



## *The role of economic sanctions in the management of international conflict interactions*

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### *Abstract*

The concept of economic sanctions has received special attention from researchers and has topped the research agenda in the field of international relations, Based on its importance as a tool commonly used by the entities of the international community to change the political and diplomatic positions of countries that violate international norms and laws.

Hence, this study will examine the approaches to economic sanctions, in terms of their position within the field of international relations and success factors of effective economic sanctions, and a study of some models from the international community.

This study concludes that the use of economic sanctions in managing international conflict interactions is an alternative to military solutions, but the success of economic sanctions depends on the availability of a set of factors.

✓ Economic sanctions; Conflict; International Relations; Deterrence.

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## 1. INTRODUCTION

The range of issues to which policymakers can reasonably propose a military responses has shrunk in the last decades due to the development of weapons of mass destruction, sanctions remain a popular and flexible option, used in a wide range of policy areas.

Economic sanctions have a long and mixed record. While we have seen an increase in the use of sanctions over the years, their ability to achieve the stated objectives has been varied. Notwithstanding the inconclusive findings, the bulk of research to date has focused on the impact of sanctions on countries. Yet, the direct economic consequences of sanctions are felt, first on states that, theoretically, are expected to put pressure on countries and their leadership to change behaviour.

For a long time, economic sanctions have served as a prominent and “purposive tool” of coercive statecraft. They have been imposed unilaterally or coalitionally and, especially in the post-Cold War era, with increasing frequency. Prior to WW II, economics sanctions were inextricably linked to military endeavors, mostly taking the form of trade sanctions and economic blockades under the protective umbrella of the sanctioning states’ naval forces. In more recent times, though, the arsenal of weaponry in economic sanctions has been enriched to include boycotts, restrictions on trade in arms, financial sanctions, travel bans, and the withholding of military assistance, among others.

As such, the motivation and policy aims of economic sanctions are considered to be primarily political.

However, the application of economic sanctions in international relations is extremely difficult, and therefore its success cannot be generalized in all cases. In a very open world, economic sanctions are no longer effective in correcting the behavior of rogue states.

In this context, this research article attempts to answer the following problem: To what extent do economic sanctions contribute as a deterrent in managing drug interactions?

## **2. The definition of sanctions**

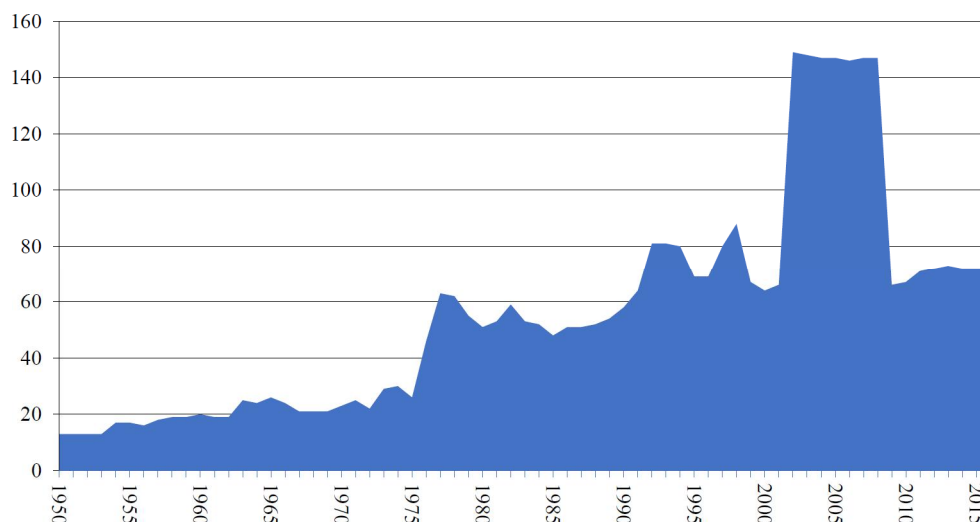
The TIES dataset defines economic sanctions as “actions that one or more countries take to limit or end their economic relations with a target country in an effort to persuade that country to change its policies (Morgan, Bapat, and Kobayashi 2014, 542–43). Drezner defines economic sanctions “as the threat or act by a nation-state or coalition of nation-states, called the sender, to disrupt economic exchange with another nation-state, called the target, unless the targeted country acquiesces to an articulated political demand (Drezner 1999, 1).

