

Democracy Sanctions

An Assessment of Economic Sanctions as an Instrument of Democracy Promotion

Stephen D. Collins

Abstract

Democracy promotion is often dismissed as a futile American foreign policy endeavor. Economic sanctions conventionally are derided as ineffective and counterproductive. Consequently, one might predict that the use of economic sanctions to promote democracy would represent a hopelessly inept strategy. This study finds, conversely, that sanctions represent a relatively effective instrument of democracy promotion. The idea that sanctions were futile was minted in the bipolar era, when the structural attributes of the international system limited the effectiveness of superpower sanctions. After the marked shift in the polar configuration of power upon the disappearance of the Soviet Union, however, the structural attributes of the system presented a more benign environment for the sanctions efforts of the United States. A comparative analysis of the use of democracy sanctions in the bipolar era versus those implemented in the 1990s reveals that sanctions became significantly more effective. This essay examines the causal origins of the increase in the effectiveness of democracy sanctions, and considers whether the high success rate for the approach can be sustained into the near future in light of recent challenges to American hegemony.

Key words: Democracy promotion, democracy, human rights, sanctions, economic sanctions, United States foreign policy, bipolar, unipolar.

Democracy promotion has emerged as a leading issue in popular discourse on foreign policy, and also has become an ascendant subject in foreign policy analysis. The elevated profile of democracy promotion can be attributed to several variables, including the late-twentieth-century expansion of democracy,

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and the heightened role that democracy promotion played (at least rhetorically) in American foreign policy during the Clinton and Bush administrations. Military force and state-building represent the two approaches that have attracted the most attention, in large measure due to the invasions of Iraq and Afghanistan by the United States, and the subsequent counter-insurgency and reconstruction operations in these states. The use and effectiveness of economic sanctions as a method of democracy promotion, meanwhile, has received scant attention, even though sanctions have been employed by the United States on numerous occasions over the past six decades to foster and protect democracy. This essay seeks to assess the effectiveness of sanctions as an instrument of democracy promotion.

Economic sanctions constitute a time-honored fixture of international politics, and yet sanctions are typically derided as ineffectual, futile, and counterproductive. This assessment applies as well to efforts involving economic sanctions as a means to promote democracy. The basis of this jaundiced appraisal is rooted in a set of bipolar-era empirical studies, which testified to the quite modest efficacy of economic coercion. However, it has been nearly two decades since the end of the bipolar era, and little social scientific analysis has been devoted to gauging the efficacy of economic sanctions in the contemporary era. Employing a comparative analysis of the use of sanctions to promote democracy in the bipolar Cold War era, against those employed in the contemporary unipolar era, this study's findings contradict the conventional wisdom on sanctions.¹ The evidence presented in this study demonstrates that, although sanctions to promote democracy exhibited modest efficacy in the bipolar era, the approach has become considerably more effective in the contemporary era. Indeed, in comparison with the use of military force, economic sanctions have displayed greater capabilities in the promotion of democracy, and can accomplish this primary American foreign policy objective at a substantially lower financial and human cost. This study also explores, however, whether sanctions will remain an effective instrument for the United States into the future, as the United States currently faces numerous challenges and threats to its unipolar position in the international system.

Sanctions Theory

The high efficacy of sanctions is a relatively new development. For much of the twentieth century, economic sanctions failed to present an effective method of inducing democracy abroad. Sanctions proved incapable of inducing

¹ This study codes the year 1992 as the beginning of the unipolar era, as the Soviet Union disintegrated in 1991. The unipolar period under study incorporates sanctions initiated by the United States between 1992 and 1999, to provide a reasonable time lapse between the imposition of sanctions, and a determination of sanctions efficacy.

democratic progress in the significant majority of episodes launched during the Cold War. This failure is reflected in the scholarly literature on economic sanctions, which has generally portrayed the instrument as ineffective and counterproductive. The literary corpus on economic sanctions extends back well over two thousand years, as Thucydides examined in 431 B.C. the role of Athens' embargo on Megara as a catalyst for the Peloponnesian War.² Discussions of the use of sanctions can also be found among the writings of prominent early-modern scholars, including Adam Smith, Francois de Callieres, and Thomas Jefferson. Analysis of economic sanctions employing rigorous social science methodology did not appear, however, until the mid-twentieth century. In 1945, Albert Hirschman penned one of the first rigorous theoretical explorations of economic sanctions in *National Power and the Structure of Foreign Trade*. Hirschman explained that sanctions can be particularly effective against target states when two conditions are present—when “it is extremely difficult and onerous for these countries: (1) to dispense entirely with the trade they conduct with [the sanctioning state], or (2) to replace [it] as a market and a source of supply.”³

While theoretical works, such as Hirschman's, helped to explain why sanctions may succeed, the first empirical analyses of the post-war era found little support for sanctions' success. Leading case-study analyses, including the works of Johann Galtung (1967), Anna Schreiber (1973), and Donald Losman (1979), concluded that economic sanctions possess low efficacy in inducing policy change.⁴ The most prominent and comprehensive survey of sanctions, *Economic Sanctions Reconsidered* (1985), conducted by Gary Hufbauer, Jeffrey Schott, and Kimberly Ann Elliott (hereafter, “HSE”), found sanctions to be effective in only 36 percent of all cases.⁵ The lesson that most foreign policy analysts distilled from these studies is that economic sanctions are largely futile.

While a few recent studies of economic sanctions have been more sanguine about the efficacy of sanctions, the prevailing assessment of sanctions is

² Thucydides, *History of the Peloponnesian War*, with an introduction by M. I. Finley, trans. Rex Warner (London: Penguin Books, 1972).

³ Albert O. Hirschman, *National Power and the Structure of Foreign Trade* (Berkeley, CA: University of California Press, 1945), 17.

⁴ Johann Galtung, “On the Effects of International Economic Sanctions,” *World Politics* 19, no. 3 (1967):378-416; Anna Schreiber, “Economic Coercion as an Instrument of Foreign Policy: US Economic Measures against Cuba and the Dominican Republic,” *World Politics* 25 (April 1973): 387-413; Donald Losman, *International Economic Sanctions: The Cases of Cuba, Israel, and Rhodesia* (Albuquerque: University of New Mexico Press, 1979).

⁵ Gary Clyde Hufbauer, Jeffrey J. Schott, and Kimberly Ann Elliot, *Economic Sanctions Reconsidered: History and Current Policy* (Washington, DC: Institute for International Economics, 1985), 80.

⁶ More positive assessments include: David Baldwin, *Economic Statecraft* (Princeton, NJ: Princeton University Press, 1985); David Cortright and George A. Lopez, *The Sanctions*

still largely pessimistic.⁶ This inference of futility of sanctions, however, is based largely on anecdotes and outdated empirical research. Furthermore, the prevailing assessment overlooks the fact that the polar distribution of power in the international system (polarity) has been fundamentally altered. Polarity, this study asserts, represents one of the most important influences on the effectiveness of sanction efforts. The bitterly competitive environment particular to bipolar systems tends to inhibit the success of strategies of economic influence, as rivals act continuously to offset one another's efforts. The bipolar structure of the Cold War certainly exhibited this dynamic, as it featured rival superpowers engaging in vigorous counterbalancing actions against one another's sanctions campaigns. This dynamic greatly circumscribed the effectiveness of each superpower's sanction efforts, rendering the majority of these efforts impotent.

Sanctions imposed by hegemonic powers in *unipolar* systems, however, are generally immune from third-party offsetting measures, as there is no rival pole to which target states can turn for help. With the loss of offsetting assistance to mitigate sanctions pain, sanctions become far more compelling, and thus more likely to succeed in securing desired policy changes. If the hypothesized relationship between international structure and sanctions efficacy is accurate, then the end of the bipolar era should have stimulated a marked increase in the efficacy of sanctions imposed by the United States to promote democracy. The following section contrasts the use and effectiveness of these sanctions applied in the bipolar era against those levied in the unipolar era.

