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The Risk and Uncertainties of Economic Sanctions Against Russian Aggression

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Exercise Solo Flight

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The Risk and Uncertainties of Economic Sanctions Against Russian Aggression

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INTRODUCTION

“Those who think that sanctions will turn Russia and Russians around and end the war know very little about the country, its history and its people.”¹ - Khrebtan-Hörhager and Pyatovskaya -

Russia’s invasion of Ukraine in late February 2022, by most accounts, has shocked the world. The ensuing conflict has sparked anger, frustration and public outcry for world leaders to help the embattled nation repel its aggressor under the autocratic leadership of Vladimir Putin. 141 of the 193 nations of the United Nations General Assembly voted to condemn Russia’s actions,² resulting in a UN resolution which; “demands that the Russian Federation immediately, completely and unconditionally withdraw all of its military forces from the territory of Ukraine within its internationally recognized borders.”³ Not willing to commit military forces for fear of nuclear escalation, the Western nations to include the US, EU and Canada responded with unprecedented and targeted economic sanctions. The sanctions include: Cutting Russian financial institutions from the Swift money transfer system; ceasing oil and gas imports; denying Russian based airlines access to foreign airports; seizing the personal assets and denying foreign access to Oligarchs and key government personnel, including Putin’s two daughters; the list goes on and on.⁴ In addition, many large western based companies have ceased operations within Russia. Thus, cutting the Russian population off of luxury imports and fast food chains such as McDonalds, and Starbucks.⁵ The Western response lead by the US, sees Putin as the primary instigator, and as operating out of alignment from the Russian population. The sanctions are therefore, combined with a media campaign to encourage the Russian populace to pressure their government to abandon their efforts in Ukraine.

There is little doubt in western media that sanctions are having a negative impact on the Russian economy. While a trip to the gas pumps will provide a glaring example of the secondary effects of those same sanctions. A cursory internet search will show hundreds of press releases displaying pictures of Oligarchs with their luxury yachts being seized in foreign ports, and the retaliatory efforts Russia is imposing to

¹ Khrebtan-Hörhager, Julia and Evgeniya Pyatovskaya. "The West Thinks that Russians, Suffering from Sanctions, Will End Up Abandoning Putin – but History Indicates they Won't." *The Conversation U.S.*, Mar 18, 2022.

² United Nations News. “General Assembly resolution demands end to Russian offensive in Ukraine.” <https://news.un.org/en/story/2022/03/1113152>. accessed 22 Apr 22

³ United Nations, “Resolution adopted by the General Assembly on 2 March 2022.”, A/RES/ES-11/1. Pg 3

⁴ BBC News, “What sanctions are being imposed on Russia over Ukraine invasion?”, 11 Apr 22. <https://www.bbc.com/news/world-europe-60125659>. accessed 22 Apr 22.

⁵ Haddon, Heather. "McDonald's, Starbucks to Close Russian Locations; McDonald's has about 850 Locations in Russia; Burger King, KFC-Owner Yum Brands Continue to Operate through Franchises." *Wall Street Journal (Online)*, Mar 08, 2022.

stem the tide. Further to this, mass protests and outcry throughout Russia have taken place and subsequently forcing their government to focus internally.

Looking at these events with Western perceptions through popular media, it is easy to feel as though Russia has little hope in continuing along their current path and gaining any success. The only logical outcome for them is to fold, meet the demands of the western nations and cease the violence in Ukraine. It is a simple cause and effect relationship correct? History however shows us it is not. So, how predictable and/or efficient are sanctions as a foreign policy tool for coercion? How likely are the sanctions levied against Russia to meet their intended aims? These questions form the basis of research for this paper, and the answer to each will be explained in the following pages. The paper posits that there is no glaring evidence pointing towards the current sanctions having any greater chance of success than the dismal performance of those in the past. It further argues that the current sanctions are in fact more likely to create increased suffering than alleviate it.

This conclusion will be explained by first exploring the literature on sanctions in general. Identifying: when sanctions are used; how they have evolved; and what are the known factors that make them successful. A dive into the negative, and potential side effects as a result of sanctions will follow. The information on sanctions will then be compared with what is currently known of the Russia situation. This will enable conclusions to be formulated on potential outcomes. It is prudent at this time to note, although the initial sections relevant to sanctions will be pulled from academic literature. The second portion, on relevance to the current situation, references primarily open source media and news articles. It therefore assumes, that the media reports are relatively accurate based on the information available.

