

is disrupted, foreign sales could suffer.

Threats and Lessons

Two further aspects need to be addressed briefly. First, does the very threat of sanctions induce the identified target country to modify its behaviour? And secondly, do sanctions or the threat of sanctions directed at one country teach other countries a lesson, and discourage them from undertaking certain policies or practices? By their nature, these questions are difficult to answer with any confidence. However, it is likely that the factors influencing the effectiveness of sanctions as a whole could lend some insight into the questions. As an example, an economically powerful developed country probably would not be induced by the threat of sanctions into modifying its political goals based on the effects sanctions had on a small, trade dependent developing country. The issue must also be set in broader policy terms, and the general interests of one country vis-à-vis another. In this context, sanctions could be taken against one country, but in view of a second country's particular characteristics, such as a large, more self-sufficient market or its strategic political and security importance, sanctions may not be considered an appropriate or effective policy response in the latter circumstances.

Policy Implications

So where does all of this take us? Clearly, the consideration of economic sanctions as a Canadian policy response must take account of a few stylized "facts."

First, regardless of political requirements and domestic interests, unilateral action by Canada is not likely to be successful in any but the rarest of cases. The Canadian economy is not large enough to apply enough leverage to alter the political behaviour of a target country. An important element of Canadian policy would be actively to encourage multiple state participation in sanctions if we judge that another country's behaviour is internationally unacceptable. Apart from the political considerations of Canada acting alone, Canada requires allies if economic sanctions are to have any real prospect of being effective. Moreover, a large number of countries participating in the application of sanctions may tend to discourage third parties from engaging in "sanction busting." With most industrial inputs and manufactured products available from many sources, a basic rule-of-thumb surely is that unilateral export sanctions are not likely to be an effective foreign policy instrument for any country, and most certainly not for Canada alone.

Secondly, any policy decision must consider the possible costs or injury to