Democracy-Promotion Sanctions: The Bipolar Era

Economic sanctions were applied by the United States on numerous occasions during the Cold War to promote democracy abroad. Washington levied trade

Decade: Assessing UN Strategies in the 1990s (Boulder, CO: Lynne Rienner Publishers, 2000); Kimberly Ann Elliott, "Economic Sanctions," in *Intervention in the 1990s: US Foreign Policy in the Third World*, ed. Peter J. Schraeder (Boulder, CO: Lynne Rienner, 1992); and Elizabeth Rogers, "Economic Sanctions and Internal Conflict," in *The International Dimensions of Internal Conflict*, ed. Michael Brown (Cambridge, MA: MIT Press, 1996). Prominent skeptical assessments of sanctions include: Robert Pape, "Why Economic Sanctions Do Not Work," *International Security* 22, no. 2 (1997): 90-136; Richard Haass, "Sanctioning Madness," *Foreign Affairs* 76, no. 6 (1997): 74-85; Gary Clyde Hufbauer, "The Snake Oil of Diplomacy: When Tensions Rise, the US Peddles Sanctions," *Washington Post*, July 12, 1998; and Ernest H. Preeg, *Feeling Good or Doing Good with Sanctions: Unilateral Sanctions and the U.S. National Interest* (Washington, DC: CSIS Press, 1999). Daniel Drezner offers a mixed assessment: Drezner, *The Sanctions Paradox: Economic Statecraft and International Relations* (Cambridge, UK: Cambridge University Press, 1999), and id., "Bargaining, Enforcement, and Multilateral Sanctions: When is Cooperation Counterproductive?" *International Organization* 54, no. 1 (2002): 73-102. Irfan Nooruddin argues that democratic regimes, in particular, are more susceptible to sanctions. Nooruddin, "Modeling Selection Bias in Studies of Sanctions Efficacy," *International Interactions* 28, no. 1 (2002): 57-74.

and aid sanctions on states in Latin America, Africa, Asia, and Eastern Europe to foster democratic political rights and civil liberties. The goals of democracy-promotion sanctions during the bipolar era were less grandiose, however, than those levied in the unipolar era. With a few notable exceptions, sanctions were not designed to stimulate major changes in foreign states' political systems; that is, they were not designed to foster genuine democratization. Rather, the objective of economic pressure was to compel states to improve human rights practices. Rhodesia and South Africa represent exceptional cases in which sanctions were designed to force those states to enfranchise their black populations and provide them with a role in the political system commensurate with their majority status. Genuine enfranchisement for the black populations of Southern Africa would have constituted a sweeping democratic reform. Sanctions applied against other states strove to produce more modest political changes, such as dissuading specific human rights abuses. These objectives, while valuable, constitute more limited requirements than the demands for democratization that Washington would make in the unipolar era.

Over the four decades of the bipolar era, the United States initiated or participated in at least seventeen economic sanctions episodes in which the primary goal was the promotion of democratic practices.⁷ Several of these efforts resulted in significant progress in human rights or political liberties. In 1965, in the first-ever universal economic sanctions episode, the United Nations voted to impose economic sanctions to compel the white-dominated government of Rhodesia to grant equal political rights to the black majority population. The slow progress of sanctions in the early years of the episode led many analysts to cast the case as a failure. The capitulation of the Ian Smith-led government in 1978 led to a reassessment of the impact of sanctions. Economic stress, armed insurrection, and the extreme isolation felt by Rhodesia's white elite convinced the white-led government to end white rule. Analysts conclude now that these variables were stimulated, in significant part, by the sanctions imposed by the international community.⁸

Rhodesia was an anomalous sanctions episode in the bipolar era, in that economic pressure was supported by both the United States and the Soviet Union. The absence of counterbalancing actions increased the effectiveness of the enterprise. In contrast, the sanctions imposed by the United Nations on South Africa in 1962, to compel abolition of the apartheid system, were much weaker, and the United States demonstrated greater ambiguity than in

⁷ Several other United States sanctions episodes listed democracy and/or human rights promotion as one of the official rationales for the sanctions, including the sanctions against the ruling regimes in the Dominican Republic (1960), South Vietnam (1963), and Suriname (1982). However, in these and other similar episodes, Washington's primary goal was the destabilization of an undesirable regime for the purposes of advancing containment objectives.

⁸ David Baldwin, *Economic Statecraft* (Princeton, NJ: Princeton University Press, 1985), 196-204, and Huffbauer, Schott, and Elliot, *Economic Sanctions Reconsidered*, 416.

the Rhodesian case. Washington failed to support comprehensive sanctions of the type imposed against Rhodesia, and the United States and South Africa continued to maintain strong economic relations.⁹ As a result, sanctions against Pretoria (an anticommunist ally) failed to produce any tangible results. It was not until the end of the Cold War, when more comprehensive economic sanctions were passed against South Africa, that sweeping policy changes were realized.

The Jackson-Vanik trade sanctions of 1975, which aimed to compel the Soviet Union and Eastern Europe to liberalize emigration policies, failed in most instances to induce the intended policy reforms.¹⁰ There was, however, one notable exception to the poor performance of Jackson-Vanik sanctions. In Romania, sanctions were responsible for a significant liberalization of that state's emigration policies. The factor that distinguished Romania from other communist-bloc states, and which contributed to the efficacy of sanctions, was the unusually vibrant trade that Romania conducted with the United States. The United States imported more goods from Romania in the 1970s and early 1980s (\$348 million in 1982) than from Bulgaria, Czechoslovakia, East Germany, and Hungary combined.¹¹ The extent of Romania's trade with the United States provided considerable weight to the threat to withdraw Most Favored Nation (MFN) status, and the Romanian trade anomaly contributed to making Romania the only communist-bloc state where Jackson-Vanik sanctions were effective in producing human rights reforms.¹²

In 1974, Congress amended the Foreign Assistance Act of 1961 to mandate a reduction of aid for any state which "engages in a consistent pattern of gross violations of internationally recognized human rights."¹³ The measure stimulated a wave of United States sanctions in the mid- to late-1970s. According to Hufbauer, Schott, and Elliott, human rights sanctions played a modestly causal role in the democratic opening that occurred in Brazil in the

⁹ Hufbauer, Schott, and Elliot, *Economic Sanctions Reconsidered*, 346-359.

¹⁰ Stephen E. Ambrose and Douglas G. Brinkley, *Rise to Globalism: American Foreign Policy since 1938* (New York: Penguin, 1997), 268; Hufbauer, Schott, and Elliot, *Economic Sanctions Reconsidered*, 508-522; and Henry Kissinger, *Diplomacy* (New York: Simon and Schuster, 1994), 752-757.

¹¹ Hufbauer, Schott, and Elliot, *Economic Sanctions Reconsidered*, 519.

¹² *Ibid.*, 518-522.

¹³ U.S. Congress, Congressional Research Service, *Economic Sanctions to Achieve U.S. Foreign Policy Goals: Discussion and Guide to Current Law*, by Diane Rennack and Robert D. Shuey, November 1, 1999, <http://www.fas.org/man/crs/crs-sanction.htm> (accessed September 3, 2009).

¹⁴ Hufbauer, Schott, and Elliot, *Economic Sanctions Reconsidered*, 579-82. The narrative provided by HSE suggests that U.S. economic sanctions had a negligible impact on political reform in Brazil; however, incongruously, their coding of the event (a score of 9) signifies that sanctions played a significant role in Brazil's political opening. On Brazil's political transformation, see also Bolívar Lamounier, "Brazil: Inequality against Democracy," in *Democracy in Developing*

mid-1980s.¹⁴ The positive results witnessed in the case of Brazil, however, were anomalous. More typically, the human rights sanctions of the era failed to promote political liberalization.¹⁵

Sanctions failure was witnessed in the cases involving Uruguay (1976), Ethiopia (1977), El Salvador (1977), Paraguay (1977), Guatemala (1977), and Argentina (1977). In all of these sanctions episodes, economic pressure was far from comprehensive, as trade sanctions were never invoked, and, although military aid was cutoff, total economic assistance often remained at generous levels.¹⁶ Containment objectives fostered a reluctance to exert strong pressure for political reform. This reluctance to impose punitive sanctions was also evident in South Korea in 1973, when aid was reduced substantially but remained at high levels. Perhaps reading Washington's ambivalence, the Park Chung Hee government failed to implement political reforms, despite explicit demands from the United States.¹⁷ Leaders in allied states were cognizant of the strategic pressures to which Washington was subject, and gambled successfully that token gestures would likely guarantee a continuation of significant American support.¹⁸

The sanctions case involving Ethiopia highlights the exceptional difficulty of sanctioning nonaligned states. The abysmal human rights practices of Ethiopia's Mengisthu-led military government prompted Washington to curtail economic and military assistance to Addis Ababa. Only months after the American rebuff, the leftist government of Ethiopia signed a friendship treaty with the Soviet Union. The Mengisthu government actually profited from the American aid standoff, as the Soviet Union's generous offsetting assistance represented a fourfold increase from the previous assistance package of the United States.¹⁹ Ethiopia also received robust military assistance from the USSR's ally, Cuba.²⁰ Not surprisingly, sanctions were unable to secure political reforms in Ethiopia.

