cases listed in table 1A.1 plainly do not include all instances since World War I of economic leverage applied by one sovereign state in an attempt to change the conduct of another. To focus our analysis on the use of sanctions to achieve foreign policy goals, we have taken care both to distinguish economic sanctions from other economic instruments and to separate foreign policy goals from other objectives of economic leverage. The boundaries we have set may be described in the following way.

We define economic sanctions to mean the deliberate, government-inspired withdrawal, or threat of withdrawal, of customary trade or financial relations. "Customary" does not mean "contractual"; it simply means levels of trade and financial activity that would probably have occurred in the absence of sanctions. We do not systematically cover cases in which positive economic incentives (e.g., new aid or credits) are used to achieve foreign policy goals. However, when such incentives are closely paired with economic sanctions in a "carrot-and-stick" approach, they are covered in our case histories and analysis (note that "carrots" often take the form of lifting prior sanctions).[5]

We define foreign policy goals to encompass changes the sender state explicitly or implicitly seeks in the target state's political behavior. We rely on the public statements of the sender country's officials, supplemented by the assessments of journalists and historians of the episode, to identify the foreign policy goals sought in each case. Often officials speak obscurely about their true objectives; hence we frequently rely on nonofficial assessments.

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most of the numbers cited in the statistical analysis refer to observations rather than case studies. The new database is on a companion CD-ROM, *Economic Sanctions Reconsidered: Case Histories and Data*.

4. The case studies are on a companion CD-ROM. Select cases are also available on the Institute's website, www.petersoninstitute.org. The CD-ROM also contains our new database (Hufbauer, Schott, Elliott, and Oegg 2007) and the tables and figures in this book. Since 2000, we have identified 13 new sanctions episodes, described in table 1A.2 (at the end of this chapter). These 13 case studies are not included in our statistical analysis but are included on the CD-ROM.

5. David Baldwin (1985) uses the term "positive sanctions" to refer to various incentives, including the lifting of sanctions. His terminology has not been widely adopted. Accordingly, we use the term "sanctions" to refer solely to the withdrawal of economic relations or benefits.

We exclude from foreign policy goals the normal realm of economic objectives sought in trade, financial, tax, and other commercial negotiations between sovereign states. It may seem a violation of this limit that several cases deal with attempts to settle expropriation disputes. During the Cold War, however, expropriation episodes often harbored political and ideological disputes that went beyond compensation issues; we include those episodes in our analysis.

We also generally exclude from the case histories national security export controls that are essentially designed to restrict the sale of weapons, military equipment, and precursor supplies (such as chemical and biological agents, gas diffusion equipment, magnetic rings, and the like). In most cases we do not attempt to score the success of such controls in their narrow objective of blocking designated exports.[6] However, we include major Cold War–era export control cases (CoCom and ChinCom) where the objectives of the United States and some of its allies went well beyond the restriction of military materiel and also sought to impair the economies of the Soviet Union, its Eastern European satellites, and China.

In several areas, the US Congress has provided broad authority to impose sanctions against countries that engage in objectionable behavior. In these instances, in addition to the country case studies, we have prepared policy summaries that give an overview of the broader foreign policy developments and legislative authorities. These policy summaries (S1 to S4) cover human rights abuses (including religious persecution), international terrorism, US antinarcotics efforts, and nuclear proliferation.

Finally, we do not explore the fascinating international legal questions raised by the imposition of sanctions, in particular the definition and proper limitation of extraterritorial measures, whereby one nation attempts to extend its laws to persons and firms overseas, or the legal merits of sanctions by state and local governments. Much literature is devoted to legal questions, and we could not usefully contribute to the legal debate. (On these issues, see, for example, Marcuss and Richard 1981, Rosenthal and Knighton 1983, Moyer and Mabry 1983, Marcuss and Mathias 1984, Carter 1988, Malloy 1990 and 1996, Bradley and Goldsmith 1997, and Koh 1998.)

Table 1A.1 probably omits many cases of sanctions imposed between powers of second or third rank. These cases are often not well documented in the English language, and we did not have adequate resources to study material in foreign languages. Also, we may have overlooked instances in which major powers imposed sanctions in comparative secrecy to achieve relatively modest goals or where threats were made privately and not im-

6. However, in a few instances where the arms embargo was part of a larger effort to quell civil strife, we have scored that feature. The cases of Liberia (Case 92-1) and Rwanda (Case 94-3) are illustrative.

plemented. To the extent of these omissions, our generalizations do not adequately reflect the sanctions experience of the 20th century.[7]

Sender Countries and Their Motives

Sanctions are part and parcel of international diplomacy, a tool for coercing target governments into particular avenues of response. In most cases, the use of sanctions presupposes the sender country's willingness to interfere in the decision making process of another sovereign government, but in a measured way that supplements diplomatic reproach without the immediate introduction of military force.

Among the cases we have documented, the countries that impose sanctions are for the most part large nations that pursue an active foreign policy. To be sure, there are instances of neighborhood fights: Indonesia versus Malaysia in the mid-1960s; Spain versus the United Kingdom over Gibraltar from the 1950s until 1984; India versus Nepal over the latter's warming relations with China in 1989–90; and Greece versus Albania in the mid-1990s over jailed leaders of the latter country's ethnic Greek community. But in the main, big powers, especially the United States, have used sanctions precisely because they are big and can seek to influence events on a global scale. Instances of the collective use of sanctions—the League of Nations against Italy in 1935–36, the United Nations against Rhodesia from 1965 to 1979, the Allies against Germany and Japan in World War II, and the United Nations against Iraq in 1990—are in fact usually episodes of major powers enlisting their smaller allies. The main exceptions to this general rule are the collective actions by the United Nations or African organizations in sub-Saharan Africa since the early 1990s.

"Demonstration of resolve" has often been the driving force behind the imposition of sanctions. This is particularly true for the United States, which frequently has deployed sanctions to assert its leadership in world affairs. US presidents seemingly feel compelled to dramatize their opposition to foreign misdeeds, even when the likelihood of changing the target country's behavior is remote. In these cases, sanctions often are imposed because the cost of inaction—in terms of lost confidence both at home and abroad in the ability or willingness of the United States to act—is seen as greater than the cost of the sanctions. Indeed, the international community often expects such action from the United States, to demonstrate moral outrage and to reassure the alliance that America will stand

7. The 1997 report of the President's Export Council on US unilateral economic sanctions as well as USA Engage, www.usaengage.org, list a number of current sanctions imposed in response to environmental activities and worker rights issues. These do not fit our definition of economic sanctions to achieve foreign policy goals and are therefore not included in this study. The handful of threat cases that we discovered are discussed in chapter 4.

by its international commitments. The impact of such moral and psychological factors on the decision to impose sanctions should not be underestimated, even if it is hard to document and impossible to quantify.

"Deterrence"—the notion that a sender country can discourage future objectionable policies by increasing the associated costs—is another frequently cited reason for sanctions. In many cases, such as the US sanctions against the Soviet Union over Afghanistan in 1980–81, it is difficult, if not impossible, to determine whether sanctions effectively deterred future misdeeds. Under President Mikhail Gorbachev, the Soviet Union dramatically changed its internal and external policies, but it is hard to credit the combined effect of all US sanctions with more than a marginal role in this historic transformation.

High-profile sanctions may well serve important domestic political purposes that can overshadow efforts to change the behavior of foreign states. As David Lloyd George, then a leader of the British political opposition, remarked of the celebrated League of Nations sanctions against Italy in 1935, "They came too late to save Abyssinia from subjugation by Italy, but they are just in the nick of time to save the British Government" (Rowland 1975, 723). Similar skepticism often seems appropriate today.[8] Which US president has not been obsessed with the need to demonstrate leadership, to take initiatives to shape world affairs, or at least to react forcefully against outrages abroad short of outright war? The desire to be seen as acting forcefully, but not to precipitate bloodshed, can easily overshadow specific foreign policy goals.

Going back to the early decades of the 20th century, prime ministers and presidents often launched sanctions to answer domestic outrage and to prepare the public for sterner measures. In some cases, domestic political goals were the dominant motivation for the imposition of sanctions. Sanctions often succeed in galvanizing public support for the sender government, either by inflaming patriotic fervor (as illustrated by US sanctions against Japan just prior to World War II) or by quenching the public thirst for retribution. The more recent cases of the US, European, and Japanese sanctions against China in the wake of the Tiananmen Square massacre, the Helms-Burton sanctions against Cuba, the Iran and Libya Sanctions Act, and sanctions imposed against Burma were principally designed to assuage domestic constituencies, to make moral and historical statements, and to send a warning to future offenders of the international order, whatever their effect on the immediate target country.

