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CENTER ON INTERNATIONAL COOPERATION

Negotiation and Strategy: Understanding Sanctions Effectiveness

Michael Chaitkin

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Foreword

Bruce Jones and Richard Gowan

Over the last ten months, the Obama administration has made fundamental alterations to U.S. sanctions policy. In the case of Iran, it has prioritized both public and private dialogue alongside threats of new sanctions – in contrast to the Bush administration, which only made small steps towards talking to Tehran in its final years. It has mixed warnings of "tough sanctions" and "increased pressure" on the Sudanese government with explicit talk of "incentives" for cooperation.[1] It has similarly offered "a dialogue with the Burmese regime [that] will lay out a path forward towards change in Burma."[2]

The administration's critics have jumped on these initiatives as signs of weakness. According to Ray Walser of the Heritage Foundation, it is "contrary to historical experience" to believe that "diplomacy, kind words and rich diet of incentives" can influence autocratic regimes.[3] But is his reading of history correct? This new paper by Michael Chaitkin, based on an extremely detailed analysis of previous sanctions efforts, tells a different story. It shows that sanctions are typically successful when they lead to some form of *agreement* between sanctioner and sanctioned – and this requires dialogue.

Hawkish analysts like to believe that sanctions only succeed when their target caves in completely, and gives in to whatever the sanctioner demands. But historical experience demonstrates that this is false. U.S. and British demands for "full compliance" from Saddam Hussein's Iraq with Security Council resolutions created an impasse: Hussein, believing that he could not comply without losing respect and surrendering power, could not back down. As a result, sanctions dragged on and up to a million Iraqi children died.

By contrast, the U.S. and Britain were much more flexible in looking for a deal with Libya – in spite the emotional and political impact of Libya's past support for terrorism. Washington and London demanded that Libya give up the Lockerbie Bombing suspects, but also clearly articulated the terms under which they would lift sanctions – underlining that these terms would not mean the end of Colonel Qaddafi's regime. They were also ready to give Libya the face-saving option of extraditing the suspects to the Netherlands, rather than directly to the UK. Facing these incentives, Qaddafi was prepared to deal.

As a result, Libya has returned to the international fold (although its presence there is complicated by episodes such as the welcome offered to the convicted Lockerbie bomber Abdelbaset Ali al-Megrahi on his release). Iraq's contrasting fate needs no explanation here. The comparison suggests that a readiness to combining bargaining with sanctions is likely to produce far more positive results than an unyielding emphasis on coercion.

Michael Chaitkin does not believe in talking for its own sake. As he argues in his conclusions, "sanctioners should continue improving their capacity to impose defiance costs on targets" – we must get better at hurting those who don't want to bargain. As he notes, this is often complicated by multilateral diplomacy in venues like the Security Council. As Michael Eriksson explained in an earlier paper in this series, it is also obstructed by the inflexible and routine way in which the UN (and other organizations like the EU) apply sanctions once they have been approved. [4] As Eriksson argues, we need better coordination, management and evaluation of sanctions – backed up by better intelligence and information-sharing on their effects – if we are to achieve their goals.

But, as Michael Chaitkin convincingly explains, this improved implementation should be accompanied by the "the option of dialogue with the adversary, especially when [the sanctioners] might be least inclined to do so." It is only by leaving space for bargaining that the sanctioner can create a credible exit strategy from a sanctions regime

[1]Brian Knowlton, "White House Unveils Sudan Strategy", *New York Times*, 19 October 2009.
[2]Kurt Campbell, Assistant Secretary of State for East Asian and Pacific Affairs, U.S. Department of State, *Testimony Before the House Committee on Foreign Affairs: U.S. Policy Toward Burma*, 21 October 2009.
[3]Ray Walser, "Courting Khartoum: The Obama Administration's Sudan Policy", www.heritage.org, 20 October 2009.

[4]Michael Eriksson, *Operational Conflict Prevention and the Use of Targeted Sanctions: Conditions for Effective Implementation by the EU and UN* (Center on International Cooperation, December 2008).

- for all concerned. Without such space, confrontation is only likely to intensify over time.

Skeptics will argue that creating this space simply gives countries like Iran and Sudan opportunities to play for time, undermine international support for sanctions, or simply lie about their intentions. At the time of writing, Iran appears to be back-tracking on deals on its nuclear program negotiated under the threat of sanctions only months ago.[5]

But the very fact that Iran is now seen to be giving up opportunities to deal weakens its own position. It is much harder for the regime in Tehran to imply that its defiance of sanctions is some form of heroic resistance to the U.S., given the incentives it has received. Likewise, if the Burmese generals fail to make any progress towards democracy, their advocates will not be able to argue that it is for want of opportunity.

Ironically, U.S. openness to bargaining around sanctions may thus legitimize the use of coercion in the last resort – whereas the Bush administration's refusal to talk seriously with Baghdad ensured that its invasion in 2003 was widely perceived as illegitimate.

Contrary to the skeptics' claims, Michael Chaitkin's paper suggests that the Obama administration's early maneuvers on sanctions may give it increased diplomatic leverage in the years ahead. "We will not," as one senior U.S. official told Congress, "judge the success of our efforts at pragmatic engagement by the results of a handful of meetings."[6] Instead, we should evaluate the administration's sanctions policies by the extent to which they lead target regimes' governments to bargain, grudgingly or otherwise, with the U.S.

[5]David E. Sanger, "Iran said to Ignore Effort to Salvage Nuclear Deal", *New York Times*, 8 November 2009.

[6]Campbell, op.cit (n.3).

Negotiation and Strategy: Understanding Sanctions Effectiveness

Introduction

Despite extensive and ongoing debate about economic sanctions, policy makers disagree about their effectiveness. This is to some extent surprising given the frequency and ceremony with which states sanction each other to achieve their policy goals. Analytically, this confusion is understandable; the multitude of factors that influence the outcome of a conflict involving sanctions confounds the task of evaluating the impact of sanctions.