The cases of Rhodesia, Uganda, Romania, and Brazil suggest that

Countries: Latin America, ed. Larry Diamond, Jonathan Hartlyn, Juan J. Linz, and Seymour Martin Lipset (Boulder, CO: Lynne Rienner, 1999), 132-133, and Freedom House, "Country Ratings and Status, FIW 1972-2007," <http://www.freedomhouse.org/template.cfm?page=439> (accessed October 10, 2008).

¹⁵ Thomas G. Patterson, J. Garry Clifford, and Kenneth J. Hagan, eds., *American Foreign Relations: A History since 1895*, vol. 2 (Boston, MA: Houghton Mifflin, 2000), 419.

¹⁶ Hufbauer, Schott, and Elliot, *Economic Sanctions Reconsidered*, 535-539, 544-563, and 568-582.

¹⁷ *Ibid.*, 573-578.

¹⁸ On the ambivalence embedded in the U.S. human rights agenda in this era in relation to South Korea and other allies, see Patterson, Clifford, and Hagan, *American Foreign Relations: A History Since 1895*, vol. 2, 429.

¹⁹ Hufbauer, Schott, and Elliot, *Economic Sanctions Reconsidered*, 545-548.

²⁰ Louis A. Perez Jr., *Cuba: Between Reform and Revolution* (New York: Oxford University Press, 1995), 378-379.

economic sanctions did, at times, play a catalytic role in the promotion of democratic practices in the bipolar period. Under the right circumstances, the use of punitive economic measures could make significant contributions toward democratic reforms in states abroad. The four success stories notwithstanding, the complete sanctions narrative reveals the inadequacies of bipolar-era economic sanctions with regard to the promotion of political liberalization. The large majority of democracy-promotion sanctions, and even the successes were circumscribed, as sanctions contributed to limited human rights reforms. Only in the case of Rhodesia (and perhaps Brazil) did sanctions help to advance actual democratization. On seventeen occasions, the United States resorted to economic sanctions to promote democracy abroad during the bipolar era (see table 1). The four successful cases represent just 24 percent of all cases, suggesting that, although sanctions were not always futile endeavors, they represented, at best, a modestly effective democracy-promotion instrument in the bipolar era.

Table 1. Bipolar-Era Democracy Sanctions Episodes

Year	Initiator/Target State	Sanctions Contribution	Policy Change	Sanctions Score	Assessment
1962	UN v. S. Africa	1	1	1	Failure
1965	UN v. Rhodesia	4	3	12	Success
1972	U.S., U.K. v. Uganda	4	3	12	Success
1973	U.S. v. S. Korea	2	2	4	Failure
1973	U.S. v. Chile	2	3	6	Failure
1975	U.S. v. Eastern Europe	3	4	12	Success
1975	U.S. v. USSR	2	2	4	Failure
1976	U.S. v. Uruguay	3	2	6	Failure
1976	U.S. v. Ethiopia	1	1	1	Failure
1977	U.S. v. Argentina	3	2	6	Failure
1977	U.S. v. Brazil	3	3	9	Success
1977	U.S. v. El Salvador	2	3	6	Failure
1977	U.S. v. Guatemala	2	2	4	Failure
1977	U.S. v. Paraguay	2	3	6	Failure
1978	U.S. v. USSR	1	1	1	Failure
1979	U.S. v. Bolivia	2	3	6	Failure
1981	U.S. v. Poland	3	2	6	Failure

Key: Adapted from Hufbauer, Schott, and Elliott, *Economic Sanctions Reconsidered*, 48-55. Sanctions score is determined by multiplying policy change score by sanctions contribution score. A sanctions score of 9 or higher is considered a successful sanctions episode.

- | | |
|--------------------------------|------------------------------|
| Policy Change in Target State: | Sanctions Contribution: |
| 1 - Status quo remains intact | 1 - No contribution |
| 2 - Trivial policy change | 2 - Trivial contribution |
| 3 - Significant policy change | 3 - Significant contribution |
| 4 - Complete policy change | 4 - Major contribution |

Democracy-Promotion Sanctions: The Unipolar Era

While charges of “sanctions madness” may be exaggerated, the use of economic sanctions increased substantially after the end of the Cold War.²¹ The most frequent motivating factor for the initiation of economic sanctions was to foster democracy in states abroad. Of the thirty-eight sanctions levied by the United States between 1992 and 1999, twenty-two cases (58 percent) involved the promotion of democracy. The goals of democracy-promotion sanctions became more ambitious after the end of the Cold War, as the bar was raised from attempting to discourage human rights abuses, to compelling foreign states to make fundamental changes in their political systems. Although democracy sanctions in the unipolar era occasionally aimed at specific human rights issues (e.g., Burma, where ending the repression of leading political dissidents was the expressed demand), most sanctions episodes aimed to commit target states to the establishment of complete and authentic democratic political systems. In the unipolar era, the United States looked increasingly to economic sanctions to restore democracy where it had been under siege, and to stimulate democratic transitions in states where democracy never had been practiced.

If one were to disregard the impact of polarity, and simply extrapolate from the empirical data of the bipolar era, failure would be the expected outcome for the ambitious democracy-promotion sanctions of the unipolar era. The efficacy rate of democracy-promotion sanctions was quite modest in the bipolar era and was trending downward toward the end of the period. A reasonable prediction for the fate of the highly demanding sanctions initiated in the 1990s, *ceteris paribus*, would have called for an even lower efficacy rate. Promotion of democracy is an inherently challenging endeavor under any conditions. It encompasses a policy area that one would expect to be highly resistant to the pressures of economic sanctions. Democracy sanctions seek to compel ruling regimes to implement measures which are likely to result in their downfall. This may seem an almost impossible assignment.

Several democracy-promotion sanctions, indeed, have failed in the unipolar era. In a number of cases, regimes remained steadfast in their adherence to status quo policies, despite being subject to punishing economic sanctions. Togo was targeted in the early 1990s with damaging aid sanctions, imposed by the United States and other Western donors due to the regime’s failure to

²¹ The converse argument has been asserted, that substantial impediments to sanctions initiation exist, and have severely limited the number and scope of sanctions implemented. Indeed, business lobbies in Washington often have successfully scotched or severely weakened proposed sanctions. See U.S. Congress, Congressional Research Service, *India and Pakistan: Current U.S. Economic Sanctions*, by Diane Rennack, October 12, 2001, <http://fpc.state.gov/documents/organization/6202.pdf> (accessed September 3, 2009), and Jesse Helms, “What Sanctions Epidemic?” *Foreign Affairs* 78, no. 1 (1999): 2-8.

pursue a path to democratization. Long-ruling strongman Gnassingbe Eyadema nonetheless remained unyielding, implementing little more than token and counterfeit reform measures, including a deeply fraudulent election in 1998. Despite being subject to nearly a decade of sanctions, his regime continued to maintain a monopoly on political power at the conclusion of the 1990s (and, indeed, until his death in 2005).²²

The sanctions imposed on Congo in 1992 reveal a similar sequence of events. The Mobutu regime, which ruled Congo (Zaire) until 1997, also implemented token reform measures to placate sanctioning states, including the convening of a constitutional convention for a democratic transition and relaxation of media censorship. However, the democratic progress quickly vanished as reforms were summarily repealed.²³ Congo remained an autocratic state at the conclusion of the study period, despite the continued presence of sanctions.²⁴

The cases of Togo, Congo, and other episodes of democracy sanctions which failed to induce democratic reform (e.g., Cameroon [1992], Sierra Leone [1997], and Pakistan [1999]), demonstrate that economic sanctions do not represent a foreign policy panacea for the promotion of democracy. These five cases of sanctions failure, however, constitute a solid minority in the set of unipolar-era democracy sanctions (see table 2). By a wide margin—more than 3 to 1—democracy-promotion successes outnumbered democracy-promotion failures. On twenty-two occasions in the unipolar period under consideration, the United States employed economic sanctions to promote the cause of democracy. In five of these episodes, sanctions failed to promote significant democratic reform, yet on seventeen occasions, economic sanctions proved effective in promoting democracy. The efficacy rate of 77 percent in the unipolar era reveals that economic sanctions were greater than threefold (321 percent) more effective at promoting democratic reform abroad than in the bipolar period.²⁵ (See figure 1.)