ECONOMIC SANCTIONS

Economic sanctions are by no means a novel form of exercising a nation's foreign policy. The practice dates back centuries, and was even a tool used by ancient Athens against its adversaries.⁶ What is somewhat novel, is that economic sanctions have risen as one of the most common forms of deterrence and coercion by democratic states over the past thirty years.⁷ Economic sanctions enable states to influence others and enforce foreign policy in many cases without expending physical assets or risking costly military conflict.⁸ Since the turn of the century, however, there has been a marked change in how sanctions are imposed. They have evolved from

⁶ Dursun Peksen, *Economic Sanctions and Human Security: The Public Health Effect of Economic Sanctions*, *Foreign Policy Analysis*, Volume 7, Issue 3, July 2011, Pages 237–251., p237

⁷ Peksen, Dursun. "When do Imposed Economic Sanctions Work? A Critical Review of the Sanctions Effectiveness Literature." *Defence and Peace Economics* 30, no. 6 (2019): 635-647., p635.

⁸ Cortright, David and George A. Lopez. "Learning from the Sanctions Decade." *Global Dialogue* 2, no. 3 (Summer, 2000): 11-24., P11.

conventional sanctions; which saw very broad and general impositions of trade embargos between the target state and the sanctioning state or senders; and have taken the form of targeted sanctions, which focus on specific members of the target states leadership, and economic sectors.⁹ Targeted sanctions, as we are seeing in Russia take the form of asset, seizure, travel restrictions, access to finances, and commodities related to the manufacturing of military equipment. The theory behind targeted sanctions is that they enable a sender to put pressure directly onto the states policy makers. This, in theory, will increase efficacy while at the same time reduce the risk of suffering on a target state's general population. The unfortunate humanitarian side effect of conventional sanctions has been well documented and studied. Specifically since the 1990s which have been referred to as "the sanctions decade."¹⁰ Cortright and Lopez in a 2000 article stated; "...it became clear very early in the decade that the sharpened economic bite of sanctions was wreaking havoc on the wellbeing of vulnerable populations within the targeted countries..."¹¹ The idea that targeted sanctions significantly reduce unintended suffering is however highly debated, and a concept that will be explored in more detail later.

In addition to the shift toward targeted sanctions, the world has also seen a significant increase in multi state sanctions since the end of the cold war.¹² A group of states or a multi state organization, imposing the same sanctions, further increases effectiveness. It does so by increasing pressure through multiple gateways, while at the same time, decreasing the options to which a target can turn, in an effort to alleviate pressure.¹³ This transition to multi lateral was enabled, as Cortright and Lopez explain, by the focus on the United Nations, which occurred following the resolution of the cold war.¹⁴ The Cold War's conclusion enabled nations of the world, and more specifically the P5 (US, Russia, China U.K. and France) to work together in solving global problems.¹⁵ This resulted in a significant rise in both collaborative sanctions, and a rise in the application of sanctions in general.¹⁶ ¹⁷ The latest sanctions placed on Russia in response to their invasion of Ukraine take on the targeted form and are being levied in a collective manner, with the US at the forefront. It is no

⁹ Peksen, Dursun. "When do Imposed Economic Sanctions Work? A Critical Review of the Sanctions Effectiveness Literature." *Defence and Peace Economics* 30, no. 6 (2019): 635-647., p639.

¹⁰ Cortright, David and George A. Lopez. "Learning from the Sanctions Decade." *Global Dialogue* 2, no. 3 (Summer, 2000): 11-24., p11.

¹¹ *Ibid.*, p13.

¹² Peksen, Dursun. "Political Effectiveness, Negative Externalities, and the Ethics of Economic Sanctions." *Ethics & International Affairs* 33, no. 3 (2019): 279-289., p279.

¹³ *Ibid.*, p280.

¹⁴ Cortright, David and George A. Lopez. "Learning from the Sanctions Decade." *Global Dialogue* 2, no. 3 (Summer, 2000): 11-24., p11.

¹⁵ *Ibid.*

¹⁶ *Ibid.*

¹⁷ Peksen, Dursun. "Political Effectiveness, Negative Externalities, and the Ethics of Economic Sanctions." *Ethics & International Affairs* 33, no. 3 (2019): 279-289., p279.

surprise that this was the chosen action taken, as it simply follows the same pattern that has been repeating for decades.

The next section will look specifically at what is known about the effects of targeted sanctions and what circumstances are more likely to lead to the intended outcome. It will start with an examination, of the efficacy of sanctions in general, and explore circumstances in which they have been found to be more or less effective. Following this, will be an identification of potential adverse effects that have been observed as a result of sanctions.

THE EFFICACY OF ECONOMIC SANCTIONS

In order to make a decision on whether or not a particular method of coercion (in this case economic sanctions), will be effective or even applicable, it is first sensible to identify the particular strengths, and weaknesses of the in contrast to the situation. Dursen Peksen, in an article published in 2019 stated that the research indicates; “sanctions are successful tools about 35% of the time.”¹⁸ Later in the same article he declares that targeted sanctions have shown to be even less effective at only 22%.¹⁹ This is obviously not a confidence inspiring rate of success, yet sanctions remain a go to method of coercion, for many countries specifically the US.²⁰ There circumstances however that successful sanctions seem to fall into. If a situation meets these characteristics, than the chance of success is increased. After reviewing the studies of sanction success and failure, Peksen posits that a sanction’s success or failure comes down to six criteria: “international cooperation; alliance and economic ties; type of policy objectives; political regime and institutional characteristics; economic costs and micro-dynamics of sanctions; and targeted vs conventional.”²¹ A short explanation of each of the six criteria is prudent as they will later be compared against the current Russian scenario to determine likelihood of success.