Ongoing efforts by the United States and the United Nations to influence proliferators and human rights violators, such as Iran, North Korea, Sudan, and Burma with sanctions suggest that they will remain a preferred policy tool for the major powers. In that light, it is essential to continue honing our understanding of the conditions under which they can be expected to achieve established policy goals.

This paper advances the debate about sanctions efficacy by assessing their role in a broader conflict management strategy. It argues that sanctions are more likely to succeed when they yield conditions conducive to bargaining between the parties to a dispute. The centrality of bargaining means that if sanctioners are unwilling to compromise over major policy goals, sanctions alone are unlikely to succeed. Therefore, countries aiming to achieve policy goals through sanctions must be prepared to engage, negotiate and compromise with their adversaries.

The Sanctions Debate

Are sanctions an instrument that can be used bludgeon states into compliance? Or are they better conceived of as a more agile weapon with which states prod each other toward more favorable policies, perhaps with the promise of political and economic reward? Some have mischaracterized the debate, attempting to distinguish between coercive and persuasive sanctions[1] rather than the more realistic blend of coercion and persuasion — a strategy of coercive diplomacy — that incorporates sanctions into a broader, flexible, and coherent policy. The question is not whether sanctions should coerce **or** persuade, but rather what role sanctions play in a strategy that both coerces **and** persuades. The implementation of sanctions is not a self-contained coercive strategy, operating in some sort of policy vacuum; rather, sanctions are a coercive tool best utilized within a broader strategy of engagement, in which negotiation and dialogue are indispensable.

Such a strategy requires shrewd negotiation. Strangely, existing methods for analyzing their utility tend to ignore negotiation. Rather, these studies have focused on the coercive potential of economic sanctions, often overlooking the many subtle factors that determine whether the sender and target states can reach a mutually acceptable resolution to a dispute. Each approach yields important insights into sanctions dynamics, but none fully captures the implications of the fact that sanctions episodes are fundamentally bargaining scenarios between the parties.

The most basic way of judging sanctions effectiveness has been the punishment model. This predicts that sanctions will work if they credibly and sustainably impose costs that outweigh the target state's expected gains from its behavior.[2] In that light, sanctions aim to reduce the target state's economic welfare.[3] Key to the model is its assumption that the target is monolithic. In other words, the target state is the actor of consequence that bears the cost of sanctions and decides whether to change course.

The punishment model fixates on the economic impact of sanctions, identifying aggregate income lost as the critical gauge of sanctions intensity.[4] Consequently, successful sanctions will be those that exact a high toll on the target state's national income. If that toll exceeds the target state's expected gains from its current behavior, the target state, it is assumed, will comply with the sanctioner's demands. The punishment model leaves little room for negotiation

[1]Cortright and Lopez 2002, p.5.
[2]Craw and Klotz 1999, p. 26-27.
[3]Pape 1997, p. 93-94.
[4]Pape 1997, p. 94.

and often relies on the threat of even more severe sanctions or military force. The sanctioner, the model predicts, will not accept outcomes short of full compliance.[5]

Problems with applying the punishment model spawned a movement for reform. First, punitive sanctions often harmed those they intended to help. Embargoes in the 1990s wrought havoc on the citizens of target states, most notably in Haiti and Iraq, where in both cases sanctions propagated humanitarian catastrophes. After more than a decade of comprehensive trade sanctions, for example, UNICEF estimated that nearly one million Iraqi children suffered from chronic malnutrition as a result. Sanctions led to major disruptions in food supplies, severe erosion of Iraq's once world-class medical infrastructure, and widespread shortages of potable water.[6] Punitive sanctions were meant to incite popular opposition to the target state's policies, and thus drive a change in its behavior, but their humanitarian impacts rendered them untenable.

Second, punitive sanctions exerted insufficient pressure on target states. In general, the state was the domestic institution best equipped to adapt to economic restrictions that caused a scarcity of goods and capital. Problematically, while the population suffered, target states often insulated themselves from the costs of sanctions.[7] Leaders of non-democracies were particularly adept at dodging the pain caused by sanctions that ultimate befell their subjects, largely because they feared little or no meaningful domestic backlash for the population's suffering. In the former Yugoslavia, moreover, political elites and militia leaders used sanctions to enrich themselves by using their power to control counter-sanctions smuggling operations.[8] A consensus emerged that regardless of the economic costs exacted on the target state's economy, sanctioners would not achieve their goals without more directly reducing the welfare of the target state's leaders.

[5]Cortright and Lopez 2000, pp. 27-28.
[6]Filipov 2003.
[7]HSEO 2007, p. 1.
[8]Cortright and Lopez 2000, p. 75

Consequently, analysts and policy makers increasingly adopted the view that political elites, rather than states, were the most relevant actors in sanctions episodes. This, in turn, led to an emphasis on targeted, or 'smart' sanctions. The targeted sanctions model specifies that sanctions will be more effective – and humane – if aimed at pressuring specific decision-making elites and groups.[9] Smart sanctions were thought to remedy both of the observed shortcomings of conventional punitive measures. By targeting leaders, sanctions would spare populations of the possible humanitarian consequences. Concurrently, they would inflict pain directly on the very elites whose behavior sanctioners hoped to modify.

Targeted sanctions seek to augment the economic costs to elites of their deviant behavior, whether by freezing their assets, by restricting their access to select goods and movement abroad, or by denying them international sources of credit. Elites will change behavior because they, as individuals, are unwilling to bear the costs of sanctions. In essence, then, the logic of targeted sanctions is simply the application of the punishment model to elites rather than to states.

Importantly, sanctioners are still not expected to accept an outcome short of full compliance. This, much like the original punishment theory, neglects the importance of concession costs to the target state's decision making. Major policy demands require targeted elites not only to forfeit the benefits they expect, but also to pay the substantial political costs of conceding, which may be far greater than what the sanctioner believes.[10] Domestically, elites must placate supporters who stood to gain from the abandoned policy. Internationally, elites anticipate diminished stature and credibility if they succumb to external pressure. By failing to account for concession costs, both versions of the punishment model yield unreasonable expectations for sanctions outcomes because they promise success only if the sanctioner can inflict enough pain on the target state or its leaders.