²² Sharon Otterman, “Togo, A Stalled Nation Waiting for Reform,” UPI, November 8, 2002; Gordon Crawford, *Foreign Aid and Political Reform: A Comparative Analysis of Democracy Assistance and Political Conditionality* (New York: Palgrave, 2001), 192; and Freedom House, *Freedom in the World: The Annual Survey of Political Rights and Civil Liberties, 2000-2001*, ed. Adrian Karatnychy (New York: Freedom House, 2001), 534-536.

²³ Freedom House, *Freedom in the World, 2000-2001*, 192.

²⁴ Thomas Turner, “Zaire: Flying High Above the Toads: Mobutu and Stalemated Democracy,” in *Political Reform in Francophone Africa*, ed. John F. Clark and David E. Gardinier (Boulder, CO: Westview Press, 1997), 256-257; Katrina Tomasevski, *Responding to Human Rights Violations, 1946-1999* (The Hague, Netherlands: Martinus Nijhoff Publishers, 2000), 257; and Freedom House, *Freedom in the World, 2000-2001*, 152-155.

²⁵ Although sanctions appeared to have played a significant causal role in certain human rights concessions in Burma, and in the holding of elections in Cambodia, the persistence of authoritarianism in both states may call into question the coding of these episodes as sanctions successes. If these cases were coded instead as failed episodes, the percentage of successful democracy-sanctions episodes falls from 77 percent to 68 percent. This is a significant

Table 2. Unipolar-Era Episodes of Democracy Sanctions

Year	Initiator/Target State	Sanctions Contribution	Policy Change	Sanctions Score	Assessment
1992	U.N. v. Cambodia	3	4	12	Success
1992	U.S. v. Cameroon	1	1	1	Failure
1992	U.S., Donor States v. El Salvador	3	3	9	Success
1992	U.S., U.K. v. Malawi	3	4	12	Success
1992	U.S., Donor States v. Peru	4	3	12	Success
1992	U.S., Fr., Gr. v. Togo	3	2	6	Failure
1992	U.S., E.U. v. Congo (Zaire)	2.5	1.5	4	Failure
1993	U.S., E.U. v. Nigeria	3	3.5	11	Success
1993	U.S., E.U. v. Guatemala	4	4	16	Success
1993	U.S., U.K., v. Zambia	4	4	16	Success
1994	U.S., Donor States v. The Gambia	3	3	9	Success
1994	U.S., Donor States v. Lesotho	2.5	4	10	Success
1996	U.S., E.U., OAU v. Burundi	4	2.5	10	Success
1996	U.S., Fr., v. Niger	4	3.5	14	Success
1996	U.S., OAS, E.U. v. Paraguay	4	4	16	Success
1996	U.S., E.U. v. Serbia	4	4	16	Success
1996	U.S., Donor States v. Zambia	3	3	9	Success
1997	U.S., Donor States v. Burma	3.5	2.5	9	Success
1997	U.S. Gr., IMF, WB v. Cambodia	3.5	3	11	Success
1997	U.N., ECOWAS v. Sierra Leone	2	4	8	Failure
1998	U.S., E.U. v. Serbia	3	4	12	Success
1999	U.S., IMF v. Pakistan	3	2.5	8	Failure

Note: Table 2 is adapted from Stephen D. Collins, “The Efficacy of Economic Sanctions: Economic Sanctions and American Foreign Policy in the Unipolar Era,” *New England Journal of Political Science* 3, no.2 (2009): 247-248.

Key: Sanctions score is determined by multiplying policy change score by sanctions contribution score. A sanctions score of 9 or higher is considered a successful sanctions episode.

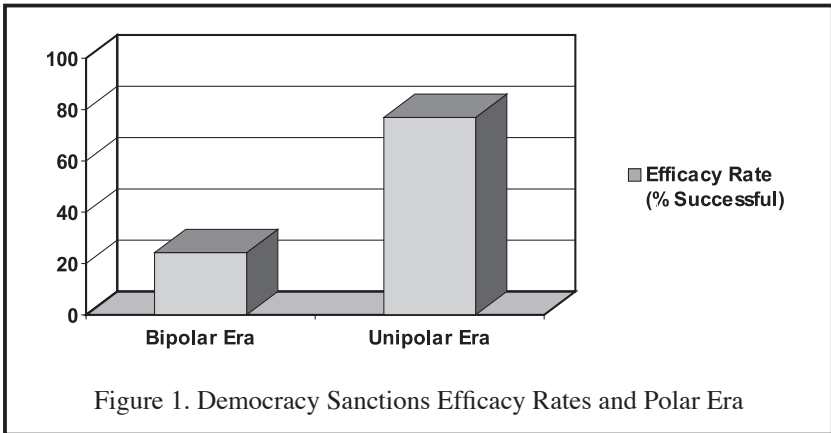
Sources: See appendix 1 for a case-by-case itemization of the sources utilized in the compilation and coding of the above sanctions episodes.

Sanctions Contribution:

- 1 - No contribution
- 2 - Trivial contribution
- 3 - Significant contribution
- 4 - Major contribution

Policy Change in Target State:

- 1 - Status quo remains intact
- 2 - Trivial policy change
- 3 - Significant policy change
- 4 - Complete policy change



Successes of Democracy Sanctions

In a number of instances, democracy-promotion sanctions delivered deep and rapid results. In 1993, when Guatemalan President Jorge Serrano dissolved Congress and the judiciary, and attempted to establish an autocratic government, the United States led a coalition of states in terminating all nonhumanitarian aid, and threatening sharp trade sanctions if democracy was not immediately restored. The grave threat of comprehensive sanctions worked to drive a wide number of sectors in Guatemalan society—including business, the military, and civil society—to abandon Serrano. The disgraced Serrano was ousted by the military, Guatemala’s human rights ombudsman took over as president, and the country’s democratic institutions were restored. The coup was reversed within days.²⁶

A similar *autogolpe* carried out in 1992 by Peruvian President Alberto Fujimori also was reversed rather quickly when aid sanctions were imposed. When Fujimori suspended the legislative and judicial branches and instituted rule by decree, the United States withheld military assistance and economic aid, and worked to stymie Peru’s efforts to obtain loan capital from abroad, including suspending over \$2 billion in loans from the Inter-American

decline, yet still suggests that democracy sanctions succeeded in a large majority of cases, and demonstrates a 284 percent increase in efficacy from the bipolar era.

²⁶ Morton H. Halperin and Kristen Lomasney, “Guaranteeing Democracy,” *Journal of Democracy* 9, no. 2 (1998): 134-147; Crawford, *Foreign Aid and Political Reform*, 194; and Joan M. Nelson and Stephanie J. Eglinton, “The International Donor Community: Conditioned Aid and the Promotion and Defense of Democracy,” in *Beyond Sovereignty: Collectively Defending Democracy in the Americas*, ed. Tom Farer (Baltimore, MD: Johns Hopkins University Press, 1996), 177-178.