The role of domestic political considerations in shaping sanctions policy remains a subject of debate. William H. Kaempfer and Anton D. Lowen-

8. Some empirical evidence backs the made-for-domestic-consumption theory of international conflict, long supported by intuition and anecdote. See Morgan and Bickers (1992).

berg (1988) put forth a public choice analysis of sanctions, in which trade restrictions are expressive rather than instrumental. In support of their model, Kaempfer and Lowenberg (1989) argue that the structure of trade restrictions in the sanctions against South Africa reflected protectionist pressure from interest groups rather than a strategy to maximize economic damage. In contrast, Daniel W. Drezner (1999) summarizes three influential econometric studies that generally reject the explanation that domestic forces are the dominant inspiration for sanctions. He argues that sanctions have been "a purposive tool of foreign policy, to be employed in situations where the United States has a significant interest in the outcome."[9]

Though we do not weigh in on the expressive-versus-instrumental debate, the case studies and data presented here may aid scholars studying such questions. Similarly, we forego any evaluation of the merits of foreign policy goals sought in our case studies. We do have opinions on those goals but doubt that many readers are eager to discover our collective wisdom on the merits, for example, of the US government's disapproval of the Ernesto Samper regime in Colombia or UN efforts to uncover Iraq's weapons of mass destruction.

In sum, the imposition of sanctions conveys a triple signal: To the target country it says the sender does not condone the target's actions; to allies it says that words will be supported with deeds; and to domestic audiences it says the sender government will act to safeguard the nation's vital interests.

The parallels between the motives for sanctions and the three basic purposes of criminal law—to punish, deter, and rehabilitate—are unmistakable. Countries that impose sanctions, like states that incarcerate criminals, may find their hopes of rehabilitation unrealized, but they may be quite satisfied with whatever punishment and deterrence are accomplished. Nevertheless, in judging the success of sanctions, we confine our examination to changes in the target country's policies, behavior, or regime.

Limitations on the Use of Sanctions

Sanctions often do not succeed in changing the behavior of foreign countries. One reason for failure is plain: The sanctions imposed may simply be inadequate for the task. The goals may be too elusive; the means too gentle; or cooperation from other countries, when needed, too tepid.

9. The Kaempfer and Lowenberg (1989) study illustrates the pitfalls associated with analyzing only one or a few cases. While domestic interests seeking protection from imports "captured" specific sanctions imposed on South Africa, the case is highly unusual in relying on selective import restrictions as the principal measure. Most US sanctions involve restrictions on exports, which the US business community typically opposes.

A second reason for failure is that sanctions may create their own antidotes. In particular, economic sanctions may unify the target country both in support of its government and in search of commercial alternatives. This outcome is evident in a number of episodes: For example, a nationalistic reaction seems to have blunted the League of Nations' actions against Italy in 1935–36, Soviet sanctions against Yugoslavia in 1948–55, US measures against Indonesia in 1963–66, UN actions against Rhodesia in 1965–79, and US sanctions against Nicaragua in the 1980s. Benito Mussolini expressed Italy's nationalistic defiance of the League's sanctions in 1935 with these words: "To sanctions of an economic character we will reply with our discipline, with our sobriety, and with our spirit of sacrifice" (quoted in Renwick 1981, 18). Defiant leaders of target countries have often flung similar words in the face of sanctions.[10]

A third reason why economic pressure may fail is that sanctions may prompt powerful or wealthy allies of the target country to assume the role of "black knights"; their support can largely offset whatever deprivation results from sanctions themselves. In the period since World War II, offsetting compensation has occurred most conspicuously in episodes where big powers were caught up in ideological conflict over a smaller nation's policies: Examples include the US sanctions against Cuba and later Nicaragua and Soviet sanctions against Yugoslavia and Albania. Another example of countervailing support, with different historical origins, is the Arab League campaign against Israel, which has helped ensure a continuing flow of public and private assistance to Israel from the United States and Western Europe.

A fourth possible reason for failure is that economic sanctions may alienate allies abroad and business interests at home. When a sender's allies do not share its goals, they may, in the first instance, ask exasperating questions about the probability of a successful outcome; in the second instance, they may refuse to take the stern measures requested against the target country, thereby making the sender's own initiatives seem all the more futile; finally, they may revolt and enforce national antisanctions laws, such as the US antiboycott provisions and the British Protection of Trading Interests Act, to counteract the impact of the other nation's sanctions on their own foreign policy and economic interests. The protective legal barrier is a relatively new development but has spread to a number of countries—France, Denmark, Australia, and others—where the errant aim of a sender state has wounded domestic firms.

The backlash from the sender's allies may be exacerbated if the sender attempts to enforce the sanctions on an extraterritorial basis, as the United States did in the 1981–82 Soviet-European gas pipeline case. The Euro-

10. For example, Manuel Noriega used comparable rhetoric when the United States imposed sanctions on Panama in the late 1980s.

peans refused to cooperate with the United States and halt the pipeline project; indeed, they wondered who the real target of the sanctions was—the country subject to sanctions (the Soviet Union) or their own firms, whose trade was hard hit by the measures. The internecine feud that ensued between the United States and Europe undercut the economic and psychological force of the sanctions, rendering the action ineffective. Similar concerns arise from US laws mandating sanctions against investors in Iran (and Libya until 2006). To date, however, presidential invocation of the statute's national interest waiver has forestalled a potential clash over extraterritorial application of that US law.

Business firms at home may also experience severe losses when sanctions interrupt trade and financial contracts. Besides the immediate loss of sales, they may lose their reputation for reliability. Outcries from US business against both the grain embargo and the pipeline sanctions arose as much from the fear of future competitive weakness as "unreliable suppliers" as from the immediate sacrifice of grain, pipelaying equipment, and gas turbine sales to the Soviet Union. After the first flush of patriotic enthusiasm, such complaints can undermine a sanctions initiative.

These pitfalls are well known to most policy officials and can hardly escape the briefing memoranda prepared for world leaders considering sanctions. Why then are sanctions so frequently used? In the first place, as the results of this study show, sanctions have not been, on balance, nearly so unsuccessful as the episodes directed against the Soviet Union in the 1970s and 1980s would suggest.

In the second place, world leaders often conclude that the most obvious alternatives to economic sanctions would be unsatisfactory: Military action would be too massive and diplomatic protest too meager. Sanctions can provide a satisfying theatrical display yet avoid the high costs of war. The second Iraq case, where sanctions did not preclude the onset of a full-scale war in 2003, furnishes a harsh reminder of just how costly military intervention can be. This is not to say that sanctions are costless. Our purpose in this study is precisely to suggest conditions in which sanctions are most likely to achieve a positive benefit at a bearable cost.

Historical Overview

Economic sanctions entered the diplomatic armory long before World War I. Indeed the technique was used in ancient Greece. The most celebrated occasion was Pericles's Megarian decree, enacted in 432 BC in response to the kidnapping of three Aspasian women. Thucydides accords the decree only minor notice in *The Peloponnesian War*; by contrast, Aristophanes in his comedy *The Acharnians* (lines 530–43) assigns the Megarian decree a major role in triggering the war:

Then Pericles the Olympian in his wrath
Thundered, lightened, threw Hellas into confusion
Passed laws that were written like drinking songs
[decreeing] the Megarians shall not be on our land, in our market, on
the sea or on the continent. . . .
Then Megarians, since they were starving little by little, begged
The Lacedaemonians to have a decree
arising from the three strumpets withdrawn.
But we were unwilling, though they asked us many times. Then
came the clash of the shields.
Someone will say it was not right. But say, then, what was.
Come, if a Lacedaemonian sailed out in a boat
and denounced and confiscated a Seriphian puppy,
would you have sat still? (quoted in Fornara 1975)

Despite the rich history of sanctions episodes from ancient Greece through the 19th century, we start our investigation with World War I both because earlier episodes are less well documented and because lessons from the distant past may seem less relevant to today's problems. However, to provide a historical perspective, we list selected pre–World War I instances of economic sanctions in table 1A.3 (at the end of this chapter).

Most of these episodes foreshadowed or accompanied warfare. Only after World War I was extensive attention given to the notion that economic sanctions might substitute for armed hostilities as a stand-alone policy. Nonetheless, through World War II, the objectives sought with the use of sanctions retained a distinctly martial flavor. Sanctions were usually imposed to disrupt military adventures or to complement a broader war effort. Of the 11 cases we have identified in table 1A.1 between 1914 and 1940, all but two are linked to military action. Four of these cases involved collective action through the League of Nations to settle disputes. These efforts had varied results: from success in inducing Greece to back down from its incursion into Bulgaria in 1925 to the celebrated failure to persuade Italy to withdraw from Abyssinia (now Ethiopia) in the mid-1930s.