[9]Cortright and Lopez 2000, p. 240.
[10]George 1991, p. 12; HSEO 2007, p. 160.

While some embraced the smart sanctions movement, others conceded the need for sanctions paradigms with tempered expectations. Since sanctions seek to change the decisions made by political leaders, concession costs are predominantly political in nature. Consequently, recent sanctions research features political or institutional models which attempt to explain how and when economic pain translates into political costs. Several scholars note the importance of domestic political structures to episode duration[11] and outcome.[12] Democratic states are more vulnerable to sanctions that impact the populace, for instance, because their leaders are held accountable by regular elections.[13] Such findings mesh well the fact that economic sanctions destabilize incumbent leaders, particularly in democracies.[14] Analysts focusing on the role of institutions conditionalize the impact of economic costs on the nature of the target state's regime, citing the difficulties in coercing autocratic states.

These paradigms, however, are also insufficient. While they relate episode outcomes to the nature of the target state's regime, they fail to frame their evaluation of sanctions in a bargaining context. Like the punishment models, they imply that if only the sanctioner imposes high enough costs, the target state will concede. In reality, costs endured by the target state, whether economic or political, are only one of several factors that define the bargaining space between the parties to the dispute.

A More Complete Framework for Sanctions Efficacy

On rare occasions, the mere threat of sanctions can compel compliance,[15] but usually targeted states rebuke such threats, provoking their imposition.[16] Since sanctions do not always achieve policy goals, it is important to explain under what conditions they are likely to succeed.

Doing so requires a framework that accounts for both the sanctioner's and the target state's decision-making. Each of the myriad factors that influence the actors' willingness to negotiate a settlement can be observed and measured. Subsequently, the framework's validity can be demonstrated empirically through statistical and case study analysis.

The arguments put forth in this report emerge from just such an analysis. A range of factors that affect both sanctioner and target state policy calculation were subjected to both statistical and case study analysis. The central conclusion of this analysis has substantial policy implications; namely, that a sanctions episode only concludes successfully when both the sanctioning actor and target states *agree* to an outcome to some extent in line with the sender's professed objectives.

Predicting success, therefore, requires an understanding of what factors influence both parties' decision making.

Target States' Behavior

Target states face two types of costs. First, they endure economic and political costs generated by the sanctioner's policies. Against these defiance costs, target states weigh the anticipated political costs of concession. Higher defiance costs make target states more likely to negotiate while higher concession costs make them more defiant.

Defiance Costs

The defiance costs felt by a target state's leaders are determined by three factors: the extent of rent-seeking opportunities for the target state, how easily the target state can evade or adapt to sanctions, and the rapidity of impact.

[11] McGillivray and Stam 2004.

[12] Allen 2005.

[13] Lektzian and Souva 2007.

[14] Marinov 2005.

[15] In 1975, for example, South Korea angered the United States and Canada by arranging to purchase a nuclear reprocessing plant from France. Suspicious that Seoul was pursuing nuclear weapons, the North Americans threatened to terminate their participation in the development of South Korea's civil nuclear program. Within six months, South Korea halted its acquisition of the plant (*Business Week* 1976). Importantly, most policy-makers and scholars only ever analyze cases in which sanctions are actually imposed. By neglecting threat-only cases, they may be seriously underestimating the effectiveness of sanctions. This remains an empirical question, however. Fortunately, a newly published data set will facilitate much better study of this question (Morgan et al 2009).

[16] Out of eleven threat-only cases, only twice did the sender give up after failed threats (HSEO 2007, p. 106-08).

Rent Seeking

Economic sanctions generate rent-seeking opportunities in target states. In fact, the pain inflicted by sanctions may be outweighed by the target state's ability to capture rents. That capacity relies on the target state's regime type and the type of sanctions imposed.

There is ample reason to link rent seeking to regime type, as leaders of stable non-democracies have two advantages over their democratic counterparts when they have opportunities to seek rents. Autocrats exercise greater control over the economy than democrats, so they are better situated to manipulate and exploit rent-seeking opportunities afforded by sanctions. Additionally, autocrats are less encumbered than democratic leaders by norms against tightening economic control, which harms elected leaders at the ballot box.[17] Therefore, since autocratic states benefit more from rent seeking than democratic ones, defiance costs are directly related to the target state's level of democracy.

Opportunities for rent seeking vary by sanctions type. In fact, trade sanctions are much more likely to generate chances for the target state's leaders to seek rents than financial ones.[18] In particular, target governments often take an active role in smuggling and contract allocation. The clearest example comes from the Oil-for-Food Program established by the United Nations for Iraq. The Security Council permitted Iraq to select its oil customers, enabling Saddam Hussein to garner political support for overturning the sanctions and to enrich himself and other favored Iraqi elites by demanding payoffs from companies that wanted to do business under the program.[19] As sanctions devastated the Iraqi economy and precipitated a humanitarian catastrophe, illicit oil income lined Ba'athist pockets, helping Hussein's regime endure.[20] Since trade sanctions generate more rent-seeking opportunities, target states subject only to trade restrictions face lower defiance costs than those subject only to financial or mixed sanctions.

[17]Lektzian and Souva 2007, p. 853-54.

[18]This follows from Lektzian and Souva's (2007, p. 854) argument about rent seeking, which is predicated on autocrats' adeptness in exploiting changes in terms of trade. Those changes result from restrictions on trade. In fact, Lektzian and Souva's discussion of rent seeking centers entirely on trade restrictions and never addresses the impacts of financial sanctions on terms of trade. Their argument draws directly from Kaempfer, Lowenberg, and Mertens 2004.

[19]Meyer and Califano 2006, p. 71-72.

[20]Cortright and Lopez 2000, p. 45-48.