Development Bank and other international financial institutions.²⁷ Within six weeks, Fujimori had been forced to agree to schedule congressional elections and commit to protecting democratic institutions. Although presidential dominance remained a salient factor in Peru, U.S. sanctions helped to induce a redemocratization, which eventually resulted in the election of democratic opposition candidate Alejandro Toledo, the removal of Fujimori, and the emergence of a more genuinely democratic Peru.²⁸

Malawi represents an example where sanctions were employed not to compel a return to democracy, but to induce a democratic transition in a state with no historical experience with democracy. The sanctions instrument faced long odds as Malawi, according to one leading analyst, was one of the “most closed and repressive countries in Africa.”²⁹ Mounting evidence of human rights abuses by the Banda regime motivated the United States—along with other donor nations—to sever nonhumanitarian aid to Malawi in May 1992. The restoration of aid was conditioned on the Banda government’s implementation of a transition to democratic rule.³⁰ Banda soon consented to a referendum, which set the stage for the emergence of democratic rule in 1993, when opposition leader Bakili Muluzi was elected to the presidency and opposition parties captured the majority of seats in Malawi’s parliament. The actions of the domestic opposition movement played the largest role in forcing Banda to accept a democratic transition, but the economic pressure from the United States and allied partners provided, according to Gordon Crawford, “the extra push necessary to induce a systemic political transition.”³¹

Economic sanctions also can be employed successively against a single general target. On at least three separate occasions, economic sanctions played decisive roles in the advancement of democracy in the former Yugoslavia. Serbia was targeted with United States-United Nations economic sanctions in 1992, as a result of its aggressive and incendiary role in the conflict in Bosnia-Herzegovina. The conflict was brought to a halt when Serbia agreed to sign the Dayton Accords in 1995. The breakthrough at Dayton can be attributed, in no small measure, to the desire of Belgrade to free itself from economic

²⁷ David Scott Palmer, “Peru: Collectively Defending Democracy in the Western Hemisphere,” in *Beyond Sovereignty: Collectively Defending Democracy in the Americas*, ed. Tom Farer (Baltimore, MD: Johns Hopkins University Press, 1996), 273.

²⁸ Elizabeth Rogers, “Economic Sanctions and Internal Conflict,” in *The International Dimensions of Internal Conflict*, ed. Michael Brown (Cambridge, MA: MIT Press, 1996), 420; Cynthia McClintock, “Room for Improvement,” *Journal of Democracy* 12, no. 4 (2001): 139; Nelson and Eglinton, “The International Donor Community: Conditioned Aid and the Promotion and Defense of Democracy,” 177; and Palmer, “Peru: Collectively Defending Democracy in the Western Hemisphere,” 273-276.

²⁹ Daniel Posner, “Malawi’s New Dawn,” *Journal of Democracy* 6, no. 1 (1995): 131, and Freedom House, *Freedom in the World, 2000-2001*.

³⁰ Crawford, *Foreign Aid and Political Reform*, 197, and Posner, “Malawi’s New Dawn,” 138.

³¹ *Ibid.*, 197-198, and Freedom House, *Freedom in the World, 2000-2001*, 344.

sanctions.³² While conflict resolution was the primary rationale for the sanctions, the peace created by the sanctions-induced accords has allowed a democratic political system to emerge in Bosnia. Although the polity remains ethnically polarized, democratic practices have continued to improve, and ethnic factions have begun to lose strength.³³

Economic sanctions contributed, moreover, to the democratization of Serbia itself. The Clinton Administration brandished economic sanctions in 1996 to compel the Milosevic regime to recognize opposition victories in Serbia's November 1996 municipal elections. Washington convinced the IMF to suspend talks with Belgrade regarding the normalization of its relations with the international financial community, and also threatened to lobby for the reimposition of UN economic sanctions against Serbia.³⁴ The pressure of the United States—coupled with similar threats from the EU and pressure from internal protests—convinced Milosevic to retract the order annulling opposition victories in Belgrade and more than a dozen other municipalities. The causal role of sanctions is revealed by Milosevic who, in announcing the concession, argued, “I would like to stress that the state's interest in promoting relations between our countries and the OSCE and the international community as a whole far surpasses the importance of any number of council seats in several towns.”³⁵

Perhaps the largest boost that Serbian democracy received from external sources was the economic sanctions imposed by the United States and Europe in 1998, in response to Serbia's human rights practices in Kosovo. Sanctions included a number of trade and financial sanctions, including an oil and air-travel embargo, a prohibition on new investment, and a suspension of aid talks with the IMF and World Bank. Sanctions, along with the NATO bombing campaign in 1999, had a stultifying impact on Serbia's economy, as the country's living standard declined by one-third from the beginning of the decade.³⁶ It was largely discontent with these grave economic conditions that motivated the Serbian electorate to vote Milosevic out of office in September 2000.³⁷ The efforts of Serbian democracy activists and the will of the Serbian mass public constitute the main causal factors for the demise of the Milosevic

³² Rogers, “Economic Sanctions and Internal Conflict,” 424-425, and Victor Comras, “Economic Sanctions and US Foreign Policy,” Statements to the Open Forum, February 25, 2002, <http://www.state.gov/s/p/of/proc/tr/9128pf.htm> (accessed August 12, 2009).

³³ Freedom House, *Freedom in the World, 2000-2001*, 96-97, and Freedom House, “Country Ratings and Status, FIW 1972-2007.”

³⁴ Halperin and Lomasney, “Guaranteeing Democracy,” 139.

³⁵ *Ibid.*

³⁶ Freedom House, *Freedom in the World, 2000-2001*, 590.

³⁷ Damjan de Krnjevic-Miskovic, “Serbia's Prudent Revolution,” *Journal of Democracy* 12, no.3 (2001): 104.

regime and the emergence of democracy.³⁸ Still, economic sanctions levied by America and Europe played a significant causal role, as sanctions created the economic conditions which inspired the Serbian public to sack its authoritarian political leadership.³⁹

Occasionally sanctions work with alacrity, as witnessed in the case of Guatemala in 1993, when the Serrano government capitulated to sanctions pressure within days. Still, the Guatemala episode is anomalous. The sanctions instrument requires patience, as in most sanctions, episodes results are achieved (if at all) after several years, and not within several hours. The Nigerian sanctions case (1993) illustrates how reports of the failure of economic sanctions can be premature, and it demonstrates that patience with sanctions can yield significant dividends. The regime of General Sani Abacha remained steadfast in its refusal to relinquish power to the civilian government elected in 1993, despite strong sanctions imposed on the country by the United States and other Western states. Initially, it appeared that sanctions were impotent against the Abacha military government, which remained fully intransigent in the first three years of the sanctions episode. However, even the headstrong Abacha demonstrated responsiveness over time, releasing eight political prisoners in 1996 after sanctions were tightened, and offering to hold talks with donors.

Although scant authentic reform occurred under Abacha's rule, democracy emerged after his death in 1998, when the military regime which succeeded Abacha committed itself to a return to constitutional democratic rule. The vigorous campaign launched by the newly incumbent military government, immediately appealing to donors to lift sanctions by highlighting the progress made toward reinstating democracy, suggests that economic sanctions represented a significant motivating factor for the reintroduction of democracy.⁴⁰ The counterfactual question of what impact sanctions would have had on the trajectory of Nigeria's political system had Sani Abacha lived, cannot be answered, of course. However, the continuing presence of sanctions after his demise represented a powerful current pushing Nigeria in a more democratic direction. The campaign of the interim military leadership for

³⁸ Ibid., 102-106 and 110, and Peter Ford, "How the Balkan Strongman was Toppled," *Christian Science Monitor*, January 27, 2003.

³⁹ Although only peripherally related to democracy promotion, Serbia's decision to extradite Slobodan Milosevic and other top military leaders to The Hague to stand trial for war crimes represents another unambiguously successful use of economic sanctions. The 2001-2002 extraditions were attributable primarily to the decision of the United States to keep certain sanctions in place until Milosevic and other Serbian nationals indicted for war crimes were turned over to The Hague. See "Milosevic's Army Chief Surrenders to Hague Court," *New York Times*, April 25, 2002.

⁴⁰ Oladimeji Aboisade and Robert J. Mundt, *Politics in Nigeria* (New York: Longman, 2002), 132 and 238-239, and Cable News Network (CNN), "Nigerian Leader: Nation No Longer Deserves Sanctions," September 24, 1998, <http://premium.cnn.com/WORLD/africa/9809/24/un.nigeria/index.html> (accessed May 12, 2009).

the repeal of sanctions, concurrent with its decision to commit to democratic reform, constitutes a compelling indicator of the democratizing influence of sanctions.