In the period following World War II, other foreign policy motives became increasingly common, but sanctions were still deployed on occasion to force a target country to withdraw its troops from border skirmishes, to abandon plans of territorial acquisition, or to desist from other military adventures. In most instances in the postwar period where economic pressure was brought to bear against the exercise of military power, the United States played the role of international policeman. For example, in 1956 the United States pressed the French and the British into withdrawing their troops from the Suez region; and in the early 1960s the United States persuaded Egypt to stop supporting rebels in Yemen and the Congo by withholding development and food aid.

However, most attempts at altering military adventures have not been successful. Turkish troops remain in Cyprus more than 30 years after their invasion in July 1974 and in spite of US economic pressure in the mid-1970s (Case 74-1). The Jimmy Carter administration's grain embargo and boycott of the 1980 Moscow Olympics did not discourage the Soviet occupation of Afghanistan (Case 80-1). Indeed, aside from the 1956 Suez incident, major powers have never been able to deter military adventures of other major powers simply through the use of economic sanctions. As President George H. W. Bush subsequently admitted, US sanctions against Iraq in 1990, after Saddam Hussein's invasion of Kuwait, were regarded from the outset as a precursor to military action (Bush and Scowcroft 1998).

Closely related to these cases are those episodes in which sanctions are imposed to impair the economic capability of the target country, thereby limiting its potential to wage war or for foreign adventurism. This was an important rationale for the broad-based multilateral controls on strategic trade (in addition to controls on specific items of military equipment) that the United States instituted against the Soviet Union and China in the late 1940s. US officials cited the same rationale in defense of sanctions against the Soviet Union following the invasion of Afghanistan (Case 80-1) and the crisis in Poland in the early 1980s (Case 81-3). It is doubtful whether these cases yielded positive results, not least because it is difficult to hamper the military capabilities of a major power by inflicting marginal degrees of economic deprivation.

Attempts to impair another country's military potential usually entail narrowly defined national security controls—identifying military hardware and so-called dual-use technologies that the adversary can be denied. The sender country often seeks such controls in order to limit the target state's foreign policy options as well. In our view, the CoCom and ChinCom controls of the Cold War period were aimed *both* at restricting strategic exports to the Soviet Union and China, to prevent or at least retard technological advances in their weaponry, *and* at impairing the ability of the Soviet and Chinese economies to support an expanded military machine capable of advancing their foreign policy objectives.[11] The latter goal is the reason why these cases are included in our analysis.

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11. Case 48-5: US and CoCom v. USSR and Comecon (1948–94) and Case 49-1: US and ChinCom v. China (1949–70). The Coordinating Committee for Multilateral Export Controls (CoCom) was an informal group of NATO countries (minus Iceland, plus Japan), which attempted to limit the shipment of strategic goods, both broadly and narrowly defined, to the Soviet Union and its Eastern European satellites. The case terminated in 1994 when CoCom was dismantled. ChinCom, a parallel but smaller group of countries controlling exports to China, was disbanded in 1958, at which time China came under CoCom controls. However, the United States unilaterally maintained a total embargo on China up to President Richard Nixon's celebrated visit to Peking in 1970. The Council of Mutual Economic Assistance (Comecon) was established in 1949 to facilitate economic cooperation among the Soviet Union and its satellites. After the dismantling of the Berlin Wall in November 1989, Comecon and its military counterpart, the Warsaw Pact, faded into history (the Warsaw Pact was officially dissolved on July 1, 1991). However, the Wassenaar Arrangement on Export Controls

The modern day version of the military impairment case studies are episodes aimed at hampering a target country's efforts to develop weapons of mass destruction, most notably nuclear capabilities. The United States and Canada frequently used sanctions in the 1970s and 1980s to enforce compliance with nuclear nonproliferation safeguards. In 1974 Canada acted to prevent Pakistan from acquiring a reprocessing capability and tried to control the reprocessing of spent fuel in both India (Case 74-2) and Pakistan (Case 74-3) to guard against the production of nuclear weapons. The United States joined the Canadians in applying financial pressure on South Korea (Case 75-1) to forestall its purchase of a nuclear reprocessing plant. Subsequently the United States imposed sanctions on shipments of nuclear fuel and technology to South Africa (Case 75-3), Taiwan (Case 76-2), Brazil (Case 78-2), Argentina (Case 78-3), India (Case 78-4), and Pakistan (Case 79-2) in similar attempts to secure adequate multilateral surveillance of nuclear facilities or to prevent the acquisition of technologies that could contribute to nuclear weapons development.

These assorted efforts were highly successful with respect to Korea and Taiwan. But they played only a limited role in dissuading South Africa, Brazil, and Argentina from becoming nuclear powers and failed with respect to India and Pakistan. When India and Pakistan carried out nuclear tests in 1998, the United States barred certain commercial dealings with and foreign assistance to both countries, as mandated by the 1994 Glenn Amendment to the US Arms Export Control Act.[12]

The two most prominent and surprisingly successful cases concerning weapons of mass destruction are Iraq and Libya. UN-authorized sanctions denying Saddam Hussein unlimited access to Iraq's oil revenues, coupled with the periodic use of force, provided UN inspectors with enough leverage to find and destroy Iraq's stockpiles and facilities for producing chemical, biological, and nuclear weapons.[13] These accomplishments were not fully revealed, however, until after the US invasion of Iraq in 2003. Likewise, the surprise decision by Libyan President Muammar Gadhafi in 2003 to renounce weapons of mass destruction was partly influenced by his de-

for Conventional Arms and Dual-Use Goods and Technologies, initiated in December 1995 after the Cold War ended, is designed more narrowly to limit the export of weapons, including chemical and biological precursors, and therefore is not included as a case. See Smith and Udis (2001) for background on the Wassenaar Arrangement.

12. Case Summary S-3, which is included on a companion CD-ROM, details the history of US and other national efforts to use sanctions to curtail nuclear proliferation.

13. As the subsequent investigations of the Volcker Commission revealed, Saddam siphoned many billions of dollars through corrupt means from the UN Oil for Food Program. However, Saddam preferred to spend the money on his own palaces and on maintaining the Republican Guard and the secret police rather than on creating nuclear, chemical, or biological weapons of mass destruction.

sire to end the decade-old US sanctions and to gain access to American oil field technology and know-how. On the other side of the nuclear ledger, neither US sanctions nor the threat of UN action prevented India and Pakistan from joining the nuclear club, nor have they squelched Iran's and North Korea's nuclear ambitions.

Sanctions have been deployed to pursue a number of foreign policy goals other than those related to warfare and national security. Especially noteworthy is the frequent resort to sanctions in an effort to explicitly or implicitly change a target country's regime, usually in the context of a foreign policy dispute involving other issues.[14] During the Cold War these episodes often found a superpower pitted against a smaller and formerly friendly country gone "astray." US sanctions against Cuba (Case 60-3), the Dominican Republic (Case 60-1), Brazil (Case 62-1), and Chile (Case 70-1) illustrate this point. Sanctions contributed at least modestly to the overthrow of Rafael Trujillo in the Dominican Republic in 1961, of Brazilian President João Goulart in 1964, and of Chilean President Salvador Allende in 1973. On the other hand, Fidel Castro has not succumbed to more than four decades of US economic pressure. Prior to 1990 Castro received compensating aid from the Soviet Union; between 1990 and 2006, he received moral support from a number of countries in the hemisphere and elsewhere, partly as a backlash against the Helms-Burton Act of 1996, which sought to extend US sanctions extraterritorially. Castro has also received limited financial assistance from other countries, most notably Venezuela since President Hugo Chavez took office in 2004.

In the late 1970s, following a series of congressionally inspired initiatives and under the leadership of President Carter, human rights became a cause célèbre and priority goal of US sanctions policy. Repressive regimes in the Western Hemisphere and elsewhere found themselves increasingly under pressure to improve their human rights record. In some cases, these demands sought relatively minor changes in public policy; in others, however, the desired policy changes threatened the very existence of the regime. In the case of Nicaragua (Case 77-5), for example, withdrawal of economic and military assistance conveyed the message that the United States was ending its support for the Anastasio Somoza regime, thereby contributing to its downfall. However, US sanctions against the Alfredo Stroessner regime in Paraguay (Case 77-1) and the military regimes in Argentina (Case 77-3) and El Salvador (77-6) failed to change the behavior of these regimes. In the cases of Manuel Noriega in Panama (Case 87-1) and Raul Cédras in Haiti (Case 91-5), it took US military intervention to dis-

14. In the second edition, we labeled these episodes as "destabilization" cases. In this edition, 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, such as broad human rights demands and, in the 1990s, the embrace of democratic reforms.

lodge the autocrats. Likewise, sanctions played only a minor role in the electoral defeat of the Sandinistas in Nicaragua in 1990 (Case 81-1).

