ECONOMIC SANCTIONS

The imposition of sanctions against a foreign state recently has become an extremely active area of international law. Among the recent events that have led to the burst of activity in this area were the Gulf crisis and the upsurge in violence in parts of the former Yugoslavian state. Those crises resulted in the imposition by the United Nations Security Council of mandatory trade, commercial and financial embargoes against Iraq by Resolution 661 (1990) of August 6, 1990, as completed by Resolution 670 (1990) of September 25, 1990, and against the Federal Republic of Yugoslavia (Serbia and Montenegro) by Resolution 757 of May 30, 1992.

Libya's refusal to give up two of its nationals alleged to have been involved in the Lockerbie bomb blast resulted in a third Security Council embargo, this time limited **to air links,** aircraft components and arms exports against that country, pursuant to Resolution 748 (1992) of March 31, 1992.

For each of these resolutions, the Security Council was acting under Chapter VII of the Charter of the United Nations (i.e. pursuant to Article 41 of the Charter). These Security Council resolutions called on states to apply these measures to activities within their territory and to those of their nationals abroad. Each of these set of sanctions were implemented in Canada by regulations made pursuant to section 2 of the United Nations Act.

While it was possible to use the United Nations Act as a basis for implementing the sanctions in these cases, in the past, we have been faced with a number of international crises (e.g. Afghanistan, Falklands, Poland and South Africa) where the Security Council was unable to adopt mandatory sanctions and where Canada was left without proper legislative authority to take measures in concert with its allies.

Even in the case of Iraq, although that country had invaded Kuwait on August 2, 1990, Canada had to await the adoption of a resolution of the Security Council on August 6, 1990, in order to freeze Iraqi assets. The United Kingdom and the United States, on the other hand, had legislative authority in place to take such action immediately. In October 1991, when the Organization of American States (OAS) urged its member states to suspend their economic, financial and commercial ties with Haiti and to freeze the Haitian State assets, Canada did not have adequate statutory authority to respond appropriately.