International cooperation refers to the earlier stated concept of multi-lateral sanctions. Peksen eludes to there being further strength in international institutions because they are better capable of enforcing the sanctions vice ad hoc groups of states.²² Enforcement is a key factor in successful sanctions. This fact is studied in detail by Bapat and Kwon, in their article published in 2015.²³ The authors explain

¹⁸ Peksen, Dursun. "When do Imposed Economic Sanctions Work? A Critical Review of the Sanctions Effectiveness Literature." *Defence and Peace Economics* 30, no. 6 (2019): 635-647., p637.

¹⁹ *Ibid.*, p639.

²⁰ Escribà-Folch, Abel and Joseph Wright. "Dealing with Tyranny: International Sanctions and the Survival of Authoritarian Rulers." *International Studies Quarterly* 54, no. 2 (2010): 335-359.

²¹ *Ibid.*, p637-640.

²² *Ibid.*, p637.

²³ Bapat, Navin A. and Bo Ram Kwon. "When are Sanctions Effective? A Bargaining and Enforcement Framework." *International Organization* 69, no. 1 (2015): 131-162.

that sanctions are in most cases carried out by the sender's civilian third party firms. Without adequate enforcement of sanction regulations to prevent and discourage firms from engaging with the target country the sanctions will be ineffective.²⁴

Alliance and economic ties is relatively intuitive, and refers to the relationship between the sender and target states. Peksen explains that this criteria operates on a few levels. The first is the non-economic relationship. The tighter the bond that exists between states, the less likely a state will want to compromise the relationship. Thus, more likely to submit to the demands of the sender.²⁵ The second is the economic ties between sender and target. The greater the reliance the target has on the sender, the greater the impact of sanctions will be.²⁶ Lastly, is the relationship between the target and non-sender states. The more ties a target state has with non-sender states means a higher likelihood of being able to reduce impacts, by increasing economic dependence and trade with the non-sender states.²⁷ It is important to note that these criteria are extremely interrelated. International cooperation is potentially effected by economic ties. For example if a sender state, within a multi lateral sanction scenario, has deep ties with the target state; they may not tightly enforce their commitments as it could equal significant economic impacts for their own nation. An example given was sanctions placed on China by the US in 1989. Here "the Bush and subsequent Clinton administrations rarely chose to enforce these sanctions and restrict American firms from doing business with China."²⁸ This was due to the fear of their firms losing significant financial gains from the growing Chinese economy.²⁹ Obviously the sanctions were ineffective.

Type of policy objectives, according to Peksen is simply the reason for implementing the sanctions.³⁰ He posits that the simpler the demands the more likely a positive outcome. He goes on to state that; "If anything, the use of sanctions to cope with highly salient issues such as regime change might not only fail but also become counterproductive by further deteriorating political freedoms in the target."³¹ This concept of counter productivity will be addressed later.

²⁴ Bapat, Navin A. and Bo Ram Kwon. "When are Sanctions Effective? A Bargaining and Enforcement Framework." *International Organization* 69, no. 1 (2015): 131-162.

²⁵ Peksen, Dursun. "When do Imposed Economic Sanctions Work? A Critical Review of the Sanctions Effectiveness Literature." *Defence and Peace Economics* 30, no. 6 (2019): 635-647., p637.

²⁶ *Ibid.*

²⁷ *Ibid.*

²⁸ Bapat, Navin A. and Bo Ram Kwon. "When are Sanctions Effective? A Bargaining and Enforcement Framework." *International Organization* 69, no. 1 (2015): 131-162., p131.

²⁹ *Ibid.*, p132.

³⁰ Peksen, Dursun. "When do Imposed Economic Sanctions Work? A Critical Review of the Sanctions Effectiveness Literature." *Defence and Peace Economics* 30, no. 6 (2019): 635-647., p638.

³¹ *Ibid.*, p638.

Political regime and institutional characteristics is in reference to the government and regime type of the target state.³² Democratic states tend to respond to sanctions more beneficial to the sender while autocracies tend not to.³³ This is because, as Peksen explains, democratic leaders are more accountable to the population and must remain so if they wish to retain office. Autocratic leaders on the other hand, are often able to escape the brunt of the sanctions' impacts by redirecting resources. This is usually away from the opposition within their own state.³⁴ Peksen goes into greater detail on the subject of the effects of sanctions on autocratic regimes in a separate article published in 2017.³⁵ He looks at three types of autocratic regimes; single party, military, and personalist, and posits that personalist regimes like democracies are more susceptible to the pressure of sanctions.³⁶ This is "due to their lack of strong institutional capacity to cope with the pressure and heavy dependence on external rents and aid."³⁷ Generally, Military and single party regimes have a tighter grip on the institutions within their state. They are therefore, better equipped to create and enforce new policies that divert the impacts of sanctions away from the ruling coalition and towards opposition. Thus, less likely to concede to a sender's demands.³⁸ This ability to divert effects can lead to a number of unintended outcomes to be explored later.

