Economic Sanctions

The loss of official finance, including grants, may be irreplaceable. All these factors will have an impact on the economy. Economic conditions, at least for the public, will deteriorate to some degree. In the case of broadly based, nearly complete embargoes, as seen in the two World Wars, sanctions brought about major economic disruptions. There is not, however, any easily constructed scale of sanction responses that are proportionate to the seriousness of the target country's behaviour.

Less visible, however, and potentially more important is the impact of sanctions on human capital. These effects are not easily captured through economic statistics. The effect on human capital may be particularly severe in cases of comprehensive sanctions accompanying military action. Some observers have concluded that in 1993 conditions remained precarious for most Iragis, when the vast majority of the population experienced extreme hardship, with education, health care, nutrition and other basic services being provided at a minimal level. Social indicators, such as the percentage of babies born with low-birth-weight, also pointed to significant human suffering. Economic hardships in vulnerable groups of society arise from the difficulty of focussing the impact of sanctions on the political elite of the target country; and from the fact that political elites may be willing to allow the general population to make considerable sacrifices. The long-run cost of the malnutrition of children, and the disruption of education is likely to be high for any target country, developed or developing. Moreover, hardships experienced as children may also spill over into retaliatory behaviour in the future. Thus, while sanctions may contribute to meeting a current foreign policy goal, they may well help to generate new policy problems in the future.

While sanctions impose economic costs, the target country's political masters may derive some benefits from the sanctions. With the right domestic political conditions, sanctions may actually serve to <u>increase</u> support for a government. Arguably, this has occurred in Cuba, which has been subject to a variety of U.S. sanctions since 1960. It is likely that U.S. measures contributed to anti-American nationalism in Cuba, and also served as a scapegoat for Castro to which he could attribute economic setbacks. Similarly, the USSR's sanctions against Yugoslavia in 1948 probably enabled Marshall Tito to consolidate his control of the country, and increase his public popularity. Much the same dynamic may be occurring in presentday Serbia. Conversely, U.S. sanctions against the Dominican Republic in 1960, may have contributed to opposition to the Trujillo regime and President Trujillo's