Evasion and Adaptation

Sanctions impose greater defiance costs if the target state cannot evade or adapt to their impacts. Enforceability and rapidity of impact determine the target state's ability to circumvent sanctions. Easily enforced sanctions generate higher defiance costs for the targeted state or leader. Rapid-acting sanctions, meanwhile, are costly soon after implementation, but may lose potency after their initial shock dissipates.

Enforceability depends on sanctions type and international attitudes. Financial sanctions are easier to enforce than trade sanctions. States using sanctions can simply halt the flow of aid to the targeted actor, utilize their clout with international lending institutions to deny loans, outlaw the provision of credit by domestically based banks, and similarly legislate the freezing of the target state's assets held in domestic accounts. Financial relationships are often unique to the parties involved and, therefore, easily controlled by the sanctioner. The key to easy enforcement comes from that it is difficult for target states to replace financial relationships, especially when they include direct aid.[21] Additionally, financial sanctions can generate market-reinforcing effects.[22]

Trade sanctions, on the other hand, pose a greater enforcement challenge to sanctioners. Compared to monitoring bank accounts, for example, detecting the clandestine sale of embargoed goods is extremely difficult. Moreover, sanctions may merely divert trade rather than cut it off completely.[23] It is likely that the target will find alternative suppliers or markets for the affected goods, meaning defiance costs will be lower. Even if the target cannot locate another source, it may possess a strategic reserve or domestic production capacity. In the former Yugoslavia, an arms embargo had no impact on Serbia because it had an indigenous weapons production

[21]HSEO 2007, p. 97.

[22]Elliot 2005, p. 12.

[23]HSEO 2007, p. 97.

capability.[24] Facing trade sanctions, targets are more likely to find means of circumvention or evasion because they have a greater chance of identifying alternative markets and can utilize their own production capacity. This buttresses the argument that trade sanctions impose fewer defiance costs than financial sanctions.

International attitudes also impact enforceability. Sanctioners need to inspect shipments and locate target assets, often requiring assistance from other states. International cooperation with sanctions reduces the potential outlets for the target state to circumvent restrictions. Thus, greater international cooperation implies greater defiance costs for the target state. Conversely, it only takes a small number of actors to undermine an entire sanctions regime. For example, the U.N. Panel of Experts for Sierra Leone determined that despite universal sanctions, the government of Liberia illicitly sold diamonds to finance the Revolutionary United Front. This finding led to separate sanctions against Charles Taylor's regime,[25] but the case underscores how a single opportunistic state can derail sanctions by mitigating the defiance costs faced by the target state.

Rapidity of Impact

Rapidity of impact determines how the target state experiences defiance costs over time. Swift implementation carries a certain shock value and preempts the shifting of assets, hoarding of embargoed goods, and the arrangement of circumventive relationships by the target state.[26] Financial sanctions are easier to implement quickly and impose immediate costs on the target. A striking example of how financial shocks sober targets comes from the South Africa case, though the critical restrictions were not actually mandated by the sanctions regime. In the midst of ongoing international sanctions, private financial institutions independently decided in 1985 not to roll over South Africa's credit. That decision created an immediate balance of payments crisis for Pretoria, and practically overnight the rand lost more than half its dollar value.[27] The banks' market-induced investment decisions were critical to the South African government's increased willingness to bargain with the international community and the African National Congress (ANC).[28]

It is unlikely for trade sanctions to comparably jolt the target because the pain from trade restrictions takes time to mount. This bodes poorly for episodes in which the sanctioning state utilizes only trade restrictions. The gradual infliction of pain, in fact, decreases the likelihood of success because longer episodes invite help to the target.[29] However, targets that can endure the initial shock of financial sanctions may avoid the mounting defiance costs associated with trade sanctions. Thus, episodes in which senders enact both financial and trade sanctions may have the greatest chance of success because they retain greater potency over time.

An important caveat to the proposed effects of sanctions type is that when trade sanctions halt the supply of a vital resource, like oil or natural gas, they can be enforced easily and impact the target quickly. In 1979, for example, the Arab League embargoed oil sales to Canada to discourage the latter from moving its embassy in Israel from Tel Aviv to Jerusalem. Within months Ottawa abandoned its plan.[30] However, sanctions senders rarely possess such leverage.

Concession Costs

Concession costs describe the expected political losses for leaders if they give in to foreign pressure. Greater concession costs discourage target states from bargaining. Domestic punishment can easily overshadow any pain inflicted by external actors, which may be limited in potential.[31] The most salient concession cost is losing power.[32] The magnitude of concession costs depends greatly on what the actor initiating sanctions seeks, as well as the ex ante relationship between the sender and target states.

[24]Stedman 1998, p. 185.
[25]United Nations Department of Public Information 2001.
[26]Haass 1998, p. 209.
[27]Price 1991, p. 222-23.
[28]Carim, Klotz, and Lebleu 1999, p. 15.
[29]HSEO 2007, p. 168.
[30]Globe and Mail 1979.
[31]Lektzian and Souva 2007, p. 854
[32]Marinov 2005.

Sanctions that pursue significant policy changes or seek to reshape the target in some fundamental way (i.e. regime change) are unlikely to succeed.[33] Major objectives require the target state's leadership to sacrifice substantial domestic gains. Ambitious senders are therefore less likely to succeed.

Concession costs also depend on the *ex ante* relationship between the sender and target states. Cooperating with adversaries is more costly because expectations of future conflict are high, so targets fear that concessions will be exploited in future encounters.[34] Additionally, domestic audiences often view cooperation with a rival state as unfavorable.[35] The degree of animosity between the states and their leaders prior to the episode contributes to the latter's concession costs. Consequently, the target's leadership faces fewer domestic repercussions when conceding to a friendly state.