Economic Costs and Micro-Dynamics of Sanctions reflects the need to inflict high economic and political costs on intended targets in order to meet the aims.³⁹ The speed at which sanctions are imposed may lead to more positive results providing that it is the intended target who incurs the cost. If the economic and political cost are borne by the wrong party than successful outcomes become less likely.⁴⁰

Targeted vs conventional sanctions and their assessed success rates were covered earlier in this section but Peksen adds one caveat to the success rate of targeted sanctions. He found; "financial sanctions (i.e. restrictions on access to global banking activity and financial assets held by targeted actors outside their countries),"⁴¹ were around 40% successful in achieving aims.⁴² If this is indeed true, this put them more likely to succeed than any other form.

³² Ibid.

³³ Ibid.

³⁴ Ibid.

³⁵ Peksen, Dursun. "Autocracies and Economic Sanctions: The Divergent Impact of Authoritarian Regime Type on Sanctions Success." *Defence and Peace Economics* 30, no. 3 (2019): 253-268.

³⁶ Ibid., p254.

³⁷ Ibid.

³⁸ Ibid.

³⁹ Peksen, Dursun. "When do Imposed Economic Sanctions Work? A Critical Review of the Sanctions Effectiveness Literature." *Defence and Peace Economics* 30, no. 6 (2019): 635-647., p639.

⁴⁰ Ibid.

⁴¹ Ibid., p640.

⁴² Ibid.

With the characteristics of successful sanctions established, it is now pertinent to examine the potential negative effects that sanctions could potentially have on both sender and target states. This is important because if potential risks and unintended harm are too grave, it could undermine the original aim of the sanctions. This would make them an inappropriate method to achieve the aims in certain circumstances.

NEGATIVE AND COUNTERPRODUCTIVE SIDE EFFECTS OF SANCTIONS

Unintended and negative effects have potential to exist as a result of any political actions. The situations are arguably too complex and it would be naïve to assume that they can be completely mitigated. In the case of sanctions, which historically, have a low success rate, it is especially important to understand the side effects.

With this in mind, this section will first explore the effects that sanctions can potentially have on human rights. This is a hot topic within the greater sanctions debate, but for the purposes of this paper; focus will be on what is known about human rights abuses specifically tied to the use of targeted sanctions. Following this, a dive into the potential negative effects that do not fall under the human right umbrella. The focus here, will remain on the effect sanctions have on Autocracies, the breakdown of diplomacy, and the economic effects of middle and small sender states.

In terms of conventional sanctions the literature explaining the link between them and human suffering is great. It is also relatively intuitive and linear. It goes without saying that if we cut off a population's access to food, the people are likely to starve. Targeted sanctions are less linear, and their link to degradation of human rights seems to be less direct. Peksen argues, in a 2019 article, that both types of sanctions are "morally impermissible."⁴³ He goes on to explain that even targeted sanctions cause considerable stress on vulnerable populations in particular.⁴⁴ Economic strife is easily transferred from the powerful to the lowest levels of the population through resource re-allocation.⁴⁵ It works, much like raising taxes on fossil fuel use of large companies in order to coerce them to convert to clean energy. The practice often results in companies offsetting costs to the consumer. Generally the only outcome achieved is less money in the pocket of the average citizen. In the case of sanctions it is regularly the opposition within the targeted state that bares the brunt.⁴⁶

⁴³ Peksen, Dursun. "Political Effectiveness, Negative Externalities, and the Ethics of Economic Sanctions." *Ethics & International Affairs* 33, no. 3 (2019): 279-289., p280.

⁴⁴ Peksen, Dursun. "Political Effectiveness, Negative Externalities, and the Ethics of Economic Sanctions." *Ethics & International Affairs* 33, no. 3 (2019): 279-289., 282-285.

⁴⁵ *Ibid.*, 281.

⁴⁶ *Ibid.*

This often leads to protests and opposition against the actions of the ruling party; and “governments become more inclined to restrict political freedoms and quell dissent in order to maintain the political order and status quo.”⁴⁷ Peksen goes on to explain that his studies discovered that targeted sanctions often lead to greater instances of repression and human rights abuses within the target population.⁴⁸ In addition, bans on certain imported commodities, and materials labelled as dual use are a double edged sword. Although their ban prevents their use in military technology and equipment it also prevents their use in the civilian applications. Peksen provides the example where it affected access to health care; “import bans on products used for water and electrical supply systems undermined health services in Cuba, Iraq, and Haiti, given that the sanitation infrastructure and the functioning of medical equipment such as X-ray facilities and ambulances.”⁴⁹ Further he added; “fuel bans levied against Haiti and Sierra Leone reduced the ability of local government agencies to provide food, medicine, and other basic goods, particularly to those living in rural areas.”⁵⁰ Peksen further argues that sanctions have a greater adverse effects on women and vulnerable populations, due to the economic inequity that at often follows the implementation of sanctions.