Until its implosion, the Soviet Union also picked on its neighbors, although less successfully. Every time the Soviet Union used sanctions in an effort to topple a rebellious government within the socialist bloc—Yugoslavia in 1948 and Albania in 1961—the effort failed. The only Soviet success came in the "Nightfrost Crisis" of 1958, when Finland was coerced into adopting a more pliant attitude toward Soviet policies. Since the collapse of the Soviet Union, Russia has not deployed sanctions to destabilize neighboring governments, but it has frequently used sanctions for narrower objectives.

Nevertheless, regime change broadly defined has been a recurring theme in the post–Cold War period, accounting for nearly half of the sanctions initiated during the 1990s. These cases primarily represent US and EU efforts to encourage democratic reforms or restore a democratic government following a coup. While regime change cases in the 1970s and 1980s were for the most part unilateral US initiatives targeting Latin American countries, new sanctions episodes in the 1990s were concentrated in Africa and frequently involved multiple sender countries (most often the United States and the European Union). Pressure by Western donors played a significant role in bringing about the first multiparty elections since independence in Malawi, ending the 30-year rule of President Hastings Kamuzu Banda (Case 92-3). Sanctions also made a modest contribution to the restoration of the democratic government in Niger in 2000 (Case 96-2). However, in the cases of Togo (Case 92-2), Equatorial Guinea (Case 92-4), Cameroon (Case 92-6), Burundi (Case 96-1), The Gambia (Case 94-4), and Ivory Coast (Case 99-2), success was elusive.

Since the early 1960s, sanctions have also been deployed to achieve relatively modest foreign policy goals compared with the pursuit of war, peace, and regime change. For example, sanctions have been used to settle expropriation claims, to counter drug lords, and to combat international terrorism (a modest goal until al Qaeda launched its attacks on September 11, 2001 in New York and Washington).

Since World War II, the United States has used sanctions nine times in its efforts to negotiate compensation for property expropriated by foreign governments, in cases with foreign policy overtones. However, expropriation claims have become less urgent in recent years; until the Helms-Burton Act of 1996, which targets claims against Cuba, the last recorded use of sanctions in an expropriation dispute was against Ethiopia (Case 77-8, commencing in 1977). In almost all the expropriation cases, the United States hoped to go beyond the claims issue and resolve conflicting political philosophies. This was true when the United States (in conjunction with the United Kingdom) pressured Iran with economic sanctions—

seeking to overthrow the regime of Prime Minister Mohammad Mussadiq in the early 1950s (Case 51-1)—and was the trigger for US efforts to undermine Castro in Cuba, Goulart in Brazil, and Allende in Chile.

Beginning in the 1980s, during a spike in the cocaine epidemic, the US Congress initiated a certification process to compel other countries to cooperate with the United States in its antidrug efforts. To date, the United States is the only country that imposes sanctions to punish drug-producing countries.[15] The certification process requires the US government to identify and compile a list of major transit and drug-producing countries. Inclusion on the list automatically triggers certain economic sanctions unless the president certifies that the country in question made every effort possible to cooperate with the United States or waives the sanctions for national security reasons. Certification was routinely granted for most countries in the 1980s, and the process mainly affected countries with which the United States had limited relations, such as Iran, Syria, and Afghanistan. The Bill Clinton administration, however, gave the certification process a higher profile. Despite protests by US oil companies, Nigeria was decertified for the first time in 1994. Mexico and Colombia were threatened annually with decertification. In 1996, after extensive debate within the US government, the United States decided to certify Mexico but decertify Colombia because of President Samper's alleged ties to the drug cartels.[16] Many Latin American leaders criticized this apparent double standard. The controversy intensified in 1997 when the administration, despite revelations of drug-related government corruption, again certified Mexico but denied certification to Colombia. Following years of relative quiet, the George W. Bush administration's decision to decertify Venezuela in 2005, amidst deteriorating bilateral relations, again triggered heavy criticism of the decertification process for its political overtones.

Antiterrorism has been another relatively modest—but increasingly important—policy goal the United States has sought through the imposition of economic sanctions.[17] A wave of international plane hijackings in the 1960s and 1970s, together with the massacre of Israeli athletes at the Munich Olympics in 1972 and the downing of Pan Am flight 103 over Scotland in 1988, focused world attention on terrorism. The hijacking problem was greatly reduced through international hijacking agreements, including one signed in 1973 by the United States and Cuba. Lethal terrorist raids, often funded by oil-rich, Islamic countries and individuals, have proven much harder to control. In 1980, following a congressional direc-

15. For more details on this history, see Case Summary S-4 on a companion CD-ROM.

16. In addition, the United States froze all known Colombian drug cartel assets (primarily Cali cartel assets) located in the United States.

17. For more detailed discussion of this topic, see Case Summary S-1 on a companion CD-ROM; Hufbauer, Schott, and Oegg (2001); and Hufbauer and Moll (2007).

tive, the US State Department branded four countries—Libya, Syria, Iraq, and South Yemen—as international outlaws because of their support of terrorist activities. The United States soon thereafter imposed sanctions on Libya and Iraq in an attempt to limit their activity as suppliers of military equipment to terrorist groups. Over the years, Cuba, North Korea, Iran, Sudan, and Afghanistan were added to the list of target countries on account of their support for terrorism. Iraq was removed from the list following the US invasion in 2003. Libya was removed from the list in 2006 following its implicit admission of responsibility for the Pan Am bombing and its payment of substantial compensation to the families of the victims.

In the 1990s the emergence of nonstate terrorist entities, particularly Osama bin Laden's al Qaeda network, prompted new measures against nonstate actors. In 1995 and 1996 legislative acts gave the executive branch the power to impose financial sanctions, including asset freezes and transfer prohibitions, upon specially designated terrorists (SDTs) disrupting the Middle East peace process and on foreign terrorist organizations (FTOs). Though these measures targeted al Qaeda members, the US Treasury did not identify any of their US assets prior to 2001.

Following the attacks on the World Trade Center and Pentagon on September 11, 2001, President Bush highlighted the importance of economic sanctions in the ensuing "war on terror." The United States has since cast a wider net in sanctioning nonstate terrorist entities and crafted sanctions policy to induce other countries to cooperate in the war on terror. Antiterrorism now ranks as the most serious objective within the modest goal category. We discuss this issue more fully in chapter 5.

The Bush administration sought to develop "the international financial equivalent of law enforcement's 'most wanted' list" by expanding the SDT scope to include terrorism not related to the Middle East peace process and taking additional measures to combat international money laundering under powers granted by the USA Patriot Act.[18] The Department of the Treasury established a foreign terrorist asset tracking center to identify and investigate the financial infrastructure of the international terrorist networks. In addition, the United Nations and other international organizations implemented similar measures to impose multilateral sanctions against terrorist financial flows. By expanding its counterterrorism tactics, the United States has sought to deny terrorists the means with which to commit atrocities rather than seek changes in the behavior of organizations whose raison d'être is inflicting terror.

The United States has also used sanctions policy to promote cooperation with its counterterrorism operations since September 11, 2001. Sanctions against state sponsors of terrorism have been complemented with positive economic inducements such as preferential trade measures, fa-

18. See Reuter and Truman (2004) for a detailed analysis of anti–money laundering policies in the United States and globally.

vorable loans, and in some cases the removal of existing sanctions as a reward for cooperation in the war against terrorism.

This brief review underlines the central role that economic sanctions have played in the conduct of US foreign policy since World War I. Of the 174 cases documented in table 1A.1, the United States, either alone or in concert with its allies, has deployed sanctions 109 times. Other significant users have been the United Nations (20), the United Kingdom (16 cases, frequently in cooperation with allies), the European Community/European Union (14), the Soviet Union and since 1990 Russia (13 uses, usually against recalcitrant satellites and former republics of the USSR), and the Arab League and its members (4 uses of its oil muscle).[19]

Sanctions have been deployed more frequently in the post–World War II era. Table 1.1 summarizes the record, presenting first the number of sanctions episodes initiated in each five-year period beginning with 1911–15; second, the cumulative cost imposed by ongoing sanctions against target countries every fifth year beginning with 1915 (expressed as an annualized figure in current US dollars); and third, for comparison, the value of total world merchandise exports (expressed in current US dollars). The table indicates that the incidence of new cases has increased from less than 5 episodes per five-year period in the pre-1945 era to approximately 10 to 15 new episodes per five-year period in the post-1960 period. The number of new cases grew sharply in the early 1990s (34 new cases in 1991–95) but returned to post-1960 levels in the latter half of the decade (13 new cases in 1996–2000).