Economic sanctions are a form of political coercion ruled by similar dynamics as war but are commonly viewed as a more reasonable alternative to, or companion strategy for, the use of military force. By design, sanctions punish through the manipulation of economic welfare they are “measures in which one country (the initiator) publicly suspends a major portion of its trade with another country (the target) to attain political objectives,” such as compliance, subversion, deterrence, punishment, and symbolism.(Emilie M. Hafner-Burton, Alexander H. Montgomery.2008; p 215). More specifically, though, sanctions have been interpreted as actions (or threats) undertaken by sanctioning states or international organizations (the senders) to punish, constrain or, more generally,to influence the behavior of sanctioned states, private entities and/or powerful elites (the targets).

The GSDB defines sanctions as binding restrictive measures applied by individual nations, country groups, the United Nations (UN), and other international organizations, to address different types of violations of international norms by inducing target countries to change their behavior or to constrain their actions.

Sanctions are classified in the GSDB across three broad dimensions including: (i) sanction type, (ii) sanction objectives, and (iii) sanction success. (Felbermayr et al. 2020. p p 07-08.)

Figure 1: (Yearly number of countries confronted with sanctions )



Source: Felbermayr et al., 2020. The Global Sanctions Database. GSDB

Its illustrates the number of countries confronted with sanctions during the 1950-2016 period. First, we observe a steady increase in the number of sanctions. A couple of explanations could explain this trend. (i) The popularity of sanctions might have increased because the deepening of integration in the world economy together with the US's and the EU's recent (and relatively costly, in terms of economic, human and political resources) experiences in Iraq and Afghanistan may have induced policymakers into viewing sanctions as more effective tools (as compared to, for example, military interventions) in foreign affairs. (ii) In principle, sanctions are not subject to the rules of the World Trade Organization (WTO), which have governed the evolution of most trade policies during the period of investigation. (Ibid, p08 ).

Hufbauer et al. systematize sanctions into five categories depending on its objective: “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" (Hufbauer et al. 2007, 65).

### **3- Types of Sanctions:**

Economic Sanctions include commercial Sanctions (i.e. restrictions on imports or exports to the target State), Investment sanctions (i.e. restrictions imposed on the flow of capital to the target State) and so-called Sanctions smart, which includes the freezing of assets owned by members of the governing elite of the target State abroad, or the prohibition of travel by officials (Kaempfer and Lowenberg, 2007).

There are three types of economic sanctions: trade, investment or financial ones, and so-called targeted sanctions or "smart" sanctions (transportation and communications restrictions). Types of economic sanctions and means of reflecting and encouraging co-operation between countries are shown in Table 1.( Anton. 2029.p 72.)

#### **A- The trade Sanctions**

In the GSDB, trade sanctions are broadly defined as limitations of trade flows. The GSDB distinguishes between several types of trade sanctions depending on coverage, direction and participating countries. First, some trade sanctions specifically ban imports and/or exports while others could limit trade in both directions. Accordingly, depending on the direction of the restriction on trade flows, the GSDB distinguishes between sanctions on exports from the sender to the target (export sanctions), sanctions on imports from the target to the sender (import sanctions), and sanctions that simultaneously apply to both the exports and the imports between the two sides (unilateral trade sanctions). Second, trade sanctions may apply only to specific goods (partial trade sanctions) or to exports and/or imports as a whole (complete trade sanctions).( Drex, Gzbriel. 2021.p06).

**B- Sanctions on Financial Transactions**

As money moves globally, restrictions on bank transfers and other cross-border financial services are a strong form of economic sanctions. At an extreme, residents of the target country may find that they cannot use credit cards on the Visa and MasterCard networks, exchange their cash for currency in another country, or have access to their bank accounts. (Ann. July 2020).