Not all experts agree that targeted sanctions have significant negative humanitarian impacts. A study conducted by Gutman et al, looked at the effects of US sanctions on target states.⁵¹ They separated human rights into four separate categories; “economic rights, political rights, basic human rights and emancipatory rights.”⁵² After an empirical study of the evidence they concluded that: “Economic sanctions do not worsen human rights along all dimensions, as has been claimed by many scholars. Our results confirm a negative effect only for political rights and civil liberties.”⁵³ Relevant to the topic of this paper is their finding that the negative effects on political and civil liberties increase in the event of multi lateral sanctions. Also relevant was the finding that emancipatory rights were effected less if the target state was democratic.⁵⁴

⁴⁷ Ibid., 282.

⁴⁸ Ibid.,283.

⁴⁹ Ibid.

⁵⁰ Peksen, Dursun. "Political Effectiveness, Negative Externalities, and the Ethics of Economic Sanctions." *Ethics & International Affairs* 33, no. 3 (2019): 279-289., p283.

⁵¹ Gutmann, Jerg, Matthias Neuenkirch, and Florian Neumeier. "Precision-Guided Or Blunt? the Effects of US Economic Sanctions on Human Rights." *Public Choice* 185, no. 1-2 (2019;2020): 161-182.

⁵² Ibid., p163.

⁵³ Ibid., p177.

⁵⁴ Gutmann, Jerg, Matthias Neuenkirch, and Florian Neumeier. "Precision-Guided Or Blunt? the Effects of US Economic Sanctions on Human Rights." *Public Choice* 185, no. 1-2 (2019;2020): 161-182., p176

Although, from the literature, it is not completely clear to what extent targeted sanctions will have on the humanitarian situation in a targeted state. It is clear that some form of human rights degradation will likely take place regardless of what form sanctions take. The next section explores the other negative effects that sanction may produce.

Perhaps the most interesting and relevant side effect of sanctions is their tendency to increase the level of autocracy in the target state.⁵⁵ Rosenberg et al explain that this is because the sanctions specifically target the regime and its followers. The leaders in order to remain in power will incentivise support and repress opposition.⁵⁶ A thought-provoking observation from Peksen is that research on sanctions effectiveness focused on whether or not the intended aims were met. He states there is little research on when the situation was made worse.⁵⁷ This is particularly relevant to the Russia situation, and the idea that autocracies may become more autocratic. If the goal is to reduce aggression and the regime is able to redirect the blame and pressure onto the sender states and internal opposition than you potentially create a more aggressive, and motivated state. Hellmeier concluded in an article published in 2021 that external pressure, to include sanctions, quite often creates increased support for the authoritarian regime.⁵⁸

Another common and intuitive side effect that could prove counterproductive is the long lasting break down in diplomacy and international relations that can effect other aspects of global security. Peksen noted: "In the protracted sanctions regimes initiated by the United States against Cuba, Iran, and North Korea since the Cold War era, these have not only diminished the possibility of cordial relations between the countries but have also hindered their willingness to cooperate on other foreign policy issues."⁵⁹ When applying this notion to two of the P5 nations their unwillingness to cooperate with each other will inevitably have detrimental effects on the middle and small powers. An example is in a UN Security Council context where all nations rely on the P5 cooperation for large decisions.

⁵⁵ Rosenberg, Elizabeth, Zachary K. Goldman, Daniel Drezner, and Julia Solomon-Strauss. "New Data on the Effects of Sanctions Targeting States." *THE NEW TOOLS OF ECONOMIC WARFARE: Effects and Effectiveness of Contemporary U.S. Financial Sanctions*. Center for a New American Security, 2016., p19.

⁵⁶ Ibid.

⁵⁷ Peksen, Dursun. "When do Imposed Economic Sanctions Work? A Critical Review of the Sanctions Effectiveness Literature." *Defence and Peace Economics* 30, no. 6 (2019): 635-647., p640-641.

⁵⁸ Hellmeier, Sebastian, V-Dem Institute, Göteborgs universitet, Gothenburg University, Samhällsvetenskapliga fakulteten, and Faculty of Social Sciences. "How Foreign Pressure Affects Mass Mobilization in Favor of Authoritarian Regimes." *European Journal of International Relations* 27, no. 2 (2021): 450-477.

⁵⁹ Peksen, Dursun. "Political Effectiveness, Negative Externalities, and the Ethics of Economic Sanctions." *Ethics & International Affairs* 33, no. 3 (2019): 279-289., p285.