Explaining the Increased Effectiveness of Democracy Sanctions

This essay finds that U.S. sanctions to promote democracy became significantly more effective in the 1990s, and asserts that this development is largely a product of the marked shift in international polarity. Assigning responsibility to a particular variable for sanctions success or failure does present a challenge. Although sanctions outcomes are not overdetermined phenomena, they indeed are shaped by a multiplicity of variables. Sanctions scholars have variously hypothesized that sanctions' success is influenced by, *inter alia*, the economic dependence of the target state, regime type, and alliance status.

With respect to the first variable, Hirschman asserts that sanctions are more likely to succeed in producing policy change if the target is in a highly dependent economic relationship with the sender state.⁴¹ Irfan Noruddin maintains that sanctions succeed at higher rates when the target is a democracy.⁴² Finally, expectations of conflict negatively influence sanctions' success, according to Daniel Drezner.⁴³ Therefore, he asserts that sanctions are more likely to succeed when the target state is an alliance partner of the sender state.

Neither of these variables explains the increase in the effectiveness of sanctions to promote democracy in the unipolar era.⁴⁴ The enhanced success of sanctions cannot be attributed to economic dependency, as the unipolar era target states are actually less dependent upon economic relations with the United States than the target states of the bipolar era. The bipolar set included a greater proportion of states which relied heavily on the United States as a market for their exports. The set was disproportionately represented by Latin American countries, which traditionally have been more reliant on trade with, and aid from, the United States than other regions. Regime type is endogenous to this study, and therefore the democratic credentials of target states cannot be considered a factor in the increase of efficacy. Alliance status does vary between the sets, though in both sets not a single NATO ally was targeted, and only with South Korea (1973) did the United States have a robust mutual

⁴¹ Albert O. Hirschman, *National Power and the Structure of Foreign Trade* (Berkeley, CA: University of California Press, 1945), 17.

⁴² Irfan Nooruddin, "Modeling Selection Bias in Studies of Sanctions Efficacy," *International Interactions* 28, no. 1 (2002): 73.

⁴³ Daniel Drezner, "Bargaining, Enforcement, and Multilateral Sanctions: When is Cooperation Counterproductive?" *International Organization* 54, no. 1 (2000): 73-102.

⁴⁴ In a previous general study of economic sanctions, the author arrives at a similar conclusion. See Collins, "The Efficacy of Economic Sanctions," 239-241.

defense pact.⁴⁵ When all formal military alliances are considered, 53 percent of the states targeted in the bipolar era were allies of the United States, while just 18 percent of the unipolar-era targets were allies. Therefore, the increase in the efficacy of sanctions did not come as a result of focusing sanctions efforts on allies.

Sanctions have become more successful at inducing democracy in the contemporary era, not as a result of selection bias, but as a result of the dramatically altered configuration of power in the international system. The demise of the Soviet pole has dramatically increased the leverage of America's sanctions to promote democracy. The competitive dynamic of the Cold War limited the costs of recalcitrance when targeted states faced American democracy sanctions, as offsetting assistance could typically be secured from the Soviet Union. Ethiopia, for example, could remain defiant when Washington imposed sanctions in 1976, as it simply substituted American aid with far more generous support from two members of the Marxist pole: the USSR and Cuba. The Soviet Union indeed lavished billions in aid on scores of states across the world during the Cold War. This aid evaporated by 1990, and developing and middle-income states were left in the 1990s with a single polar source of robust aid and trade—the United States and its wealthy democratic allies. Aid-recipient states could no longer employ the threat of defection to the rival pole to escape sanctions; they were forced to choose between suffering the costs of sanctions, or capitulating to demands for democratic reform.

Beyond the collapse of the Soviet bloc, other factors reinforced the hegemonic position (and therefore the influence) of the United States in the final decade of the twentieth century. Not only did the Soviet Union dissolve, but also the Russian Federation which succeeded it was weak, unstable, and economically moribund, leaving it without the ability or will to challenge Washington. The 1990s represented the apex of U.S. military hegemony due to its unmatched military spending, its unrivalled ability to project power across all dimensions, and its exhibition of military prowess in the Gulf War. America's economic dominance reached a zenith in the 1990s as well, as its world-leading GDP measured twice as large as any other country, its economic model became ascendant, and it established a lead in the IT revolution. The collapse of oil prices in the decade also impeded petro-rich authoritarian states from counterbalancing the United States in their respective regions, and made them more vulnerable to American pressure to implement domestic political reforms.

⁴⁵ Currently, fourteen states receive the designation, "Major non-NATO ally," including: Argentina, Australia, Bahrain, Egypt, Israel, Japan, Jordan, Kuwait, Morocco, New Zealand, Pakistan, Philippines, South Korea, and Thailand. *The Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) and the Arms Export Control Act (22 U.S.C. 2751 et seq.)* (as amended in 1996), http://www.law.cornell.edu/uscode/html/uscode22/usc_sec_22_00002321---k000-notes.html.

Sanctions imposed by the United States in the bipolar era were generally ineffective not only against nonaligned states and Soviet allies. Sanctions proved to be largely impotent as well against American-allied countries. The dynamics of bipolar systems greatly undermine the efficacy of sanctions against allied states. The presence of revolutionary movements in allied states, generously funded by the rival pole, made it difficult for the United States to impose deep sanctions for fear of causing instability, and thus the possible loss of the country to the rival camp. Democracy sanctions imposed in the bipolar era therefore were limited, and often merely symbolic, largely consisting of reductions in military aid.

Sanctions in the unipolar era tend to be more comprehensive, and often incorporate the imposition (or threat to impose) significant aid and trade embargoes. The episodes involving Guatemala, Paraguay, and Peru reflect examples of these wholesale sanctions, the type that was never implemented against allies in the bipolar era. With the disappearance of the rival pole, the United States could impose high-cost sanctions on allied targets, as leaders in Washington deemed that political instability in allied targets carried a much lower risk with respect to U.S. grand strategic interests.⁴⁶ Indeed, in the unipolar era, the United States encouraged political transitions in authoritarian allies, and used sanctions to facilitate the rise of reformist movements in both allied states and against neutral and hostile regimes. The more benevolent dynamics of the unipolar system of the late twentieth century greatly enhanced the potency of these sanctions, and helped to foster the latest wave of democratic enlargement.

The increase in sanctions efficacy, thus, derives from the greater impact and scope of U.S. sanctions. The decline of offsetting assistance from the Soviet pole has equipped American sanctions with sharper teeth; it has increased the capability of sanctions to inflict considerable damage on target states. The demise of the Soviet Union also has stimulated an increase in the scope of U.S. sanctions to promote democracy. Unencumbered by the restraints of superpower competition, the United States has felt empowered to utilize comprehensive economic sanctions to induce democratic change in authoritarian allies.

The Influence of Europe in the Success of Democracy Sanctions

The United States does not possess a monopoly on the practice of democracy promotion. America's European allies—acting individually and collectively through the EU—frequently engage in the promotion and/or defense of

⁴⁶ The threat posed to U.S. national security by regime change in allied states, especially in Latin America, often was erroneously amplified by leaders in Washington during the bipolar era. Leaders, such as Jacobo Arbenz in Guatemala and Salvador Allende in Chile, could be characterized more accurately as reformist nationalists than as ardent Marxists.

democracy through the use of economic implements.⁴⁷ While Europe tends to devote less attention to institutional assistance and civil-society aid than the United States, several state-funded foundations in Europe support prodemocracy NGOs abroad, and Europe remains heavily engaged in election monitoring through the OSCE.⁴⁸ In the use of economic pressure to support and protect democratic practices, Europe exhibits as much commitment as its American ally, and its support of U.S. democracy sanctions is an important contributor to policy success.