The annual cost imposed on target countries was relatively high in 1915 and 1920, on account of World War I; it fell markedly thereafter and has since risen from very low levels in the 1920s and 1930s to some $2 billion and higher in the post-1965 period. The aggregate cost of sanctions to target countries rose to almost $7 billion in 1980. That total was subsequently swamped by the single case against Iraq, which cost the target on average more than $15 billion annually. That burden accounts for slightly more than half of the most recent figure: Sanctions in place as of 2000 cost target countries about $27 billion annually.

Table 1.1 also shows that, although sanctions activity has grown, particularly in recent decades, it has expanded much more slowly than world merchandise trade, which grew more than 400-fold (in nominal terms) between 1915 and 2000. Compared with total world trade flows, the cost imposed by sanctions on target countries represents barely a ripple in the world economy. This statement is true even when taking into account the very large dollar cost of sanctions against Iraq.

19. The tallies for nations do not include cases where they participate only as members of an international organization. For example, the United Kingdom has been involved in cases where the sender is the European Union, League of Nations, or United Nations, but those are not included in the UK figure.

Table 1.1 Sanctions episodes initiated, cost to targets, and world exports, 1915–2000

Year	Number of cases initiated in past five years[a]	Sum of annual costs of ongoing cases[b] (billions of dollars)	Total world exports[c] (billions of dollars)
1915	1	0.84	15[d]
1920	2	0.45	n.a.
1925	2	0	25[e]
1930	0	0	30
1935	3	0.09	n.a.
1940	3	0.40	25[f]
1945	1	0.72	50
1950	8	1.09	65
1955	5	1.11	90
1960	10	1.74	125
1965	15	2.28	180
1970	4	2.44	300
1975	13	2.41	820
1980	25	6.81	1,880
1985	15	4.97	1,840
1990	20	28.90	3,330
1995	34	30.75	4,945
2000	13	27.21	6,375

n.a. = not available

a. The counts are based on table 1A.1; the figure for 2000, for example, represents cases initiated in 1996–2000.
b. The figures are sums of the net annualized cost (after offsets) to target countries of ongoing cases in that year.
c. Based on Yates (1959) for 1915 to 1940; United Nations, *Yearbook of International Trade Statistics* for 1945; and International Monetary Fund, *International Financial Statistics* for 1950 to 2000. All figures are in current dollars, rounded to the nearest $5 billion.
d. Extrapolated from 1913 data ($21 billion).
e. Extrapolated from average of 1926–29 data ($31.8 billion).
f. Extrapolated from 1938 data ($22.7 billion).

Sources: Tables 1A.1 and 4A.1 through 4A.5; Yates (1959); United Nations, *Yearbook of International Trade Statistics,* various issues; International Monetary Fund, *International Financial Statistics,* various issues.

Plan of the Book

Chapter 2 introduces the analytical framework and the explanatory variables that we use to examine each sanctions episode. We explain our methodology for defining a sanctions episode, its duration, and its outcome and provide an overview of the variables documented in the case studies.

In chapter 3 we examine several political variables and draw generalizations regarding their contribution to a successful outcome. We identify political variables that are possibly relevant to the five categories of policy goals: modest policy changes, regime change, disrupting military adventures, impairing military potential, and other major policy changes. We then highlight those political variables that appear to exert the strongest influence across a wide range of cases.

In chapter 4 we take a similar approach in analyzing the role of economic variables that might contribute to the success of a sanctions episode. We start by identifying several economic variables that have been identified in the literature for their possible relevance and then highlight those that seem to have the strongest influence.

In chapter 5 we examine new themes in the application of sanctions that have emerged since our second edition was published in 1990. With the end of the Cold War, the past 17 years have seen more activity by the United Nations, increased US resort to legislated sanctions at the federal and subfederal level, increasing concern for democracy and stability in Africa, and the introduction of targeted financial sanctions to isolate objectionable leaders. We discuss the nature of these changes and their implications for future sanctions policy.

Chapter 6 concludes the book, reporting on the results of our multivariate statistical analysis and summarizing the lessons we derive from the 174 case studies, which are presented on a companion CD-ROM. We distill past experience with economic sanctions in the 20th century and offer recommendations to guide policymakers in the 21st century.

Appendix 1A

Table 1A.1 Chronological summary of economic sanctions for foreign policy goals, 1914–2000

Case no.	Principal sender	Target country	Active years	Goals of sender country
14-1	United Kingdom	Germany	1914–18	Military victory
17-1	United States	Japan	1917–18	1) Contain Japanese influence in Asia 2) Persuade Japan to divert shipping to the Atlantic
18-1	United Kingdom	Russia	1918–20	1) Renew support for Allies in World War I 2) Destabilize Bolshevik regime
21-1	League of Nations	Yugoslavia	1921	Block Yugoslav attempts to wrest territory from Albania; retain 1913 borders
25-1	League of Nations	Greece	1925	Withdraw from occupation of Bulgarian border territory
32-1	League of Nations	Paraguay, Bolivia	1932–35	Settle the Chaco War
33-1	United Kingdom	USSR	1933	Release two British citizens
35-1	League of Nations, United Kingdom	Italy	1935–36	Withdraw Italian troops from Abyssinia
38-1	United States, United Kingdom	Mexico	1938–47	Settle expropriation claims
39-1	Alliance powers, United States	Germany, Japan	1939–45	Military victory
40-1	United States	Japan	1940–41	Withdraw from Southeast Asia
44-1	United States	Argentina	1944–47	1) Remove Nazi influence 2) Destabilize Peron government
46-1	Arab League	Israel	1946–	Create a homeland for Palestinians
48-1	United States	Netherlands	1948–49	Recognize Republic of Indonesia
48-2	India	Hyderabad	1948	Assimilate Hyderabad into India

48-3	USSR	United States, United Kingdom, France	1948–49	1) Prevent formation of a West German government 2) Assimilate West Berlin into East Germany
48-4	USSR	Yugoslavia	1948–55	1) Rejoin Soviet Camp 2) Destabilize Tito government
48-5	United States, CoCom	USSR, Comecon	1948–94	1) Deny strategic materials 2) Impair Soviet bloc military potential
49-1	United States, ChinCom	China	1949–70	1) Retaliation for communist takeover and subsequent assistance to North Korea 2) Impair military potential
50-1	United States, United Nations	North Korea	1950–	1) Impair military potential 2) Destabilize communist government
51-1	United States, United Kingdom	Iran	1951–53	1) Reverse the nationalization of oil facilities 2) Destabilize Mussadiq government
54-1	USSR	Australia	1954	Repatriate a Soviet defector
54-2	India	Portugal	1954–61	Assimilate Goa into India
54-3	Spain	United Kingdom	1954–84	Gain sovereignty over Gibraltar
54-4	United States, South Vietnam	North Vietnam	1954–74	1) Impede military effectiveness of North Vietnam 2) Retribution for aggression in South Vietnam
			1975–98	1) Account for MIAs 2) Withdraw from Cambodia 3) Improve human rights
56-1	United States	Israel	1956–83 (Intermittent episodes)	1) Withdraw from Sinai 2) Implement UN Resolution 242 3) Push Palestinian autonomy talks

(table continues next page)

Table 1A.1 Chronological summary of economic sanctions for foreign policy goals, 1914–2000 *(continued)*

Case no.	Principal sender	Target country	Active years	Goals of sender country
56-2	United States, United Kingdom, France	Egypt	1956	1) Ensure free passage through Suez canal 2) Compensate for nationalization
56-3	United States	United Kingdom	1956	Withdraw troops from Suez
56-4	United States	Laos	1956–62	1) Destabilize Prince Souvanna Phouma government 2) Destabilize General Phoumi government 3) Prevent communist takeover
57-1	Indonesia	Netherlands	1957–62	Control of West Irian
57-2	France	Tunisia	1957–63	Halt support for Algerian rebels
58-1	USSR	Finland	1958–59	Adopt pro-USSR policies
60-1	United States	Dominican Republic	1960–62	1) Cease subversion in Venezuela 2) Destabilize Trujillo government
60-2	USSR	China	1960–70	1) Retaliate for break with Soviet policy 2) Impair Chinese economic and military potential
60-3	United States	Cuba	1960–	1) Settle expropriation claims 2) Destabilize Castro government 3) Discourage Cuba from foreign military adventures
61-1	United States	Ceylon	1961–65	Settle expropriation claims
61-2	USSR	Albania	1961–65	1) Retaliation for alliance with China 2) Destabilize Hoxha government
61-3	United States, Western allies	German Democratic Republic	1961–62	Berlin Wall

