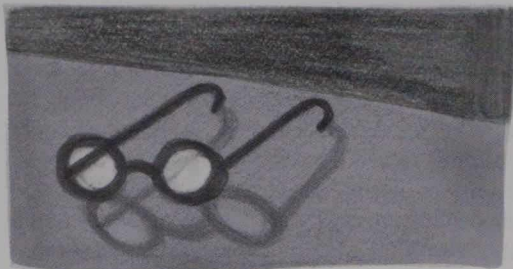


FROM THE DIRECTOR

"Smart" sanctions before "smart" weapons



IN THE POST-BERLIN WALL WORLD, WE WANT not only to push back the threat of nuclear weapons, but also the threat and use of all weapons. So far, both the experience and the outlook are mixed. The UN itself and peaceful approaches to the settlement of disputes have been greatly strengthened. At the same time, a major challenge to order was launched by arms in Kuwait, and was ultimately suppressed by the massive use of ultra-modern weaponry. Some political and military leaders seem ready to opt out of modern arms races, but others feel the need to race harder and faster, and we are still far from gaining acceptable controls on the *supply* of arms.

Disputes and conflicts will persist and even proliferate, and most of the time, culprits and aggressors will be hard to identify. In these cases, the international community has the duty to help resolve disputes, avert and contain conflicts, observe and monitor truces, and try to promote confidence and cooperation in the place of conflict. There are unparalleled opportunities for the United Nations in peace-making, peacekeeping, and peace-building, and Canada is better placed than almost any country to help realize this potential.

When clear aggressors cross borders, or when wrong-doers overthrow elected governments or crush internal minorities, there is unprecedented international will to react with firmness. The immediate call is not necessarily a call to arms – although many call for what they call “peacekeeping forces” in situations which fail the tests for effective peacekeeping – but almost everyone instantly calls for sanctions, as *the* means of pressure, short of armed force.

It is alarmingly clear, however, that the long and heated debates on sanctions against South Africa, Iraq and others have not noticeably improved the quality of policy thinking or public understanding on this “peaceful weapon” in the cause of order. As we grope our way toward some kind of new world order, it is now vital to get a better handle on the use of

sanctions as an instrument of pressure short of military force.

Sanctions have the immediate appeal of “doing something,” or worse, of being seen to do something, in situations which are largely beyond the control of outside actors. This symbolic impact of sanctions, both on the target and sender countries, may actually have some value in itself, but we also need to know whether, and when, these pressures can make a real difference to the offending behaviour of the target authorities.

Last January, the authors of the most comprehensive catalogue of sanctions experience, Gary Hufbauer and his colleagues from the Institute of International Economics in Washington, plunged into the policy debate. On the basis of a probability model derived from 115 cases since 1914, they said there was a virtual certainty that sanctions could reverse the Iraqi occupation of Kuwait. Common sense now tells most people that such a model must be wrong – Saddam would not have backed down to sanctions.

THIS SUMMER, A VISITING RESEARCHER AND I examined carefully the criteria in the Hufbauer study, and concluded that they gave too little weight to political-behavioural factors.* When we added two such factors to their twelve, we found that the possibility of predicting the success of sanctions in this wide range of cases was increased by a substantial margin.

First, the judgement of whether a regime that is a target for sanctions is virtually invulnerable to domestic opposition (like Stalin’s USSR, Saddam’s Iraq, or Communist China) is, not surprisingly, a powerful gauge of whether sanctions will change its behaviour. Thus, in circumstances where the pain resulting from outside economic pressures cannot be transmitted to the rulers themselves, the efficacy, morality, and, where possible, the “pinpoint” targeting of such sanctions must be very carefully weighed by those who would impose them.

Second, the judgement of whether the change of behaviour sought by sanctioning countries is of primary or secondary importance to the target regime, has an even more powerful effect on the likely success or failure of sanctions.

Like most of the Hufbauer findings, neither of these relationships is startling in itself, and

the quality of the conclusions coming out of a model depends on the quality of the judgements going in. However, these aids to organized thinking about sanctions can improve on the confused and emotional discussion of the past.

In an important, recent test – Western reactions to the Soviet coup – the wealth of historical experience suggests that this time economic sanctions against the Soviet Union were effective and would have continued to be, as they hardly ever have before. The outcome of this struggle for power and the direction of Soviet society was, of course, mainly determined by internal factors. For once though, a Soviet regime – the short-lived junta – was, and would have remained, vulnerable to domestic opposition from various sources, so that the pain resulting from outside pressures could be felt by the rulers themselves.

Even though the Soviet junta’s stakes in resisting Western pressures were obviously of primary importance to them, the possibility was also there that they would compromise or even retreat in the short term, and the threat of total non-cooperation from the outside world was clearly of substantial, if not decisive, influence. Popular discontent could no longer be totally stifled, nor could alternative power centres or social visions. Even the half-measures of market reform undertaken up till now would have been a beacon of hope in an abyss, and the prospect of serious outside help and integration into the real economy of the world would have remained a compelling vision. In such a medium- to long-term standoff, the withholding of economic cooperation by the West would have been a critical lever for resolving it favourably.

SWEEPING ECONOMIC SANCTIONS, EVEN WHEN they can be effective, are still a blunt instrument, and like other weapons, they can cause a great deal of “collateral damage.” Building on the work that Hufbauer and his colleagues have done, in the light of the tests of experience, we may even be able to “target” sanctions much more in the future – to develop “smart” sanctions.

This analysis is an urgent and overdue challenge for those who have a responsibility to select and apply the tools of international pressure. Nor is the better analysis of sanctions beyond the capacity – or the responsibility – of those outside governments who often advocate sanctions so strongly. □

– BERNARD WOOD

*The Institute analysis referred to in this article was carried out largely by Rajeev Dehejia, working with the author.