The European Union is perhaps more active and adroit than the United States in the application of “top-down” promotion of democracy; that is, the use of economic sanctions and incentives to convince foreign regimes to implement democratic reforms. The success of Europe is especially evident within Europe itself, with respect to inducing reforms in potential EU candidates.⁴⁹ Europe also has secured results with its democracy-promotion activities in states much further abroad. In 1995, the European Union embedded in its charter a “Human Rights and Democracy Clause,” which facilitates the imposition of aid and trade sanctions against states accused of transgressing democratic standards.⁵⁰ Europe, in fact, has been more willing than the United States to use trade sanctions to enforce democratic norms. The EU more consistently applies conditionality to its preferential trade agreements (PTAs), whereby trade preferences are made conditional on adherence to democratic practices, and, therefore, violations of such practices are admonished by a revocation of trade privileges. The impact of conditionality has been more modest outside of Europe than within; however, the approach has produced positive results in several episodes, including the cases involving Togo, Fiji, Comoros, Niger, and Pakistan. In these cases, the EU’s decision to suspend PTA privileges appears to have played a role in the progressive reforms that followed.⁵¹

⁴⁷ Most of the non-European OECD allies of the United States (e.g., Australia, Canada, New Zealand [less so, Japan]) also engage in democracy promotion.

⁴⁸ On Europe’s commitment to election monitoring, see Michael McFaul, “Democracy Promotion as a World Value,” *Washington Quarterly* 28, no. 1 (2004-05): 156.

⁴⁹ On the impact of EU membership conditionality on democratization in Europe, see Diane Ethier, “Is Democracy Promotion Effective? Comparing Conditionality and Incentives,” *Democratization* 10, no. 1 (2003): 99-120; Samuel Huntington, *The Third Wave* (Norman, OK: University of Oklahoma Press, 1991); Charles Powell, “International Aspects of Democratization: The Case of Spain,” *The International Dimensions of Democratization*, ed. Lawrence Whitehead (Oxford: Oxford University Press, 2001), 285-315; Frank Schimmelfennig, Stefan Engert, and Heiko Knobel, “Costs, Commitment and Compliance: The Impact of EU Democratic Conditionality on Latvia, Slovakia and Turkey,” *Journal of Common Market Studies* 41, no. 3 (2003): 495-518; and Lawrence Whitehead, “Democracy by Convergence: Southern Europe,” in *The International Dimensions of Democratization*, ed. Lawrence Whitehead (Oxford: Oxford University Press, 2001), 261-284.

⁵⁰ Richard Youngs, *The European Union and the Promotion of Democracy* (Oxford: Oxford University Press, 2001).

⁵¹ Emilie Hafner-Burton, “Trading Human Rights: How Preferential Trade Agreements Influence Government Repression,” *International Organization* 59, no. 3 (2005): 593-629.

While divergence between Europe and the United States occasionally manifests with respect to democracy sanctions, Europe typically joins with the United States, or quite often takes the lead in sanctioning states for human rights violations and democratic backsliding. In virtually all of the cases since the end of the bipolar era in which the United States has imposed sanctions for the purposes of supporting democracy, Europe has participated with the U.S. either collectively as the EU, through a multilateral institution, or through the actions of one or several EU member states. The participation of Europe is important as it substantially magnifies the costs of sanctions on target states, and places greater pressure on regimes from its key domestic constituents. Although the relative scarcity of purely unilateral U.S. democracy sanctions in the unipolar era makes it difficult to assert any definitive claims about the effectiveness of the “go-it-alone” approach, in the one conspicuous unilateral democracy case initiated in the 1990s—Cameroon (1992)—American sanctions completely failed to motivate any policy changes. The most notable unilateral U.S. sanctions case historically is Cuba, where five decades of sanctions have been unable to stimulate the political reforms desired by Washington.

Although this study focuses on the system-wide distribution of power, regional balances of power still can be an important influence on sanctions success. In the Western Hemisphere, the United States is the clear economic hegemon (although its dominance is diminishing), and for most states, a substantial proportion of their economy is driven by trade with in the American market. Washington is also the largest single source of development assistance to Latin America and the Caribbean.⁵² Consequently, the participation of the United States is key to the success of sanctions efforts in the Americas. With respect to Eastern Europe, the EU is unmistakably a more influential economic presence than the United States. The actions of the European Union will clearly have the most decisive impact over the success of sanctions efforts in that region. In Africa, where Europe also historically has been a larger source of trade and aid, the involvement of the EU and/or its larger members is a crucial factor in the efficacy of sanctions as a tool of democracy promotion. Europe has been fairly active in the application of democracy sanctions, and has been a consistent partner of the United States when sanctions to promote democracy are applied in Africa. On at least one occasion in recent years—Guinea (2005)—Europe took the lead in launching sanctions in support of democracy.

Regional proximity, however, is increasingly becoming immaterial to the willingness of democratic donor states to respond to democratic transgressions, as a U.S.-EU convergence on democracy sanctions appears to be developing. Washington has long applied a global approach to democracy sanctions, including measures in Europe, and teamed with the EU in sanctioning Belarus

⁵² OECD, *Development Aid at a Glance 2007: Statistics by Region* (Paris: OECD Publishing 2007).

(2006) for violations of democratic rights. Although during the bipolar era Europe was less engaged in the defense of democracy in the Western Hemisphere, in the unipolar era it regularly has collaborated with the United States in the region. Europe participated in sanctions regimes with the United States in the 1990s in the episodes involving El Salvador, Peru, Guatemala, and Paraguay, and more recently in the cases of Haiti (2001), Nicaragua (2008), and Honduras (2009). In the contemporary era, targets of democracy sanctions face a heightened prospect of being confronted by a united consortium of the United States and Europe.

The Twenty-First Century Challenge to Democracy Sanctions

Despite the findings of this study which show a marked rise in the effectiveness of democracy sanctions, this method of democracy promotion faces significant present and future challenges. Although sanctions succeeded in promoting democracy in the majority of cases in the first decade of the unipolar era, there is no guarantee that this trend will continue. If polarity does indeed influence sanctions effectiveness, then the United States must retain its preponderance of power (and especially economic power) in order for sanctions to retain a high level of effectiveness. History suggests that polarity is more of a dynamic than a static variable. The United States is unlikely therefore to retain, for very long, the massive power differential between itself and all other states that it possessed at the immediate end of the Cold War. Unipolarity will eventually yield to an alternative form, either multipolarity or bipolarity, and a corresponding decrease in sanctions effectiveness will likely occur.

Indeed, just over the past decade, China has emerged as a credible future peer competitor of the United States. As each year passes, China narrows the economic gap separating itself and the United States. This development possesses particular import for the application of economic sanctions to promote democracy. China, like the Soviet Union, possess an antithetical political ideology, and thus is inclined to resist, and in some cases actively oppose, America's efforts to sanction authoritarian states in an attempt to promote democracy. China's growing import market, and its world-leading foreign exchange reserves enables Beijing to offer substantial offsetting assistance to states subject to sanctions imposed by the United States and its allied partners. Beijing indeed has begun to engage in counterbalancing sanctions, especially in Africa and Asia. Support given by Beijing to Zimbabwe, Sudan, Angola, and Burma has mitigated, to some degree, the costs of sanctions and other economic pressures levied by the United States.

Furthermore, two recent global shocks appear to have weakened U.S. economic hegemony, and consequently, threaten the future effectiveness of American sanctions. The sharp rise in oil and gas prices in the first decade of the new century represents the first global shock. This development has enabled

Russia and Venezuela to engage in regional counterbalancing by providing offsetting economic support to neighboring states that are under pressure from Washington to democratize. Examples of this offsetting assistance include Venezuela's aid shipments to Cuba, Bolivia, and Nicaragua. Hugo Chavez has explicitly cast Venezuela's assistance as an attempt to neutralize the influence of the United States, and to impede its foreign policy objectives in the Americas. Venezuelan aid has represented an indispensable lifeline for Cuba, as the Chavez government has provided a total of some \$20 billion in investments and oil, helping to sustain Cuba after the loss of its Soviet patron.⁵³ When the U.S. and the EU withdrew more than \$100 million in development assistance to Nicaragua as a result of demonstrable election fraud in 2008, Chavez significantly offset the pain of sanctions by increasing assistance to Managua by \$50 million.⁵⁴

Russia's spiking oil revenues have allowed it to support authoritarian, pro-Kremlin regimes and politicians in Eastern Europe and Central Asia. In November 2008, Russia announced \$2 billion in loan assistance to Belarus—a target of U.S. and EU democracy sanctions since a fraud-plagued 2006 election. The Lukashenko regime made a conspicuous shift toward Moscow after the announcement.⁵⁵ Indeed, Washington faces a more credible economic statecraft challenger in Moscow today due not only to the rising price of oil, but also as a result of the recovery of the Russian economy from the crisis conditions extant during the 1990s “shock-therapy” market transition.