Sanctioner Behavior

Two sender-side factors impact the viability of bargaining. First, the sanctioner's resolve indicates the credibility of its threats to maintain or escalate its pressure on the target state. Resolve impacts the target state's calculus regarding whether to try to outlast the sanctioner. Second, the sanctioner's interests indicate how likely it is to compromise with the target state. Sanctioners are unlikely to negotiate when its major interests are at stake.

Resolve

A simple measure of resolve is the cost of sanctions to the sanctioner. Sanctions can harm domestic constituents who, if inadequately compensated, press for the removal of restrictions.[36] Costs to the sanctioner stimulate domestic opposition to maintaining sanctions, so sanctions with high costs to its initiator are more likely to be lifted before succeeding. Just as military campaigns are constrained by the public's unwillingness to sustain them for long periods of time, sanctioners can suffer from 'sender fatigue.' When sanctions are costly for the sanctioner, therefore, its resolve will be diminished over time.[37]

Interests

Greater interests prevent sanctioners from lifting sanctions before achieving their policy goals, but they also militate against bargaining with the target state. The magnitude of the sanctioner's interests is tied to its goals and its ex ante relationship with the target state.

Major goals are more important to sanctioners than minor ones, so states pursuing the former are less likely to give up without success. However, sanctioners are less likely to compromise over major policy goals, so their willingness to bargain will be lower. Even though the sanctioning actor may be highly motivated to resolve a conflict in which it has great interest, that interest will demand that the that actor's range of acceptable outcomes be both quite narrow and very close to full compliance. So a sanctioner might be willing to spend and negotiate more to achieve major goals, it will make far fewer substantive compromises with the target state. Thus, sanctioners pursuing major goals are less likely to succeed.

Additionally, sanctioners will be more willing to bargain with target states that are not adversarial. Like their targets, sanctioners worry about future confrontation and domestic backlash for conceding to an enemy. Concurrently, they are less likely to give up when sanctioning an adversary. A rival state's behavior can threaten the sanctioner's security or offend its values. States sanctioning unfriendly targets have greater interests at stake than those censuring friendly nations, so they are less likely to achieve their goals.

[33] Haass 1998, p. 197.

[34] Drezner 1999; Lektzian and Souva 2007.

[35] Colaresi 2004; Lektzian and Souva 2007.

[36] HSEO 2007, p. 109.

[37] A key exception is when the U.N. Security Council implements sanctions without a sunset clause, as in the Iraq case. In that situation, the threat of continued sanctions was extremely credible because any permanent member could veto the removal of sanctions. In general, however, keeping sanctions in place is a unilateral decision.

Multilateral Senders

The sanctioner's resolve and interests are more complicated in multilateral sanctions cases. The willingness to bargain will likely not be uniform across multiple or collective senders. This is quite literally illustrated by America's prior refusal to engage with Teheran, while the EU3 (France, Germany, and the United Kingdom) negotiate directly to resolve the conflict over Iran's nuclear program. Multilateralism, in fact, may reduce the likelihood of finding a mutually acceptable solution among the sanctioners, let alone with the target state. This may be particularly problematic when the Security Council is involved because stakeholders can veto unsatisfactory outcomes. Divergent interests among the permanent members hinder consensus on whether sanctions should be lifted.[38] Therefore, universal sanctions regimes are less likely to succeed than others.

Policy Implications

This framework can be distilled into a set of observable implications. Namely, the determinants of sanctions effectiveness can be classified according to their expected qualitative impacts on the sanctioner's chances of achieving its goals. Table 1 summarizes these expectations.[39] Sanctions are more likely to succeed when they impose greater economic costs on the targeted state or leader, when they target democracies, when they benefit from international cooperation, and when they combine both financial and trade restrictions. Conversely, sanctions are less likely to succeed when they are costly to the sanctioner, when they target an adversarial state or leader, when they are undercut by opportunistic third parties, and when they pursue extremely ambitious political goals. Additionally, the potential benefits of collective action associated with the Security Council imposing universal sanctions are often overshadowed by competing interests within the Council and the unusual difficulty of cases that demand the Council's attention.

[38]Chesterman and Pouligny 2003, p. 506.

[39]For a more detailed discussion of the variables, please see the annex.

Table 1	
Factors that increase sanctions effectiveness	**Factors that decrease sanctions effectiveness**
Greater economic costs to the target state	Great economic costs to the sanctioner
More democratic target state	Target state is an adversary
Greater international cooperation	Target state allies that subvert/ circumvent sanctions
Combination of trade and financial restrictions	Pursuit of major policy goals
—	Universal sanctions imposed by Security Council

Because sanctions effectiveness relies on successful navigation of bargaining scenarios, the nature of bargaining implies important guidelines for sanctions policy. Sanctioners should continue building international capacity to target the economic costs of sanctions on leaders and elites. Concurrently, sanctioners need to avoid postures from which bargaining with an adversary becomes politically untenable.

Sanctioners should continue improving their capacity to impose defiance costs on targets, particularly through targeted sanctions.

The magnitude of defiance costs plays a critical role in defining the range of possible outcomes attainable by the sanctioning state. As an added benefit, well-targeted and enforced sanctions can create substantial impediments to the target state maintaining its behavior.

Policy makers should focus efforts on honing targeted sanctions for many reasons. First, targeted sanctions are the most direct means of imposing defiance costs on individuals and organizations that can alter the target state's objectionable policies. Financial restrictions can quickly diminish a state's cash flow and access to credit, often with market reinforcing effects. In 2005, for example, the U.S. Treasury Department's censure of Banco Delta Asia, a Macao-based bank with substantial North Korean holdings, deterred other financial institutions from maintaining relationships with Pyongyang.[40]

[40]Lague and Greenless 2007

The George W. Bush administration relied on similar secondary effects in its efforts to deprive Iran of international capital.[41] Trade sanctions can also be targeted, though enforcement is often more difficult. When a state or ruling party depends heavily on a particular commodity for revenue or legitimacy, effective limitations on trade in that good can be quite costly. In the early 1960s, a mere two cent per pound tariff on imports of sugar from the Dominican Republic to the U.S. severely weakened the Trujillo family's hold on power since sugar holdings comprised roughly a third of their assets.[42] The proper design for a targeted sanctions regime will depend on what the target state needs to obtain from or sell to the rest of the world, whether military and industrial technology, sources of natural wealth (oil, diamonds, timber), credit, or aid. Additionally, a blend of targeted trade and financial measures will impose both immediate and lasting costs on the target state.

