Economic Sanctions

Canadian firms and their labour force. This raises some fundamental questions, such as: how are Canadian economic interests to be incorporated into the foreign policy agenda; is there a bias in foreign-policy making that downplays the economic perspective in the final phase of decision-making; and how do we determine that the economic price paid is commensurate with the political result? Both the short and long term economic costs would need to be taken into account, with the realization that estimates of the costs would be "ball park" figures. It must also be recognized that the impact of sanctions does not end when they are removed. In particular, with comprehensive sanctions that have the potential to damage severely another country's economy and contribute to widespread hardship in the population, appropriate account would need to be made for longer term impacts on political and economic relations. If the expected outcome were a significant deterioration in future relations, this could be weighted against the possibility of imposing less comprehensive sanctions. In sum, the use of economic sanctions should not be taken lightly.

Thirdly, the history of sanctions does not inspire confidence about their effectiveness. There are few "happy" endings, i.e., instances where economic sanctions clearly have made a major contribution to modifying the behaviour of a rogue state that has engaged in a practice that the international community holds condemnable. This said, the most "golden" rule for economic sanctions may be that the economically powerful may be able to undertake effective sanctions against a more economically weak and trade dependent country if they do so collectively. This in itself speaks volumes. If sanctions must be taken, and there are occasions when this is inevitable and justifiable, we should nonetheless do so in good company, with realistic expectations, and with the knowledge that we are wielding a blunt instrument in a World Order where power will continue to make some participants more equal and others more susceptible to coercion.