The final side effect of sanctions to be brought up is in reference to the small and middle powers of the sender states in a multi-lateral sanction situations. Sanctioning is easier for great powers, and less so for middle and small powers. The reason for this as Peksen explains is because of the size of their economies.⁶⁰ Large economies can absorb, with little broader impact, the pressure on a few firms or sectors, while smaller economies have potential to feel it on a much larger scale.⁶¹ An example he provided was “Turkey and Jordan, both neighboring countries and close trading partners of Iraq, incurred significant economic losses following their participation in the comprehensive UN sanctions against Iraq in the 1990s.”⁶² Larger economies may draw in smaller sender nations not realizing the economic damage they will incur.

THE CURRENT SITUATION?

Above was an exploration of some of the academic literature surrounding the effectiveness of sanctions. Gleaned from it, has been the discovery of six factors/criteria/circumstances provided by Peksen that point toward the success or failure of sanctions.⁶³ In addition to this as been the identification of known secondary effects that regularly result from sanctions. Some of which could prove counterproductive to the sanctions’ original aim. This section will analyse and compare the available media resources to see how well the current sanctions fit into the six characteristics above. Following this will be a search for indicators as to the existence of the above identified negative side effects before moving to the conclusion.

First, a look at how these sanctions measure up to international cooperation. As stated in the introduction the UN voted near unanimously against Russia’s actions in Ukraine. In terms of sanctions being imposed however, much fewer nations have decided to levy them. Those countries being primarily NATO and EU affiliated with others such as Taiwan, Japan and Switzerland.⁶⁴ This is an advantage because the close ties between the senders, as Peksen stated, will help with enforcement.⁶⁵ The true effectiveness of sanction enforcement is not as easy to discern and it is likely too early to assess accurately. As expected however, and due to their familiarity in the use

⁶⁰ Peksen, Dursun. "Political Effectiveness, Negative Externalities, and the Ethics of Economic Sanctions." *Ethics & International Affairs* 33, no. 3 (2019): 279-289., p285-286.

⁶¹ *Ibid.*, p286.

⁶² *Ibid.*, p286.

⁶³ Peksen, Dursun. "When do Imposed Economic Sanctions Work? A Critical Review of the Sanctions Effectiveness Literature." *Defence and Peace Economics* 30, no. 6 (2019): 635-647., p637.

⁶⁴ Michelle Toh, Junko Ogura, Hira Humayun, Isaac Yee, Eric Cheung, Sam Fossum and Ramishah Maruf, “The list of global sanctions on Russia for the war in Ukraine.” CNN., February 28, 2022.

⁶⁵ Peksen, Dursun. "When do Imposed Economic Sanctions Work? A Critical Review of the Sanctions Effectiveness Literature." *Defence and Peace Economics* 30, no. 6 (2019): 635-647., p637.

of sanctions, the US appears to have a robust tracking and enforcement policy.⁶⁶ For the purposes of this argument it will be assumed that the remainder of the senders have a capable enforcement policy. This may change with time and research, but at the point of this writing the international cooperation characteristic of the current sanction efforts can be considered advantageous.

As for the alliance and economic ties, this criteria is not so straight forward. The alliance portion is easy as Russia is simply not in any political alliances with the sending nations. Therefore, the incentive to maintain tight bonds is non-existent. The economic ties is where it gets more complicated. According to The Observatory of Economic Complexity (OEC)⁶⁷ website, Russia's primary export partners in 2020 were China 14.9%, UK 7.67, Netherlands 6.81%, Kazakhstan 4.19%. Exports were heavy on petroleum products wheat, and metals. The top import partners were; China 23%, Germany 11.9%, Belarus 5.82%, and Italy 3.5%. Imports are primarily vehicles, vehicle parts and medical supplies. While US economic ties with Russia are arguable a drop in the bucket, Europe on the other hand deeply meshed. Europe takes just slightly over half of all of Russia's exports and supplies just over 50% of its imports. With this data, it is easy to see that the sender states hold a large portion of Russia's economy and could potentially cause significant damage. The issue at the moment however; Russia powers the EU. It's hard to sever economic ties with the state that supplies your energy. A recent article by Buchholz stated that the EU currently spends \$296M per day on Russian fossil fuels.⁶⁸ Although the economic ties are great between many of the sender states and Russia the key commodity cannot be leveraged against them. The EU is planning on weaning off of Russian fossil fuels but it will not be quick. As of the time of this writing coal is set to be banned by August 22, Oil By end 22, and no timeline has been set for gas,⁶⁹ In the meantime this gives space for Russia to find gaps and supplement its economy through stronger alliances with its Middle eastern and Asian trading partners. For these reasons, the situation, as it currently stands does not pose a strong advantage in the area of alliance and economic ties.