Second, in light of the humanitarian consequences of sanctions against Iraq in the 1990s, targeted sanctions are viewed as far more legitimate than comprehensive ones in the international arena. One U.N. official even predicted that the Security Council, for fear of devastating another country's civilian population, would never again impose comprehensive sanctions.[43] That attitude reflects how, in many ways, the Iraqi experience led to the subjection of economic sanctions to a set of international norms historically more closely associated with the use of military force. Namely, matters of discrimination and proportionality increasingly mattered in global attitudes toward sanctions. Targeted sanctions are doubly virtuous, therefore, when compared to comprehensive restrictions. By design, they only directly harm those responsible for a state's criminal or otherwise unwanted policies, and they match more proportional means to the limited achievement any sanctioner should reasonably expect: defining parameters for negotiation with the target state.

Concurrently, legitimate sanctions earn broader international support, or at least acquiescence, which makes them more effective. When third parties believe sanctions to be in line with these post-Iraq norms, they are less likely to subvert them, facilitating enforcement and limiting the target state's outlets for evasion and circumvention. Additionally, if a sanctioner conforms to international humanitarian standards in designing its policy, it may have greater international support for broadening sanctions, or pursuing even more forceful options, if limited measures fail to effect change in the target state's behavior.

Unfortunately, targeted sanctions are extremely difficult to enforce.[44] Western scholars and policy makers have already attempted to sharpen targeted sanctions through the Interlaken, Bonn-Berlin, and Stockholm processes. These initiatives, sponsored by European governments, have generated invaluable guidelines for improving targeted sanctions design, implementation, enforcement, and monitoring.[45] Such efforts should continue, particularly to evaluate and draw lessons from ongoing efforts to enforce targeted sanctions against the DPRK and Iran, and ideally with active participation from Russia and China.

Sanctioners need to retain and exercise the option of dialogue with the adversary, especially when they might be least inclined to do so.

Sanctioners pursuing major goals against their adversaries face a serious dilemma. When a state sanctioning an adversary to induce major policy changes, whether cessation of a military venture or substantial domestic political reforms, the sanctioner faces a two-fold dilemma that economic measures alone are hard-pressed to overcome. First, because stakes are so high for the target state, its leaders expect particularly ample concession costs if they submit to external demands. Second, because stakes are so high for the sanctioner, its impulse will be to insist on full or near-full compliance before lifting or easing sanctions.

Sanctions against Iraq in the 1990s vividly illustrated this predicament. Despite decisive military defeat in the Gulf

[41] Lague and Greenless 2007.
[42] Wright 2008.
[43] Lektzian and Souva, p. 865.

[44] Tostensen and Bull (2002) chronicle the lingering technical, legal, institutional, and budgetary obstacles to effective implementation and enforcement of smart or targeted sanctions.
[45] Biersteker 2001, Brzoska 2001, and Wallensteen et al 2003.

War and overwhelmingly costly sanctions, the Hussein regime still withheld full cooperation from the sanctioners, refusing to permit first the U.N. Special Commission (UNSCOM) and then the U.N. Monitoring, Verification, and Inspection Commission (UNMOVIC) to inspect a set of government facilities and presidential palaces.[46] Inspectors did succeed in dismantling Iraq's WMD infrastructure, and trade restrictions deprived Baghdad of the material required to reconstitute its clandestine weapons programs.[47] Nonetheless, with fresh memories of Iraq's disastrous 1980s war with Iran, Hussein felt compelled to retain credible ambiguity surrounding Iraq's WMD status so as not to invite Iranian assertiveness, as well as intimidate domestic opponents. The matter, many believe, was of existential importance to the Iraqi regime.[48] Therefore, perhaps no amount of economic pressure could have compelled Hussein to permit definitive international verification of the fact that his WMD programs had been completely eliminated.

Concurrently, the Security Council, due to American and British influence, continually insisted on full compliance from Iraq before it would consider easing or lifting the sanctions.

In fact, because they so reviled the Iraqi dictator, the U.S. and U.K. adopted policies of regime-change even though U.N. resolutions never required Hussein to relinquish power. The Anglo-American alliance subsequently held the removal of sanctions hostage to the regime's endurance, effectively destroying the Council's chances of achieving a settlement with Iraq. The U.S., in particular, refused to be swayed by Iraq's substantial cooperation with UNSCOM and failed to understand Hussein's insecurity.[49]

To cope with this dilemma, sanctioners have two options for facilitating bargaining with the target state. First, they can temper their demands, either by offering face-saving outlets for the target state, or, if necessary, by making concrete concessions in exchange for compliance with a modified, but still meaningful, set of demands. For instance, the U.S. could have withheld its veto when the Security Council considered softening its sanctions on Iraq, or perhaps even eased its total control over Iraqi airspace. Second, sanctioners can complement sanctions with other foreign policy tools to be more effective.[50] The use of force is one such tool,[51] but if policy makers look to sanctions as an alternative to military action, they should adopt strategies that, in addition to punishing the target state, promise positive incentives for compliance.[52] To reward Iraq's cooperation with UNSCOM, for example, and to incentivize further compliance, the U.S. and U.K. could have promised some degree of normalization of relations with Iraq rather than amplify their bellicose rhetoric of condemnation directed at Hussein.