**C- smart sanctions :**

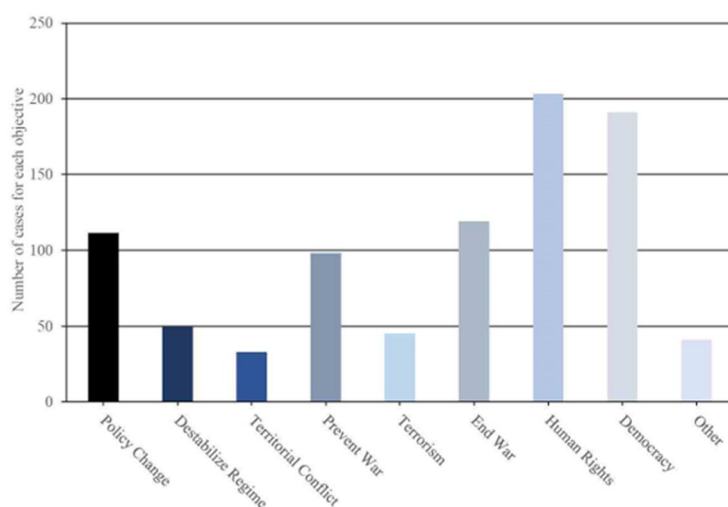
The smart sanction seem to be a good idea. They are aimed at the undesired activities of the government, but do not punish the innocent population at the same time/ Unfortunately, smart sanctions are unlikely to work in this way, and they are unable to drive a wedge between the government and the population in the target country. The reason is that partial economic sanction open up many opportunities for substitution. Consider medical supplies. If these are shipped to the target country, they can always be seized by the government; sold on the international market, and the foreign exchange received used to buy military weapons. Even if these are such resale could be prevented, smart sanctions would still not work, because the government of the target country can resort to internal substitution. In many cases the target country has imported some medical supplies before the smart sanctions. If this is the case, the government can now substitute them for the imports allowed under the smart sanctions. The foreign exchange saved can then be used to import goods useful for military and police purposes. (Bruno. 2020. P40).

Table 1 ( Types of economic sanctions)

Positive sanctions	Negative sanction
Existing or promised gains	Existing or threatening penalties
<u>Trade sanctions:</u> – Tariff reduction – Tariff elimination	– Partial embargo – Absolute embargo
<u>Investment or financial sanctions:</u> – Financial or investment assistance from various institutions such as the IMF, the WB or from countries	– Reduction of capital flows ( <i>lending reduction or suspension</i> ) – Forced disinvestment – Reduction in international payments – Assets freezing
<u>Targeted sanctions:</u> – Humanitarian aid	Transport and communications ban – Travel ban – technology transfer ban, IPR transfer ban

#### 4- The objectives of sanctions

In the public debate, sanctions are most often perceived as a means to induce a change in a sanctioned country's policy regime. However, a closer look into the official documents suggests that sanctions have a broader range of policy objectives. The GSDB identifies nine possible policy objectives.



Source: GSDB

This figure depicts the number of observed policy objectives declared in all sanctions listed in the GSDB. For each sanction up to three objectives are documented. Because some sanction cases, especially in recent years, include more than one policy goal, the total number of observed objectives is larger than the corresponding number of sanction cases in the GSDB.

Figure 3 depicts the distribution of sanction objectives across all sanction cases in the GSDB between 1950 and 2016. By a wide margin, the policy objective stated most often relates to human rights issues, followed by objectives related to democracy. The second most popular group of objectives states policy change, preventing wars, and ending wars. Regime destabilisation, territorial conflict-related issues, and other policy goals are observed less frequently.

In the early period of our sample, the objectives of policy change and regime destabilisation dominate. The pattern changes dramatically after the mid-1990s, when sanctions predominantly aim at improving human rights, ending wars, and solving territorial conflicts. In recent years, democracy related policy objectives have regained some relevance, but they have not reached the levels of the 80s and 90s.(Yoto . Aug 2020).