62-1	United States	Brazil	1962–64	1) Settle expropriation claims 2) Destabilize Goulart government
62-2	United Nations	South Africa	1962–94	1) End apartheid 2) Grant independence to Namibia
62-3	USSR	Romania	1962–63	Limit economic independence
63-1	United States	United Arab Republic	1963–65	Cease military activity in Yemen and Congo
63-2	Indonesia	Malaysia	1963–66	Promote "Crush Malaysia" campaign
63-3	United States	Indonesia	1963–66	1) Cease "Crush Malaysia" campaign 2) Destabilize Sukarno government
63-4	United States	South Vietnam	1963	1) Ease repression 2) Remove Nhu 3) Destabilize Diem
63-5	United Nations, Organization of African Unity (OAU)	Portugal	1963–74	Free African colonies
64-1	France	Tunisia	1964–66	Settle expropriation claims
65-1	United States	Chile	1965–66	Roll back copper price increase
65-2	United States	India	1965–67	Alter policy to favor agriculture
65-3	United Nations, United Kingdom	Rhodesia	1965–79	Majority rule by black Africans
67-1	Nigeria	Biafra	1967–70	End civil war
68-1	United States	Peru	1968	Forgo aircraft purchases from France
68-2	United States	Peru	1968–74	Settle expropriation claims
70-1	United States	Chile	1970–73	1) Settle expropriations claims 2) Destabilize Allende government
71-1	United States	India, Pakistan	1971	Cease fighting in East Pakistan (Bangladesh)
71-2	United Kingdom	Malta	1971	Reinstitute defense agreement

(table continues next page)

Table 1A.1 Chronological summary of economic sanctions for foreign policy goals, 1914–2000 *(continued)*

Case no.	Principal sender	Target country	Active years	Goals of sender country
72-1	United States, United Kingdom	Uganda	1972–79	1) Retaliation for expelling Asians 2) Improve human rights 3) Destabilize Amin government
73-1	Arab League	United States, Netherlands	1973–74	1) Retaliation for support for Israel in October war 2) Restore pre-1967 Israeli borders
73-2	United States	South Korea	1973–77	Improve human rights
74-1	United States	Turkey	1974–78	Withdraw Turkish troops from Cyprus
74-2	Canada	India	1974–76	1) Deter further nuclear explosions 2) Apply stricter nuclear safeguards
74-3	Canada	Pakistan	1974–76	1) Apply stricter safeguards to nuclear power plants 2) Forgo nuclear reprocessing
75-1	United States, Canada	South Korea	1975–76	Forgo nuclear reprocessing
75-2	United States	USSR	1975–94	Liberalize Jewish emigration
75-3	United States	South Africa	1975–82	1) Adhere to nuclear safeguards 2) Avert explosion of nuclear device
75-4	United States	Kampuchea	1975–79	1) Improve human rights 2) Deter Vietnamese expansionism
75-5	United States	Chile	1975–90	1) Improve human rights and resolve Letelier case 2) Restore democracy
76-1	United States	Uruguay	1976–81	Improve human rights

76-2	United States	Taiwan	1976–77	Forgo nuclear reprocessing
76-3	United States	Arab League	1976–	Antiboycott restrictions on US firms
77-1	United States	Paraguay	1977–81	Improve human rights
77-2	United States	Guatemala	1977–2005	Improve human rights
77-3	United States	Argentina	1977–83	Improve human rights
77-4	Canada	Japan, European Community	1977–78	Strengthen nuclear safeguards
77-5	United States	Nicaragua	1977–79	1) Destabilize Somoza government 2) Improve human rights
77-6	United States	El Salvador	1977–81	Improve human rights
77-7	United States	Brazil	1977–84	Improve human rights
77-8	United States	Ethiopia	1977–92	1) Settle expropriations claims 2) Improve human rights
78-1	China	Albania	1978–83	Retaliation for anti-Chinese rhetoric
78-2	United States	Brazil	1978–81	Adhere to nuclear safeguards
78-3	United States	Argentina	1978–82	Adhere to nuclear safeguards
78-4	United States	India	1978–82	Adhere to nuclear safeguards
78-5	United States	USSR	1978–80	Liberalize treatment of dissidents—e.g., Shcharansky
78-6	Arab League	Egypt	1978–83	Withdraw from Camp David process
78-7	China	Vietnam	1978–88	Withdraw troops from Kampuchea
78-8	United States	Libya	1978–2004	1) Terminate support of international terrorism 2) Destabilize Gadhafi government 3) Stop pursuit of chemical, nuclear weapons

(table continues next page)

Table 1A.1 Chronological summary of economic sanctions for foreign policy goals, 1914–2000 *(continued)*

Case no.	Principal sender	Target country	Active years	Goals of sender country
79-1	United States	Iran	1979–81	1) Release hostages 2) Settle expropriation claims
79-2	United States	Pakistan	1979–2001	Adhere to nuclear safeguards; stop pursuit of nuclear weapons
79-3	Arab League	Canada	1979	Deter planned move of embassy in Israel from Tel Aviv to Jerusalem
79-4	United States	Bolivia	1979–82	1) Improve human rights 2) Deter drug trafficking
80-1	United States	USSR	1980–81	1) Withdraw Soviet troops from Afghanistan 2) Impair Soviet military potential
80-2	United States	Iraq	1980–2003	1) Terminate support of international terrorism 2) Renounce weapons of mass destruction
81-1	United States	Nicaragua	1981–90	1) End support for El Salvador rebels 2) Destabilize Sandinista government
81-2	United States	Poland	1981–87	1) Lift martial law 2) Free dissidents 3) Resume talks with Solidarity
81-3	United States	USSR	1981–82	1) Lift martial law in Poland 2) Cancel USSR-Europe pipeline project 3) Impair Soviet economic and military potential
81-4	European Community	Turkey	1981–86	Restore democracy

82-1	United Kingdom	Argentina	1982	Withdraw troops from Falklands Islands
82-2	Netherlands	Suriname	1982–91	1) Improve human rights 2) Limit alliance with Cuba and Libya 3) Reverse coup
82-3	South Africa	Lesotho	1982–86	1) Return refugees suspected of anti-state activities 2) Destabilize Chief Jonathan
83-1	Australia	France	1983–86, 1995–96	Stop nuclear testing in South Pacific
83-2	United States	USSR	1983	Retaliation for downing of Korean airliner
83-3	United States	Zimbabwe	1983–88	1) Temper opposition in United Nations to US foreign policy 2) Resume food shipments to Matabeleland 3) Apologize for anti-US rhetoric
83-4	United States, Organization of Eastern Caribbean States	Grenada	1983	Destabilize Bishop-Austin regime
83-5	United States	Romania	1983–89, 1990–93	1) Improve human rights 2) Ease restrictions on emigration 3) Establish democracy, elections
84-1	United States	Iran	1984–	1) Terminate support for international terrorism 2) End war with Iraq 3) Renounce weapons of mass destruction
84-2	United States	Lebanon	1984–97	1) Reaction to hostage taking by militias 2) Disarm Hezbollah
85-1	United States, British Commonwealth	South Africa	1985–91	End apartheid

(table continues next page)

Table 1A.1 **Chronological summary of economic sanctions for foreign policy goals, 1914–2000** *(continued)*

Case no.	Principal sender	Target country	Active years	Goals of sender country
86-1	United States	Syria	1986–	Terminate support for international terrorism
86-2	United States	Angola	1986–92	1) Expel Cuban troops 2) Opposition to Marxist government
86-3	Greece	Turkey	1986–99	1) Renounce claims to Aegean Island 2) Withdraw troops from Cyprus 3) Improve human rights
86-4	France	New Zealand	1986	Repatriation of French agents
87-1	United States	Panama	1987–90	Destabilize Noriega
87-2	United States	Haiti	1987–90	1) Improve human rights 2) Restore democracy 3) Stop drug smuggling
87-3	United States	El Salvador	1987–88	Reverse amnesty decision
87-4	India, Australia, New Zealand	Fiji	1987–2001	1) Restore democracy 2) Modify constitution to protect minority rights
88-1	United States, European Union, Japan	Burma	1988–	1) Improve human rights 2) Restore democracy
88-2	United States, United Kingdom, United Nations	Somalia	1988–	1) Improve human rights 2) End civil war
89-1	India	Nepal	1989–90	Reduce ties with China
89-2	United States	China	1989–	1) Retaliation for Tiananmen Square 2) Improve human rights