The Anglo-American conflict with Libya represents an instructive alternative strategy for the use of sanctions. The dispute centered on many of the same issues that dominated the Iraqi case: state sponsorship of terrorism in the Middle East and elsewhere, clandestine WMD development, subversion of various Arab-Israeli peace efforts, and even attempts to assassinate American officials. In both cases the U.N. adopted stringent sanctions that ostracized the target state, and at times American and British leaders also discussed the need for regime change in Tripoli.[53] And yet, the U.S. never invaded Libya. Libya has since renounced its support for terrorism, ended its pursuit of WMD, and fulfilled Western demands regarding the Lockerbie incident.

One striking difference between the Iraq and Libya cases was the consistent willingness of the U.S. and U.K. to make deals with Libya's leadership.[54] First, Libya was allowed the face-saving option of extraditing the two Lockerbie suspects to a third country (the Netherlands) rather than to Scotland, as the British and the Security Council originally demanded. Second, the U.S. and U.K. granted Qadhafi's government a degree of legal immunity in exchange for Libya accepting responsibility for the Lockerbie bombing.

[46]Cortright and Lopez 2000, pp. 57-58

[47]Cortright and Lopez 2004

[48]Pollack 2004

[49]For a thorough account of American and British attitudes toward Iraq, the sanctions regime, and the Security Council's many missed opportunities for a peaceful settlement, see Cortright and Lopez 2004.

[50]Morgan and Schwebach 1997; O'Sullivan 2003

[51]In fact, there is widespread consensus among scholars that military action is a powerful companion policy to sanctions, though disagreement arises over its comparative effect on policy outcomes.

[52]Haass and O'Sullivan 2000

[53]HSEO 2008

[54]Details of the Libya case drawn from HSEO 2008

Another important feature of Anglo-American strategy was the clear articulation of the steps required for the removal of sanctions. Critically, once Libya had fulfilled all of the Security Council's demands, the Western powers allowed U.N. sanctions to be lifted despite their outstanding unilateral goals, which focused on WMD, while U.N. sanctions dealt primarily with terrorism. That decision made Western promises to lift unilateral sanctions, should Libya comply, all the more credible. Additionally, diplomatic normalization began during, not after, the implementation of agreements to dismantle Libya's WMD infrastructure. Concurrently, the U.S. gradually eased its sanctions as progress continued, including the lifting of its travel ban and its prohibition on investment and commerce. America also pushed for Libyan membership in the WTO. By 2006 Tripoli's relations with the West were more or less fully normalized, and Libya had nearly or completely met all of the sanctioners' demands.[55]

What, then, is the proper course for the international community in its efforts to curb Iran's nuclear ambitions and disarm North Korea? If the Security Council hopes to accomplish its goals, all its permanent members – especially the United States – need to understand the need to embed sanctions within a constructive political process. The Obama administration's policy of engagement with Teheran is a critical first step toward any possible settlement to the standoff, but it will not be a panacea for all of America's grievances with Iran. Importantly, the United States must also not disregard the need to convince the rest of the P5 to intensify pressure on the Islamic Republic, for the current costs of sanctions are simply underwhelming next to what Iran expects to gain from nuclear power.[56] As America's rhetoric becomes less bellicose and more diplomatic, prospects for a settlement satisfactory to all of the P5 should improve. Regarding North Korea, the six-party process needs to emphasize measurable benchmarks for cooperation that involve mutual concessions. Any such agreement will depend on a prolonged and concerted diplomatic effort by the United States and its Asian partners. Despite lingering questions about Pyongyang's uranium enrichment and nuclear export activities, incremental negotiations still offer the best prospect for eventually eliminating the North Korean threat.[57] As in all conflicts that include the imposition of economic sanctions, the critical role of constructive engagement cannot be overstated.

[55]A common misconception, at times promoted by neoconservatives in the George W. Bush administration, is that America's invasion of Iraq compelled Libya to cooperate with the West. However, as Indyk (2004) convincingly argues, Libya was prepared well before the invasion to make concessions to the U.S. and the U.K. if adequate terms were offered. The neoconservative narrative was an effort more to marshal support for the ongoing war in Iraq than to accurately explain Libyan decision-making.

[56]Ross 2006.

Conclusion

Ultimately, states considering using sanctions to achieve their geo-political goals must understand that sanctions are not a strategy unto themselves. Sanctions can define the parameters for negotiation between the parties to an interstate dispute, but alone they are unlikely to coerce the target state to submit to foreign demands. Only by complementing sanctions with other foreign policy tools can a sanctioner maximize its chances of achieving its aims. The threat or use of military force is one such tool, but it can be both costly and internationally illegitimate. Instead, states should focus on concurrently improving their ability to inflict highly targeted economic pain on target elites and institutions while offering substantive incentives that can override a target state's expected concession costs. As important, sanctioners should avoid characterizing their interests or adversaries in terms that render negotiation and compromise domestically untenable.

This need for compromise can be problematic for leaders, particularly in Western democracies, whose policy options are often constrained when dealing with belligerent or rogue regimes. In such situations, achieving full compliance may be strategically or morally imperative. If so, policy makers would do well to acknowledge that sanctions alone are unlikely to achieve their goals, no matter how distasteful offering incentives to human rights violators or Holocaust deniers may be. Only after all such efforts are made can any state genuinely claim cause for war as a last resort.

[57]Hecker and Perry 2008.

Appendix

Table 2: Impact of Independent Variables

Variable	*Expected Impact*	*Actual Impact*	*Statistically Significant*
Cost to target	+	+	x
Target's level of democracy	+	+	x
Type: Financial-only instead of trade-only	+	+	
Type: Mixed instead of financial- or trade-only	+	+	x*
International cooperation	+	+	x
Black knight	-	-	x
Magnitude of sender goals	-	-	x
Prior relationship	+	+	x
Cost to sender	-	-	x
Universality	-	-	x

* Result for mixed compared to trade-only was significant, while result for mixed compared to financial-only was not.

