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Can Sanctions End Wars?

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Russia's invasion of Ukraine has led to extensive economic, financial, trade, and other types of sanctions directed at individual Russians and the Russian economy. Most European and North American countries as well as Australia, New Zealand, Japan, and Korea have enacted sanctions and many of them are also supporting Ukraine with military and economic assistance. Many other countries including China, India, and Brazil do not support the sanctions although 141 countries belonging to the United Nations (out of a total membership of 193) [voted](#) to condemn the war. Although the use of economic sanctions to influence the behavior of foreign adversaries has a long history, they have become a more prominent foreign policy tool since the end of the Cold War. Their effectiveness at changing the undesirable behavior of political leaders in countries such as Russia, Iran, or North Korea, however, has generally been unimpressive. While economic sanctions did eventually result in an agreement with Iran to control its development of nuclear arms, an agreement with which the Iranian government was complying, the Trump Administration withdrew from that compact, and it has proved difficult to re-instate it. Meanwhile, Iran may be resuming its efforts to acquire nuclear weapons.

Past experience with sanctions suggest that the current measures taken against Russia are unlikely to lead to an early termination of the war in Ukraine.

During the Cold War, sanctions were difficult to deploy because when one side applied them to a particular country, that country could turn to the other side to offset the effects of the sanctions. With the end of the Cold War, however, the use of sanctions skyrocketed. Initially, comprehensive sanctions covering virtually all trade and financial relations, including food and medicine, were applied to countries such as Iraq, Haiti, and Yugoslavia with devastating consequences for civilian populations. The collateral damage caused by these comprehensive sanctions led the United Nations and most regional alliances to [shift](#) to targeted or "smart" sanctions applied to specific economic sectors such as energy or military equipment or to individuals through the use of travel bans or the freezing of personal assets held abroad. In 2000, the United States adopted the [Trade Sanctions Reform and Export Enhancement Act](#) making it illegal to apply trade restrictions to medical and agricultural goods. Sanctions are generally ineffective without support from a large number of countries. The United States has applied

sanctions to Cuba since 1960 with little effect on the behavior of the Cuban government in part because the sanctions are not recognized by any other country. In fact, the U.S. policy has often [served as a convenient excuse](#) for Cuba's poor economic performance deflecting blame from the Cuban government's policies.

Morgan et al. [describe](#) a "Global Sanctions Database" developed to monitor the use of various types of sanctions and to evaluate their effectiveness. Sanctions imposed between 1950 and 2022 are classified according to the type of sanction (trade, financial, travel, arms, military) and the objectives of the sanctions (policy changes, undermining political regimes, ending wars, protecting human rights, enhancing democracy). Specific sanctions are then evaluated to determine whether they were successful, partially successful, resolved in some way, or failures.

The results of their analyses of these historic sanctions show that the economic impacts of sanctions have often been severe, negative, and long-lasting.

In contrast, the effects of sanctions on political objectives are much less significant. In [earlier work](#) by researchers at the Peterson Institute for International Economics, Hufbauer et al. concluded that sanctions had been "... at least partially successful in 34% of the cases [examined]." [Estimates by Morgan et al.](#) are somewhat lower with about 25% of the cases studied registering at least some success in achieving objectives related to improvements in international political relations.

Even when they can be thought to have achieved particular economic or political goals, sanctions may give rise to unintended consequences. Morgan et al. [point to Russian responses to the current sanctions](#) that might compromise the work of the World Trade Organization (WTO). They also note that the ability of the United States to impose sanctions is enhanced by the fact that the dollar is the primary reserve currency and this fact gives a country like China incentives to promote its currency as an alternative for international transactions. Beyond the efforts of targeted countries to circumvent the sanctions, economic restrictions may harm individuals who play no role in the targeted behavior. Joy Gordon and Daniel Drezner argue [here](#) and [here](#) that the shift from comprehensive to targeted sanctions has not protected citizens in the sanctioned countries from economic harm.

In addition, the use of sanctions is not costless for the sanctioning countries.