The second global shock to threaten the influence of U.S. economic sanctions efforts is the 2008-2009 global economic crisis. The reigning perception, held in capitals across the globe, is that the crisis resulted from the excesses of the American neoliberal economic model, which encouraged risk and ignored prudent regulatory oversight. Indeed, states such as China and India, which have largely eschewed the Washington Consensus economic model, have been spared the more serious economic declines experienced in the orthodox market economies. Combined with the turn-of-the-century collapse of the dot-com bubble in the United States, confidence has dimmed somewhat in the American economic model, the function of the U.S. dollar as the global reserve currency, and the overall role of the United States as the global economic leader. This will serve to give greater confidence to

⁵³ Martin Arostegui, “Chavez Hit Hard by Cheap Oil,” *Washington Times*, January 19, 2009.

⁵⁴ Blake Schmidt, “EU Suspends Budget Support to Nicaragua,” *TicoTimes.net*, December 17, 2008, http://www.ticotimes.net/dailyarchive/2008_12/1217082.htm (accessed June 12, 2009), and Tim Rogers, “Ortega Leans on Venezuela Amid Aid Cuts,” *NicaTimes.net*, December 5, 2008, http://www.nicatimes.net/nicaarchive/2008_12/1205083.htm (accessed August 15, 2009).

⁵⁵ Allan Cullison, “Belarus President Seeks to Deploy Russia Missiles,” *Washington Post*, November 14, 2008.

China and others to challenge the United States when its attempts to wield its economic influence to promote democracy. Indeed, the rising assertiveness already exhibited by China, Russia, and Venezuela may be responsible—to a significant degree—for the global democratic stasis which has materialized in recent years. Prominent voices on democracy now often speak of a global “democratic recession.”⁵⁶

In the second decade of the unipolar era, the long-term survival of American hegemony appears less secure, and the United States has witnessed the evaporation of the near-monopoly it (and its Western allies) enjoyed with respect to the use of economic statecraft. Targeted states are no longer completely exposed to the costs of U.S. sanctions, and may look elsewhere for sanctions relief. Notwithstanding this winnowing of American hegemony and the rise of economic statecraft competitors, the sanctions instrument still represents a compelling tool of democracy promotion for the United States. Although some counterbalancing activity has emerged, the international environment remains far more benign in comparison to the bipolar era. Offsetting assistance has not yet approached the consistency or the funding levels of the Soviet bloc’s efforts during the Cold War. Russia and Venezuela appear to be formidable current and near-term rivals; however, their long-term ability to engage in vigorous economic statecraft is quite uncertain, as economic growth in these countries is based upon exports of oil and natural gas, which are highly volatile revenue sources. China’s challenge appears to be more sustainable. Yet, China does not represent itself as an ardent rival of the United States, and its efforts to offset U.S. sanctions have been far more selective and far less robust than those of the former Soviet Union. The present and long-term prospects for the high efficacy of democracy sanctions appear to be less secure than during the first decade of the twentieth century. Still, sanctions now and into the foreseeable future will retain a capacity for inducing democratic reform in states abroad far greater than those applied during the Cold War.

Conclusions

On twenty-two occasions in the unipolar era examined in this study, the United States employed economic sanctions to promote the cause of democracy. In

⁵⁶ Larry Diamond, *The Spirit of Democracy* (New York: Times Books, 2008), 56. Freedom House also notes a three-year “decline” in “global freedom.” See, Arch Puddington, “Freedom in the World 2009: Setbacks and Resilience,” Freedom House, http://www.freedomhouse.org/uploads/fiw09/FIW09_OverviewEssay_Final.pdf (accessed August 31, 2009). Despite evidence that the “third wave” democratic expansion may have come to an end, democracy is by no means in a head-long global retreat. The percentage of “free countries” in 2008, as assessed by Freedom House, is at 46 percent, just a single percentage point lower than the historical high-mark reached in 2006, and significantly higher than the 40 percent noted in the mid-1990s (1995). See Freedom House, “Freedom in the World 2009: Global Data,” http://www.freedomhouse.org/uploads/fiw09/FIW09_Tables&GraphsForWeb.pdf (accessed August 31, 2009).

seventeen of those twenty-two cases, sanctions made a significant contribution to the democratic reforms that followed. The efficacy rate of unipolar democracy sanctions represents an almost perfect inverse to those levied in the bipolar period; while the earlier period witnessed a 76 percent failure rate, the latter period recorded a 77 percent success rate. The results of this study suggest that economic sanctions have become a considerably more effective instrument of democracy promotion in the unipolar era.

The recent emergence of China, Russia, and Venezuela as economic statecraft challengers suggests, however, that the United States may experience more resistance in select future sanctions episodes. Washington, nevertheless, is likely to continue to experience broad success with democracy sanctions due to the economic primacy of the United States. The United States possesses the world's largest economy, it offers an import market twice as large as any other country, and it is the world's largest aid provider. States will continue to face great pressure to alter their policies and behaviors when their access to U.S. trade and/or aid is jeopardized.

Democracy sanctions also enjoy the benefit of an international economic environment in which virtually all of the wealthiest states and largest economies possess democratic political systems. Therefore, with the few exceptions mentioned earlier, those states with the ability to engage in economic statecraft are likely to support (or at least refrain from opposing) sanctions measures levied by the United States to promote democracy. Certainly multilateral participation enhances the effectiveness of democracy sanctions.

Democracy sanctions, furthermore, retain the added benefit of posing fewer costs in comparison to military force. Military approaches to democracy promotion have registered very few successes, while the financial and human costs of military intervention often have been exceptionally high. Sanctions are not without their costs, and if applied ham-handedly and indiscriminately, sanctions can engender humanitarian catastrophes approaching the level of military force.⁵⁷ Recent sanctions measures have become more intelligently crafted, though, with many designed to maximize costs to the leaders and associated elites responsible for offending policies, while minimizing broader humanitarian suffering.

⁵⁷ Sanctions posed against Iraq after the Persian Gulf War illustrate the humanitarian costs of indiscriminate sanctions. Disease and fatality rates spiraled in Iraq in the early 1990s, partly as a consequence of the devastation to Iraq's infrastructure by the bombing campaign, but also due to the complete trade ban which helped to devastate the economy. The "Oil for Food" program, though sullied by a corruption scandal, did help to alleviate the humanitarian toll of sanctions. See David Cortright, "A Hard Look at Sanctions," *The Nation*, December 3, 2001, <http://www.thenation.com/doc/20011203/cortright> (accessed October 20, 2007), and U.S. Congress, Congressional Research Service, "Iraq: Oil-For-Food Program, Illicit Trade, and Investigations," by Kenneth Katzman and Christopher Blanchard, January 9, 2006, <http://www.fas.org/sgp/crs/mideast/RL30472.pdf> (accessed October 20, 2007).

Democracy sanctions exhibited just a modest degree of efficacy during the Cold War, and their effectiveness into the distant future remains uncertain. During the contemporary unipolar period, however, sanctions have, contrary to conventional wisdom, exhibited a high rate of success in promoting and protecting democracy.

Appendix 1. Source Material for Table 2, Unipolar-Era Episodes of Democracy Sanctions

Determination of the policy change and sanctions contribution scores compiled in table 1 relied upon the sources listed below. Freedom House's annual report, *Freedom in the World: The Annual Survey of Political Rights and Civil Liberties* (<http://www.freedomhouse.org>) was especially helpful in determining political conditions in target states subject to democracy sanctions.

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Cameroon: Crawford, *Foreign Aid and Political Reform: A Comparative Analysis of Democracy Assistance and Political Conditionality*, 188; Jean Germain-Gros, "The Hard Lessons of Cameroon," *Journal of Democracy* 6, no. 3 (1995): 112-127; and Freedom House, *Freedom in the World 2000-2001*, 122-124.

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