Factor three is the type of policy objectives. The aim is easily convoluted through media representations and passionate speeches from state leaders. It is important however, to go back to the base document which is the UN resolution. The UN "demands that the Russian Federation immediately, completely and unconditionally withdraw all of its military forces from the territory of Ukraine within

⁶⁶ Wilson, D. E. Jr., Tate, Alexandra D., and Webb, Connor J. "Russia and Sanctions: What Happens Next? Compliance and Enforcement," Venable LLP,. March 14, 2022.

⁶⁷ [Russia \(RUS\) Exports, Imports, and Trade Partners | OEC - The Observatory of Economic Complexity](#)., accessed 28 Apr 22.

⁶⁸ Buchholz, Katharina., "The EU Dependence on Russian Energy Charted" Statista, 2 May 22. <https://www.statista.com/chart/27348/eu-us-russian-imports/>, accessed, 2 May 22.

⁶⁹ Ibid.

its internationally recognized borders.”⁷⁰ Peksen states; “sanctions are more likely to achieve less ambitious policy goals such as releasing a political prisoner than major policy objectives like political regime change and military impairment.”⁷¹ Since the aim in this situations falls closer to military impairment than prisoner release, the current situation does not lend itself to having a marked advantage in this category.

Peksen posits that democracies and personalist autocracies are more likely to acquiesce to the demands of sanctions than the other types of autocracies.⁷² Unfortunately for the senders, Russia is an autocratic state. At least it is under Putin’s government and since he has taken over power he has increasingly made the state more autocratic.⁷³ Since he is not a monarch but the president and the leader of the United Russia Party it is safe to assume that Russia falls under the single party form of autocracy. Therefore, Russia sits within one the forms of government most capable of and likely to resist sanctions.

Economic cost and micro dynamics have, for the most part, been covered in the section on alliance and economic ties. From the economic damage perspective however, it does not look as though major damage has been inflicted on the Russian economy to date. This is most notable because of EU fossil fuel dependency, as mentioned above. The reality is that the west is predicting a massive crash but it just hasn’t happened yet.⁷⁴ The longer it takes for the sanctioning nations to inflict the damage the longer the target nation has to mitigate its effects, this includes doubling down on authoritarianism in order to prevent opposition moves against his regime.

The last factor is targeted vs conventional and it has also already been touched on. Conventional sanctions have a better track record than targeted sanctions.⁷⁵ It has also been previously established that this scenario fits under the targeted umbrella. Luckily the US has gone hard on financial sanctions. Which according to the literature has a marked advantage over scenarios where financial sanctions are not enforced due to their tendency to “cause major economic distress.”⁷⁶ These sanctioning events have only succeeded however in producing a 40% success rate.

⁷⁰ United Nations News. “General Assembly resolution demands end to Russian offensive in Ukraine.” <https://news.un.org/en/story/2022/03/1113152>. accessed 22 Apr 22.

⁷¹ Peksen, Dursun. "When do Imposed Economic Sanctions Work? A Critical Review of the Sanctions Effectiveness Literature." *Defence and Peace Economics* 30, no. 6 (2019): 635-647., p638.

⁷² *Ibid.*

⁷³ Hassner, Pierre. "RUSSIA'S TRANSITION TO AUTOCRACY." *Journal of Democracy* 19, no. 2 (04, 2008): 5-15.

⁷⁴ Cohen, Ariel. “Energy-Driven Ruble Rebound Won’t Rescue Russia.” *Forbes.*, 20 Apr 2022.

⁷⁵ Peksen, Dursun. "When do Imposed Economic Sanctions Work? A Critical Review of the Sanctions Effectiveness Literature." *Defence and Peace Economics* 30, no. 6 (2019): 635-647., p639.

⁷⁶ *Ibid.*, p640.

As you can see, the above analysis does not provide any glaring evidence as to whether the current sanctions will be any more or less successful than those that came before. The situation has great global support but lacks, at the current time, an ability to inflict the serious damage required to force Putin's and Russia's hand on acquiescence. The next section will look at the known or indications of negative/counter productive aspects of the sanctions. With the uncertainty of the sanctions success when compared to the success criteria the risks could be the deciding factor as to the validity or value of the sanctions.

In respect to the degradation of human rights within the target state it is likely to early to tell. This is even truer in the cases of basic human rights and emancipation. With respect to political and social rights there is however, substantial evidence that this type of repression is taking place within Russia. As Rosenberg et al suggested,⁷⁷ it seems that Putin is in fact doubling down on autocracy. Protesters have been arrested in droves.⁷⁸ The crackdown on anti-government rhetoric is being compared to the conditions under soviet rule.⁷⁹ A recent article in the New York Times shows a bleak picture of how anti war protests have petered out and the Russian population is publically now supporting the war efforts. The authors note however, that the sentiments seem forced.⁸⁰ This indicates the increased level of oppression that is being forced. Only two months following the invasion and an internet search is not likely to provide any up to date news of anti-war demonstrations within Russia. The majority of anti-government sentiments now come from the outside. A stark reminder of the effectiveness of authoritarian regimes to control the population. The absence of western influence will now further fuel the anti west rhetoric that Putin has based his regime on.⁸¹ An article in a Boston news paper stated about the Russian people; "Their common suffering is a dangerous thing: It is all too familiar; it makes them angry, and some are eager to strike back. That will likely lead to the intensifying of Putin's autocratic regime under the guise of restoring the country's industry and economy."⁸² So far this statement rings true.