In the case of the Russian sanctions, for example, the dependence of many European countries on petroleum and natural gas imports from Russia places those countries in a particularly difficult situation as energy prices rise due to the sanctions themselves as well as the reaction of the Russian government as it develops new markets in countries that do not support the sanctions.

The sanctions on Russia generally fall into one of four broad [categories](#). First, various financial measures that aim to cut Russia off from international banking and financial systems have been implemented. Second, Russia's primary energy (petroleum, natural gas, and coal) exports have been targeted although the Russian government has [found other markets](#) for these commodities and reduced energy supplies from Russia and the nations belonging to the Organization of

Petroleum-Exporting Countries (OPEC) have led to price increases for these commodities allowing Russia to continue earning foreign exchange to finance both civilian and military imports. The third set of sanctions includes the seizure of assets owned by Russian oligarchs and other measures targeting specific individuals who support Russia's war effort. Finally, [other sanctions have been implemented](#) targeting Russia's imports of goods that could be used to support its military action in Ukraine, banning or restricting imports of Russian goods such as gold and vodka, and refusing to allow Russian airline flights to enter the airspace of the sanctioning countries (see [here](#) for detailed U.S. information and [here](#) for detailed EU information on the sanctions). All of these sanctions are targeted at specific industries and individuals in an effort to minimize the impact on civilian populations although the general economic hardships they may entail will not leave those populations untouched.

[According to the U.S. State Department](#), the Russian sanctions are intended to "... ensure the Russian Federation and the Lukashenka regime in Belarus pay a severe economic and diplomatic price for Russia's aggression against Ukraine." It is also likely, of course, that the governments of the sanctioning countries would like the sanctions to contribute to an early termination of the hostilities. That does not seem very likely, but the goal of causing economic and diplomatic harm to Russia appears to be within reach despite evidence that the Russian economy has been more resilient than expected. [Sonnenfield et al.](#) argue that the sanctions are "crippling" the Russian economy noting impaired Russian imports, the withdrawal of many foreign businesses, and reduced foreign investment. [Reports by the PBS News Hour](#) point out that it took more than a year for the impacts of sanctions applied to Russia in the aftermath of its 2014 seizure of Crimea to be felt and it is likely that the full effects of the current sanctions will only become apparent as time passes. In addition to the impact of the sanctions themselves, many young and educated Russians have left the country to avoid being drafted to fight in Ukraine or because they oppose the war. This loss of human capital could have significant negative impacts on future economic growth in Russia.

The war in Ukraine has also had adverse effects on people who have nothing to do with the circumstances that gave rise to the conflict. The interruption of agricultural exports and the subsequent rise in global food prices caused great hardship in several low-income African countries that traditionally import a lot of wheat and other commodities from Ukraine. Along with innocent civilians in both Ukraine and Russia, individuals in African and other foreign countries bear no responsibility for any of the grievances at the center of the war. The Ukrainian economy has declined substantially and reconstruction costs once the war is ended will be enormous requiring further assistance from foreign supporters. The long-term negative effects of the war on the Russian economy may also be severe and the broader impacts of the conflict mean that it will have serious repercussions for future global economic, political, and diplomatic relations.

The impulse to take some sort of action in response to such atrocities as Russia's invasion of Ukraine is understandable and the use of sanctions may well be preferable to all-out war.

Unfortunately, these sanctions are unlikely to cause bad international actors to change course and they may well lead to significant economic adversity for innocent individuals in both the targeted country and elsewhere.

Given that the use of sanctions has become so common, there is need for further research on how their efficacy can be improved as well as on the direct and indirect impact of various types of sanctions. There is [some evidence](#) that sanctions can be made more effective if there is greater certainty that they will be lifted when the targeted country complies with a clearly-articulated set of conditions. There may be other ways to increase the success of sanctions as a foreign policy tool, a topic that bears further investigation. Finally, research on the actual direct and collateral impacts of particular sanctions is needed to limit their adverse effects on innocent bystanders.

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