

Sanctions and U.S. Foreign Policy

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Sanctions provide the United States with a middle option that has the "least risk" in dealing with problematic Middle Eastern regimes. Sanctions are less costly than military intervention and better than doing nothing at all. During the Cold War, an evaluation of the success of a sanctions policy was not centered on whether or not the sanctions achieved compliance, but on whether such a measure resulted in the prevention of some negative event, such as the seizure of American citizens as hostages in the target states or enhanced Soviet intervention in the region.

In order to harm an adversary or assist a friend, the U.S. government implements sanctions. In its relations with Iran and Iraq, the United States turns sanctions on and off. The American government's decision to adhere to the 1981 Algiers Accord that ended the Iranian hostage crisis legally precluded Washington from retaining sanctions on Tehran imposed at the onset of the 1979 hostage crisis. But when the United States found evidence implicating Iran in the bombing of an American embassy building in Beirut, Washington decided to re-impose sanctions on Tehran. When Iranian forces began to get the better of the Iraqis in their war, the United States decided to remove Iraq from its list of terrorist states, thereby enabling Baghdad to purchase the necessary equipment to defend itself. Whether to hurt an enemy or help a friend, sanctions became the tool of choice in the Gulf.

Sanctions may be imposed on a state to express disapproval (retribution) and/or to change the behavior of the target state (rehabilitation). Retributive sanctions serve the interests of a domestic constituency. The government imposes them as a form of punishment, irrespective of whether they can change the policies of the target states. When imposing retributive sanctions, the "feel good" benefit should be weighed against the possible political and strategic consequences of the measure.

Rehabilitative sanctions aim to change the behavior of the target states. The effectiveness of such sanctions is enhanced when there is multilateral support for the measure. However, rehabilitative sanctions may not always be able to satisfy ambitious goals, such as compelling Iran to cease its support for Hizballah or curtailing its weapons of mass destruction (WMD) program. They are often more effective in the role of promoting "deterrence by denial," decreasing the capability of states like Iran to acquire WMD by raising the cost to them for doing so.

Economic sanctions have been thought of as the best way to address the problem of rogue states. Eliminating the use of a term like "rogue" could be seen as an indication that policies of accommodation, engagement, and appeasement are more likely to be adopted than tougher policies of deterrence, containment, and coercion. It is not apparent that the latter approach works better than the former with regard to some problematic Middle Eastern states, however. For instance, in her attempt to engage Iran, former Secretary of State Madeleine Albright used conciliatory language and relaxed some of the sanctions. But the Iranian government did not reciprocate. Concessions failed to strengthen the moderates in Iran, and on issues of grave concern to the United States, such as WMD, there was not much if any change. This experience suggests that in Western policy towards Iran, there is need for the "stick" of American sanctions to complement the "carrot" of European critical dialogue and trade. The transatlantic community has to come together as it did in the days of the Cold War and focus on shared strategic interests, such as banning the export of dual use equipment to Iran.

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There will always be a place for sanctions in U.S. foreign policy; the question is what is that place. The current U.S. sanctions policy has several problems. First is the United States' failure to obtain multilateral support for its sanctions efforts. A multilateral sanctions policy is always preferable to unilateral sanctions, even in cases where the multilateral policy would be more limited. Showing some flexibility on European demands and focusing on the need to implement United Nations Security Council resolutions on Iraq more thoroughly can go a long way in helping to create such a coordinated policy.

Furthermore, there have been unrealistic expectations surrounding the use of sanctions — such as the hope that they can bring about regime change. These types of goals are overly ambitious, particularly in cases where sanctions are unilateral. When sanctions fail to meet such expectations, they are deemed a failure — even though successes of a smaller magnitude have been achieved. And too often, sanctions have been seen as a complete policy in themselves. They should be a complement rather than a substitute to other policies, and may be coupled with incentives or, in some cases, military force to enhance U.S. policy goals toward a target state.

Finally, sanctioning has lost a lot of its bargaining leverage. Couching sanctions in broad moralistic arguments helps build domestic support, but fails to encourage compliance from target countries. To restore bargaining power, the United States needs more explicit exit strategies and more flexibility in how the executive branch is able to wield sanctions — both as a punitive measure and as an incentive when the situation warrants it.

Nowhere are the aforementioned problems more apparent than in U.S. policy towards the nations once called "rogue states." A modified approach such as conditional engagement (or conditional containment) is preferable to the current one. Such a shift is not ideological but rather pragmatic — an acknowledgement that the policies of punishment have not yielded the desired results and that a different balance of tools is best suited to pursue the same objectives. Conditional engagement is a negotiated series of exchanges between governments — a process by which the United States puts forward incentives, mostly in the form of lifting sanctions in exchange for a change in the policies of the target regime. A central element to the engagement strategy is the roadmap — laying out what the bargaining framework would look like and ensuring that conditional engagement does not turn into normalization.

Whether conditional engagement is possible depends on:

U.S. Domestic Politics It is not sensible to pursue conditional engagement in an atmosphere where there is no congressional or domestic support or no ability to build such support. Historical precedence indicates that it is possible to gather such support.

Domestic Politics of the Target Country Conditional engagement is feasible only if there are partners in the target country — leaders that are able and willing to engage with the United States in this fashion. In the case of Iraq, pursuing an engagement approach is unreasonable. United Nations Security Council Resolutions 687 and 1284 have offered Saddam Husayn a pathway toward normalization to which he has shown no interest. Although Iran's domestic political environment makes diplomatic engagement difficult, it is still worthwhile to continue efforts toward this goal.

Policy Goals If the United States' central goal is regime change, conditional engagement is not going to be a sensible strategy, as it will not provide any type of roadmap.

This Special Policy Forum Report was prepared by Ramin Seddiq.