## Socio-Economic and Political Consequences of Economic Sanctions for Target and Third-Party Countries

**Dursun Peksen, Ph.D.** Assistant Professor University of Memphis

### Possible Effects of Economic Sanctions on Human Rights, Democratic Freedoms, and Press Freedom in Target Countries

Economic sanctions fail between 65-95% of the time in achieving their intended goals.

Evidence suggests sanctions are also counterproductive in advancing human rights, democracy, and press freedom. Why?

1. Imposed sanctions often fail to impair the capacity of the government in part because the target elites might respond to foreign pressure by:

\* changing their public spending priorities by shifting public resources to military equipment and personnel to enhance their coercive capacity

\* redirecting the scarce resources and services to its supporters such as those in police, military, and civil services to maintain their loyalty and support; and

\* actively involving themselves in sanction busting activities through illegal smuggling and other underground transnational economic channels.

Thus, trade and financial restrictions imposed on the target government are unlikely to exact significant damage on the coercive capacity of the government to induce behavioral change from the targeted elites.

2. When an external actor demands political reforms from another regime, the targeted leadership usually perceives the foreign pressure as a threat to sovereignty and particularly to regime survival. To mitigate any possible domestic "audience costs" caused by conceding to the sanctions, the regime has an incentive to put greater pressure on opposition groups to show its determination against any external pressure for reform and policy change.

# Socio-economic and Political Effects of Sanctions on the Vulnerable Segments (Women, Children, and Minorities) of Target Populations

Sanctions, conditional on the severity of the coercion, might cause significant civilian pain by worsening public health conditions, economic well-being, and physical security of the populace in target countries.

Yet, it is unlikely that every segment of the society equally bears the cost of the sanctions. Groups with privileged access to political and economic resources might incur no major cost from foreign economic pressures by unevenly using the public and private resources in their favor. Vulnerable groups, on the other hand, might significantly suffer from any major political and economic instability caused by pressure due to their disadvantaged position in society. I would like to briefly focus on the sanctions' possible effect on one of those possible vulnerable groups; women.

### Economic Statecraft and Women

When economic embargoes and financial restrictions hit those export-oriented sectors, it will disrupt women's economic well-being by raising unemployment among female labor force.

Export-oriented industries (e.g. textiles, apparel, leather goods, and electronic assemblies) especially face the biggest disruption following the imposition of economic sanctions, and women are highly represented in the composition of labor force in such industries run by local economic agents or multinational corporations (MNCs). As such women workers comprise of 60-80 percent of employees in most of the export-oriented industries.

Besides the export-oriented sectors, financial and trade sanctions also create unemployment in other areas of the economy by slowing the economic exchange in the domestic market, increasing inflation, and creating a black market for scarce market products. As economic coercion creates economic difficulties in the target economies, women will very likely be the first who to lose their jobs and face economic discrimination.

Economic sanctions will likely increase gender-specific violence and lead to more violation of women's human rights in target societies. Research shows that economic coercion causes more economic frustration especially among average citizens as a result of the sanctions' humanitarian impact on growing poverty, unemployment, and the gap in income distribution. Growing frustration and injustice feelings are important motivations for the emergence of violent acts at the societal as well as individual levels. Scholars find an increase in personalized crimes rates in countries under economic coercion. Growing crime rates will decrease women's security by making them targets of assaults, harassments, rape and other forms of attacks because they are already among society's most vulnerable groups. Furthermore, economic coercion could also strain gender relations at the household level as a result of more domestic violence and abusive treatment of women.

#### Possible Effects of Sanctions on Populations in Non-Sanctioning (Third-party) Countries

Sanctions might also undermine the economy of non-sanctioning country. The immediate economic impact of sanctions such as imposing an embargo on the target's products or withholding its financial assets might reduce the target's economic and financial ability to trade with third-party countries. More unrest and instability in the targeted country triggered by sanctions would also pose threats to the political stability of neighboring countries, causing more inter-state and civil wars.

### **Smart/Targeted Sanctions and Humanitarian Conditions**

To undermine the civilian pain and improve the effectiveness of sanctions, sanctioning countries should seek ways to put the pressure directly on the political elites who are in charge of the wrongdoings.

The majority of economic sanctions, so far, have been a blunt economic instrument that hits the whole target economy without any or very few discriminatory measures to lessen the negative impact on civilians.

Sanctions in the forms of financial asset freezes, reduction or suspension of military arms sales and aid, and travel bans on target country's officials could be a way to target the political leadership. The significance of these targeted sanctions is that the political leadership is more likely to suffer from them since they are specifically aimed at the elites. Furthermore, these sanctions might cause less damage to civilians, lessening the negative impact on the regular functioning of domestic economies. Subsequently, as political elites face the cost of coercion more immediately through targeted sanctions, they should be more conciliatory towards the sender country's demands for more respect for democratic freedoms and human rights.