## **5- Success of sanctions**

International experience suggests that the success rate of economic sanctions is between %5 and %6 (Hufbauer et al., 2009; Taylor, 2014).

There are several factors or determinants affecting the success of economic sanctions, and sanctions-imposing States should know these factors to maximize the benefit of sanctions. The most important factors are:

### **A- Domestic Actors' Response to Economic Sanctions:**

The public choice perspective on economic sanctions focuses on the role played by pressure groups within the sender and the target states. They argue that the most effective sanctions are characterized by income losses on the part of target states' groups benefiting from their governments' policy. This implies that a shift in the position of pressure groups in support of sender state government policy objectives leads to more effective sanctions, given the preference shift which domestic groups



undergo within the target. points out that the most successful sanctions are those that focus upon the core groups within the target state that the target government relies on for political and economic support. Therefore, if these groups do not support their own dictator or government in the target, they are more likely to shift interests in favor of the state government contingent upon their economic benefits. suggest that sanctions are more effective in targeting monarchs and personalist regimes because they incur greater losses to the specific types of revenue that would be used to fund their patrons and supporters at home. This logic implies that if the monarchs and personalist regimes garner sufficient economic and political support from pressure groups within their polities, hey will not concede to the goals of an imposed sanction because they would maintain resources sufficient to to sustain their de-incentivized objectives ( Mehmet Onder, 27 December 2019, p04).

Suggests that for sanctions to be effective in autocratic targets, an international coalition needs to exert political costs on the ruling regime of the target. While domestic antigovernment activity increases with the initiation of sanctions, domestic political structures subsume their effects, mitigating their influence on changing the policy of the regime. In an earlier analysis, (Allen. 2005) discusses that domestic structures influence the success and failure of sanction episodes. Political agreement among domestic decision-makers on the sanction episode within the sender makes them even more likely to be successful. However, when groups within the target state are able to effectively shape public opinion in opposition to the sanction, the sanction becomes less likely to achieve its intended aim. (Onder. 2019).

### **B- The health of the target countries' economy:**

Weak States are the most vulnerable to economic sanctions, states with precarious economic conditions respond quickly to the imposing State's demands for punishment.( Hufbauer et al., 2009) Also the Sanctions substantially affect the target

economy by reducing its GNP level, inducing destabilization of the financial and banking systems ( Peksen and Son 2015). So the link between the economic situation and the political structure is so strong that it forces the regime to submit to international pressure through economic sanctions.

### **C- Agreement of the international community:**

Economic sanctions succeed when implemented after the international community's agreement and Researchers have confirmed the effectiveness of multilateral sanctions. T. C. Morgan, Bapat, & Kobayashi, 2014). But when States take unilateral action against the target State without the agreement of the international community, unilateral sanctions are of no use because the international community continues its relationship with the target State. North Korea's best example (Collins, Gabriel. 2018).

## **4. CONCLUSION**

Economic sanctions have grown in popularity over the past decades. Moreover, in light of the increasingly intense geopolitical competitions, this trend is expected to continue. However, there is a great deal of uncertainty as to whether these sanctions affect international interactions and, in particular, whether they will lead to the intended political changes and an end to international conflicts.

From the foregoing we conclude the following:

- Throughout history, but especially since World War II, economic sanctions have evolved into a powerful instrument in coercive foreign diplomacy Economic and constitute the only available instrument of coercion.
- The degree to which sanctions ‘bite’ depends on a host of factors, including the ability of affected states to mitigate, offset, avoid, or otherwise lessen the impact of sanctions. Extant literature, research indicates sanctions placed a significant economic strain on countries and their financial markets.

- Economic sanctions have become an essential tool of foreign policy, and can be considered as an alternative to military solutions.
- Economic sanctions play a role in preventing conflicts.
- Countries are resorting to economic sanctions to deter rogue states from violating international law and norms.
- These sanctions also provided an opportunity for world leaders to form a new framework for resolving international crises.

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