Diplomacy between the West and Russia is not likely to reach a civilized level in the foreseeable future. With US President adding fuel to the fire with passionate

⁷⁷ Rosenberg, Elizabeth, Zachary K. Goldman, Daniel Drezner, and Julia Solomon-Strauss. "New Data on the Effects of Sanctions Targeting States.", p19.

⁷⁸ Reuters, Thomson. "Thousands of anti-war protesters detained across Russia" CBC News, 06 Mar 2022.

⁷⁹ Sander, Gordon. "Putin's crackdown on dissent recalls brutal Soviet-era repression." The Washington Post., 25 Apr 2022.

⁸⁰ Anton Troianovski, Ivan Nechepurenko and Valeriya Safronova. "Shaken at First, Many Russians Now Rally Behind Putin's Invasion." April 1, 2022.

⁸¹ Hassner, Pierre. "RUSSIA'S TRANSITION TO AUTOCRACY." Journal of Democracy 19, no. 2 (04, 2008): 5-15.

⁸² Khrebtan-Hörhager, Julia and Evgeniya Pyatovskaya. "The West Thinks that Russians, Suffering from Sanctions, Will End Up Abandoning Putin ...

comments such as desire for the removal of Russian President Putin.⁸³ Realizing the potential escalation that this comment could cause Biden later back peddled⁸⁴ but regardless of whether or not physical escalation was avoided, the comment provides the ammunition Putin requires to rally the Russian population behind him. As the situation drags on western states could potentially lose the moral high ground as well. They have set out to reduce the harm of innocents in Ukraine but the use of sanctions and anti Russia sentiments are already being questioned. Mangu-Ward, stated in an article; “to be complicit with a regime willing to stage a violent occupation is wrong. But it is also deeply wrong to be complicit in the economic destruction of innocent civilians, millions of whom reside within Russia’s borders.”⁸⁵ As time passes without a resolution, this type of thinking is likely to become more common place.

The final side effect to discuss is also currently taking place and that is adverse effects to the sender states and the world. Inflation has hit record highs in many nations. Russia is a oil and grain dynamo. A recent ABC news article stated that “food prices have risen 34% compared to this time last year.”⁸⁶ Soaring prices is not just an obstacle for sender nations but for all nations. Developing countries, as always will be the hardest hit and it will be vulnerable populations that take the brunt. These effects will become more apparent in the months to come.

CONCLUSION

This paper set out to answer the questions: How predictable and/or efficient are sanctions as a foreign policy tool for coercion? How likely are the sanctions levied against Russia to meet their intended aims? Illustrated above, are the complexities and risks associated with the employment of economic sanctions as a tool for foreign policy. It is clear that while the success or failure of sanctions is extremely hard to predict, the negative effects that they have on the target state’s population, and economy, are much more predictable. This is because the aims of sanctions are at minimum are second and third order effects, while the negative outcomes are mainly direct effects. In regards to the current events, one can say with relative confidence that Russia’s economy is going to take a serious if not catastrophic hit. One can say with relative confidence that Russian citizens currently are and will continue to feel levels of repression that they have not felt in decades. One can say with relative confidence that populations in developing countries are going to struggle to secure food due to the inflation rates. One cannot however, say with relative confidence that

⁸³ Wingrove, Josh and Fabian, Jordan “Biden Calls for Putin’s Ouster in Escalation Over Ukraine” Bloomberg, 26 March 2022.

⁸⁴ Megerian, Chris, Associated Press, “WATCH: Biden says no one believes U.S. wants to ‘take down Putin’.” PBS News Hour., 28 Mar 22.

⁸⁵ Mangu-Ward, Katherine. "canceling Putin, Canceling Russians." Reason 54, no. 1 (2022): 4-5.

⁸⁶ ABC News, “War having 'catastrophic effect' on global food supply: USAID administrator.” 3 Apr 2022.

Russia will “completely and unconditionally withdraw all of its military forces from the territory of Ukraine within its internationally recognized borders.”⁸⁷ One cannot say with relative confidence that President Vladimir Putin will be ousted by his own frustrated and fed up citizens. A whole chain of events needs to take place before these outcomes can happen. Put this way sanctions do not sound like effective tools at all. They sound more like a gamble... and a dangerous one at that. Perhaps it is time for governments to find a better way.

⁸⁷ United Nations, “Resolution adopted by the General Assembly on 2 March 2022.”, A/RES/ES-11/1.

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