89-3	United States	Sudan	1989–	1) Improve human rights 2) End civil war 3) Restore democracy
89-4	Turkey, Azerbaijan	Armenia	1989–	Withdraw from Nagorno-Karabakh
90-1	United States, United Nations	Iraq	1990–91	1) Withdraw from Kuwait 2) Release hostages
			1991–2003	1) Renounce weapons of mass destruction 2) Destabilize Hussein government (US goal only)
90-2	United States	El Salvador	1990–93	1) Improve human rights 2) End civil war
90-3	United States, Western donors	Kenya	1990–93	1) End political repression 2) Establish democracy
90-4	United States, Belgium, France	Zaire	1990–97	Establish democracy
90-5	USSR	Lithuania	1990	Revoke independence declaration
90-6	United States, Saudi Arabia	Jordan, Yemen et al.	1990–97	Enforce UN embargo vs. Iraq
91-1	United Nations, United States, European Community	Yugoslavia	1991–2001	End civil war in Bosnia, Croatia
91-2	United States	China	1991–	Stop weapons proliferation
91-3	United States	Thailand	1991–92	Restore constitutional regime
91-4	United States, Netherlands	Indonesia	1991–97	1) Improve human rights 2) End conflict, human rights violations in East Timor
			1999–2002	Independence for East Timor
91-5	United States, United Nations, OAS	Haiti	1991–94	Restore democracy
91-6	United States, European Community	USSR	1991	Block coup, restore Gorbachev government

(table continues next page)

Table 1A.1 Chronological summary of economic sanctions for foreign policy goals, 1914–2000 *(continued)*

Case no.	Principal sender	Target country	Active years	Goals of sender country
91-7	USSR/Russia	Turkmenistan	1991–95	Increase rights of Russian minority
91-8	United States	Peru	1991–95	1) Improve human rights 2) Promote democracy
92-1	Economic Community of West African States, United Nations	Liberia	1992–98 2000–06	End civil war End support for the Revolutionary United Front in Sierra Leone
92-2	EC/EU, France, Germany	Togo	1992–	1) Establish democracy 2) Improve human rights
92-3	United States, United Kingdom	Malawi	1992–93	1) Establish democracy 2) Improve human rights
92-4	European Union, Spain	Equatorial Guinea	1992–2000	1) Establish democracy 2) Improve human rights
92-5	European Union	Algeria	1992–94	Promote democracy
92-6	United States	Cameroon	1992–98	1) Establish democracy 2) Improve human rights
92-7	United States	Azerbaijan	1992–2002	End Armenia embargo
92-8	United Nations, United States, Germany	Cambodia, Khmer Rouge	1992–	1) Ban Khmer Rouge 2) Establish democracy
92-9	USSR/Russia	Estonia	1992–99	Increase rights of Russian minority
92-10	China	France	1992–94	Cancel arms sales to Taiwan
92-11	United States	Nicaragua	1992–95	1) Strengthen civil control over military 2) Settle expropriation claims
92-12	United Nations	Libya	1992–2003	Extradite Pan Am suspects

92-13	USSR/Russia	Latvia	1992–98	Increase rights of Russian minority
93-1	United States, United Nations	North Korea	1993–94, 2002–	Renounce nuclear weapons
93-2	United States, European Union	Guatemala	1993	Reverse coup
93-3	United Nations	Angola, UNITA	1993–2002	1) End civil war 2) Promote democracy
93-4	United States, European Union	Nigeria	1993–98	1) Improve human rights 2) Establish democracy 3) Stop drug trafficking
93-5	United States	Sudan	1993–	End support for international terrorism
93-6	USSR/Russia	Ukraine	1993–97	1) Recognize Russian control over Black Sea fleet 2) Relinquish nuclear weapons
93-7	USSR/Russia	Kazakhstan	1993–96	1) Secure nuclear weapons and military basing rights 2) Autonomy for ethnic Russians 3) Rights regarding Kazakh energy resources
94-1	Greece	Macedonia	1994–95	Change name of nation
94-2	Greece	Albania	1994–95	Release jailed ethnic Greek leaders
94-3	United Nations, United States	Rwanda	1994–95	Stop civil war
94-4	United States, European Union, Japan	The Gambia	1994–98	Restore democracy
95-1	United States	Peru, Ecuador	1995–98	End border conflict
95-2	European Union	Turkey	1995	Improve human rights
96-1	East African members of OAU	Burundi	1996–99	Restore democracy

(table continues next page)

Table 1A.1 Chronological summary of economic sanctions for foreign policy goals, 1914–2000 *(continued)*

Case no.	Principal sender	Target country	Active years	Goals of sender country
96-2	United States, European Union	Niger	1996–2000	Restore democracy
96-3	United States, Western donors	Zambia	1996–98	1) Improve human rights 2) Constitutional reform
96-4	United States	Colombia	1996–98	1) Stop drug trafficking 2) Improve human rights
96-5	United States, Mercosur	Paraguay	1996	Deter coup attempt
97-1	United Nations, Economic Community of West African States	Sierra Leone	1997–2003	Stop civil war
98-1	United States	India	1998–2001	1) Retaliate for nuclear test 2) Constrain nuclear program
98-2	United States, European Union	Yugoslavia, Serbia	1998–2001	1) Stop aggression in Kosovo 2) Destabilize Milosevic
98-3	Turkey	Italy	1998–99	Extradite leader of the Kurdish Workers' Party (PKK)
99-1	United States, United Nations	Afghanistan	1999–2002	Extradite Osama bin Laden
99-2	United States, European Union, France	Ivory Coast	1999–2002	Restore democracy
99-3	United States, Japan	Pakistan	1999–2001	Restore democracy
00-1	United States	Ecuador	2000	Prevent coup attempt

S-1	United States	Countries supporting international terrorism	1972–	Overview
S-2	United States	Countries violating human rights	1973–	Overview
S-3	United States and Canada	Countries pursuing nuclear weapons option	1974–	Overview
S-4	United States	Drug-producing countries	1988–	Overview
97-2[a]	New York, California	Swiss banks	1997–98	Restitution of dormant bank accounts and other assets of Holocaust victims

ChinCom = China Committee
CoCom = Coordinating Committee for Multilateral Export Controls
Comecon = Council for Mutual Economic Assistance
EC/EU = European Community/European Union
Mercosur = Mercado Común del Sur (Southern Common Market)
UNITA = National Union for the Total Independence of Angola

a. Case 97-2: New York, California v. Swiss Banks was not included in our statistical analysis since neither the sender nor the target is a federal government. Likewise, this case is not included in the tabulations in the following chapters. However, for the interest of readers, the case is included on a companion CD-ROM.

Note: This table summarizes 174 cases that were used in our statistical analysis, plus four summary cases (S-1, S-2, S-3, and S-4) and one state/local level case (Case 97-2). All these cases, plus the post-2000 episodes listed in table 1A.2, are included on a companion CD-ROM. However, the summaries (S-1, S-2, S-3, and S-4), Case 97-2, and the 13 post-2000 episodes are not included in the statistical analysis in appendix A or tabulations in subsequent chapters.

Table 1A.2 Post-2000 sanctions episodes

Sender country	Target country	Years	Background and objectives	Resolution
European Union, United States	Haiti	2001–05	The European Union suspended government-to-government economic assistance to Haiti in January 2001 after the opposition party boycotted Haiti's November 2000 elections. The United States blocked $500 million in international loans. Rebels took control of much of the country in February 2004, and President Jean-Bertrand Aristide went into exile. US and UN peacekeeping troops intervened to quell the ensuing violence.	In July 2004 the United States resumed aid to support the Haitian people through the Interim Cooperation Framework. The European Union lifted its sanctions in September 2005 after the interim government made efforts to improve the human rights situation. Haiti conducted a successful presidential election in February 2006.
United States	ICC signatories	2002–	Certain forms of economic assistance are prohibited to signatories that do not sign Article 98 agreements exempting US personnel from prosecution in the International Criminal Court (ICC). The assistance that is supposed to be denied potentially affects a number of countries. For example, 12 US allies in the war on terror may lose around $327 million in fiscal year 2006.	
European Union, United States	Zimbabwe	2002–	In February 2002 the European Union imposed an embargo on arms sales, on military assistance, and on the supply of equipment capable of being used for internal repression, as well as a travel ban and an asset freeze affecting President Robert Mugabe and	

			his top 19 officials. The measures were triggered by Mugabe's repression of the political opposition and refusal to accept EU election observers. Five days later, the United States barred Mugabe and senior members of his government and their families from entering the United States. In July 2002 the European Union extended its measures to include 52 more government officials. In March 2003 US President George W. Bush issued an executive order barring financial transactions with Mugabe and 76 other Zimbabwean officials. In March 2004 the United States blacklisted seven companies with ties to the Mugabe regime.	
United States	Guinea Bissau	2003–04	The United States imposed sanctions in response to a coup in September 2003.	The United States lifted sanctions after generally free and fair legislative elections were held in 2004.
African Union, European Union, United States	Central African Republic	2003–05	The European Union opened consultations with the Central African Republic (CAR) in June 2003, in the aftermath of the military coup of 15 March 2003. In December 2003 the European Union partially restricted cooperation with and aid to the CAR. The sanctions applied to road building projects and macroeconomic aid under the 9th European Development Fund. Restoration of aid was contingent upon a return to democracy and the rule of law.	The European Union lifted sanctions on 1 July 2005 after the CAR held presidential and legislative elections in March and May of 2005, respectively, which were recognized as generally free and fair by the African Union, the European Union, and the United States.

(table continues next page)

Table 1A.2 Post-2000 sanctions episodes *(continued)*

Sender country	Target country	Years	Background and objectives	Resolution
France, United Nations	Ivory Coast	2004–	In November 2004 the government broke an 18-month cease fire by attacking rebels controlling the northern half of the country and a French military camp. France retaliated by destroying most of the government's military aircraft, and the United Nations Security Council unanimously imposed an arms embargo upon the nation. Some 10,000 UN and French troops were dispatched to Ivory Coast, but they were not expected to be effective in monitoring the embargo. In February 2006, a UN Security Council panel imposed a 12-month travel ban and asset freeze on three Côte d'Ivoire politicians viewed as obstacles to peace.	
United Nations	Democratic Republic of the Congo	2003–	In 2003 the United Nations imposed an arms embargo on the Democratic Republic of the Congo (DRC) and expanded the peacekeeping force in the DRC in response to tribal fighting in the northeast. Later, the UN Security Council passed resolution 1596, which extended the arms embargo and imposed a travel ban and asset freeze on violators. The UN sanctions regime has been kept in place due to continuous arms smuggling.	
European Union	Guinea	2005–	In April 2005 the European Union reduced its disbursement of aid to Guinea through the 9th European Development Fund (2002–07) by 65 million euros. The European Union expressed concern about	

			the integrity of elections and political processes in Guinea and continued to fund programs designed to strengthen civil society and political transparency.
European Union, Switzerland, United States	Uzbekistan	2005–	In October 2005 the European Union banned arms sales to Uzbekistan and travel to the European Union by Uzbek officials in response to that country's refusal to allow an international investigation into the government's crackdown on a protest in May 2005. The crackdown was reported to have killed hundreds of unarmed people. Switzerland adopted a policy emulating the EU restrictions in January 2006. The United States blocked a payment of $23 million for two years' usage of an Uzbek air base to which it was subsequently denied access.
European Union, United States	Belarus	2006–	Both the European Union and the United States dismissed as fraudulent a March 2006 presidential election that was easily won by Alexander Lukashenko, who has been head of state since 1994. Each took steps to impose travel restrictions and asset freezes upon Lukashenko and officials who collaborated in electoral manipulation.
European Union, Israel, United States	Hamas-led Palestinian Authority	2006–	The United States and the European Union imposed financial sanctions upon the Palestinian government after a surprise electoral victory in January 2006 by Hamas, which the US government considers a terrorist organization. The senders demanded that Hamas renounce violence, recognize Israel, and abide by past

(table continues next page)

Table 1A.2 Post-2000 sanctions episodes *(continued)*

Sender country	Target country	Years	Background and objectives	Resolution
			commitments made by the Palestinian Authority. To further these goals, the United States and the European Union stopped their aid flows and the United States pressured banks in neighboring countries to freeze transfers to the Palestinian Authority.	
Russia	Georgia	2006–	In April 2006 Russia announced an import ban on Georgia's key agricultural exports due to hostile rhetoric toward Russia. In response, Georgia arrested four Russian servicemen and announced it would block Russia's World Trade Organization accession until sanctions were lifted. Russia halted all transport to and from Georgia, deported more than 1,000 illegal immigrants, and increased the price of oil exported to Georgia. Bilateral talks have been held; more are scheduled.	
Australia, European Union, New Zealand, United States	Fiji	2006–	In response to a military attempt to overthrow the elected government in Fiji, the United States denied $3 million aid to Fiji; Australia and New Zealand suspended their military ties with Fiji, imposed travel sanctions and suspended aid. The European Union announced its intention to suspend assistance. Power was then returned to President Ratu Josefa Iloilo, who in turn appointed coup leader Commodore Frank Bainmarama as prime minister. Australia and New Zealand withdrew only their trade sanctions and the European Union warned Fiji of the potential suspension of aid.	

Note: These 13 sanctions episodes are not included in our statistical analysis but are included on a companion CD-ROM.

Table 1A.3 Selected pre–World War I episodes of economic sanctions for foreign policy goals

Sender country	Target country	Active years	Background and objectives	Resolution	Source
Athena	Megara	Circa 432 BC	Pericles issued the Megarian decree limiting entry of Megara's products into Athenian markets in retaliation for Megara's attempted expropriation of territory and the kidnapping of three women.	The decree contributed to the Peloponnesian War between Athens and Sparta.	de Ste. Croix (1972, 252–60); Fornara (1975, 222–26)
American colonies	Britain	1765	England passed the Stamp Act as a revenue measure; colonies boycotted English goods.	Britain repealed the Stamp Act in 1766.	Renwick (1981, 5)
	Britain	1767–70	England passed Townshend Acts to cover salaries of judges and officials; colonies boycotted English goods.	Britain repealed the Townshend Acts except on tea; the tea tax gave pretext for the Boston Tea Party of 1774 and calling of the Continental Congress.	Renwick (1981, 5)
Britain and France	France and Britain	Napoleonic Wars: 1793–1815	British goal: Contain French expansion and defeat Napoleon. French goal: Deprive Britain of grain through the Continental System and defeat England.	"The experience of economic warfare during this period is inconclusive as to its possible effects when applied with more systematic organization." One result of sanctions was French development of sugar beet cultivation, anticipating development of substitutes in later war.	Jack (1941, 1–42)

(table continues next page)

Table 1A.3 Selected pre–World War I episodes of economic sanctions for foreign policy goals *(continued)*

Sender country	Target country	Active years	Background and objectives	Resolution	Source
United States	Britain	1812–14	United States embargoed British goods in response to British Naval Acts limiting US trade with France. The total embargo, which evolved out of the Non-Intercourse Acts of 1809, followed an ineffective embargo imposed from 1807 to 1809.	The acts were revoked, but the United States, not knowing of the revocation, declared war two days later. The War of 1812 ensued.	Knorr (1977, 101–102)
Britain and France	Russia	Crimean War: 1853–56	Britain and France blockaded the mouth of the Danube River so the Russian army could not receive supplies by sea.	Russia was defeated and the partition of Turkey prevented.	Oppenheim (1921, 514)
US North	Confederate states	Civil War: 1861–65	"In seapower, railroads, material wealth and industrial capacity to produce iron and munitions, the North was vastly superior to the South. This disparity became even more pronounced as the ever tightening blockade gradually cut off the Confederacy from foreign imports." (Matloff 1969)	The South lost. "Attrition and blockade had scuttled the Confederate capacity. . . ." (Leckie 1968)	Leckie (1968, 513); Matloff (1969, 192)
France	Germany	Franco-Prussian War: 1870–71	France declared war on Germany to prevent emergence of a unified German state. France blockaded the German coast and even blockaded three of its own ports that had been occupied by the Germans.	The German army prevailed despite supply problems.	Oppenheim (1921, 515)

France	China	Indochina War: 1883–85	At war with China over the Vietnamese territory of Annam, France declared rice to be contraband because of its importance to the Chinese population.	China ceded to France control over the Annamese territory.	Oppenheim (1921, 554)
United States	Spain	Spanish-American War: 1898	Matloff (1969): "To the extent the United States had a strategy for the conduct of the war against Spain in the Caribbean, it consisted of maintaining a naval blockade of Cuba while native insurgent forces carried on a harassing campaign against Spanish troops on the island." A companion blockade of the Philippines was intended to deny Spain revenues from that colony.	The United States obtained independence for Cuba and, after occupying the Philippines and Puerto Rico, forced Spain to cede those territories and Guam to the United States for $20 million.	Matloff (1969, 324–26); Leckie (1968, 566)
Britain	Dutch South Africa	Boer War: 1899–1902	The British denied articles of contraband to the Boers.	The Boers were eventually overwhelmed and South Africa was added to the British Empire.	Jack (1941, 73)
Russia	Japan	Russo-Japanese War: 1904–05	Russia declared rice, all types of fuel, and cotton as contraband.	Following military defeat, Russia ceded portions of its own territory to Japan and recognized Korea as within Japan's sphere of influence.	Oppenheim (1921, 454)
Italy	Turkey	1911–12	Italy used a limited blockade as part of its campaign to acquire Libya.	Italy acquired Libya from the Ottoman Empire.	Dupuy and Dupuy (1970, 926)