Cost to Target

Despite rejecting the punishment model, the theory acknowledges that economic costs are one component of the target's defiance costs. HSEO (2007) focus on the average annual cost to target. However, it is more likely that the costs accumulated over time are what matter to episode outcomes. "In general," explains Baldwin (1985, 134), "the influence of economic changes tends to be cumulative." Therefore, much like Lektzian and Souva (2007), for each observation included is a *Target Cost* variable that represents the cumulative cost to target, as a share of GNP, for the episode through the year in question. Expected are higher target costs to increase the likelihood of success. Data come from HSEO (2007).

The results indicate that higher economic costs increase sanctions efficacy. This supports the argument that economic costs are part of the target's defiance costs. Obviously, high-cost sanctions do not always succeed, nor do low impact sanctions always fail. However, even a basic review of the data buttresses this finding. For episodes in the top quartile of cost to target, sanctions are effective 49% of the time. In contrast, only 39% of episodes in the bottom quartile result in success. These findings affirm the modest role of economic costs in episode outcomes.

Target's Level of Democracy

Leaders of non-democracies can withstand sanctions better than democratic leaders. They gain more by exploiting rent-seeking opportunities generated by sanctions, mitigating their defiance costs. Consequently, included is a *Target Polity variable*, which measures the target's democracy level. Although some researchers create regime-type dummies from polity scores (Marinov 2005), the polity variable is treated as continuous, much like HSEO (2007) and Lektzian and Souva (2007). Expected are higher levels of democracy to increase the likelihood of sanctions success. Data come from the Polity IV Project (Marshall and Jaggers 2006).[1]

The findings show that target polity is another important factor in sanctions efficacy. The more democratic the target, the more likely sanctions are to succeed. This is consistent with the argument that leaders of non-democracies face fewer defiance costs than democratic ones because they are more able to capitalize on rent-seeking opportunities generated by sanctions. It also supports the many warnings about the difficulties of sanctioning autocrats (Haass 1998, HSEO 2007).

Sanctions Type

Only HSEO (2007) have econometrically analyzed the impact of sanctions type on outcomes. However, they merely include a dummy for financial-only sanctions episodes (HSEO 2007, 186). Conversely, the theory predicts differences among financial-only, trade-only, and mixed sanctions regimes. Consequently, each observation includes whether there are financial sanctions, trade sanctions, or both in force against the target, making it a categorical variable. Regressions use trade-only episodes as the reference; therefore, the expectation is that mixed sanctions regimes increase the likelihood of success more than financial-only sanctions. Sanctions type data come from HSEO (2007).

The results are less compelling regarding the comparison between financial-only and trade-only sanctions regimes. They suggest that financial-only sanctions are more likely than trade-only sanctions to succeed, but that finding is not statistically significant. Other features of the data do support this hypothesis, however. First, most simply, 48% of episodes with financial-only sanctions ended with success, compared to only 35% of trade-only episodes. Second, financial-only sanctions were implemented in more challenging situations. Compared to trade-only sanctions, the senders of financial-only sanctions more frequently pursued major goals from less democratic (though more friendly) targets.

International Cooperation

International support for sanctions should limit the target's options for circumvention or substitution. Some argue, nonetheless, that cooperation with the sender decreases efficacy (Lektzian and Souva 2007, 861). They differentiate between strictly unilateral cases and all others. However, what matters is not the number of official senders, but a measure of general international support for a sanctions regime. HSEO (2007) provide such a metric. They rate international cooperation on a four point scale: 1 = no cooperation, 2 = minor cooperation, 3 = modest cooperation, and 4 = significant cooperation (HSEO 2007, 58). I integrate a dichotomous *Cooperation* variable. With modest or significant international cooperation, sanctions should be more effective. Data come from HSEO (2007).

The data show that senders who receive modest to significant international support are more likely to succeed than those with minimal or no support. This indicates that cooperation does, in fact, contribute to the target's defiance costs. When the international community supports a sanctions regime, the target has fewer opportunities to evade the impacts of sanctions. Thus, targets are less likely to find ways to reduce their defiance costs.

Black Knight

Friends of targets often undermine sanctions by providing assistance or access to markets (Drury 1998). Their assistance reduces the defiance costs felt by the target. These black knights help facilitate illicit transactions for the target, alleviating the political and economic costs that result from sanctions. A *Black Knight* variable is included, much like Lektzian and Souva (2007). If the target receives help from a third party, sanctions should be less likely to succeed. Data come from HSEO (2007).

As the black knight variable indicates, sanctions against targets that are receiving help are less effective. The target's allies offer means of circumvention and adaptation, dampening the impacts of sanctions. In contrast, friendless targets face higher defiance costs. In fact, the magnitude of a black knight's impact is almost identical to that of international cooperation, though in the opposite direction. The episodes for which *Black Knight* and *Cooperation* are coded 1 ended with success 47% of the time, the success rate for all episodes, suggesting that black knights essentially neutralize international support.

Sender Goals

The nature of the sender's goals impacts both the target's concession costs and the sender's interests. For both, more ambitious goals diminish the likelihood that sanctions succeed. Classifying policy objectives is tricky. Some scholars differentiate between destabilization and behavior change (Dashti-Gibson, David, and Radcliff 1997). However, most isolate modest policy changes from all others (Drezner 1999; Hart 2000; Nooruddin 2002; Lektzian and Souva 2007; HSEO 2007). The latter coding is more appropriate for my analysis. To generate a dichotomous *Major Goal* variable, the study divided objectives between modest policy changes and all others, including regime change, disrupting a military venture, impairing military potential, countering nuclear proliferation, and other major policy changes. Sanctions seeking major goals should be less likely to succeed. Data come from HSEO (2007).

[1]Specifically, I utilize the *polity2* variable.

Strong support for this hypothesis is found. Senders pursuing major goals are significantly less likely to succeed than those with modest objectives. Targets facing high concession costs are not willing to bargain. Similarly, highly interested senders are unlikely to settle for less than full compliance. That combination, generated by the sender's pursuit of major policy goals, undermines prospects for constructive bargaining.

Prior Relations

Like the sender's goals, the *ex ante* relationship between the sender and target impacts both the target's concession costs and the sender's interests. Senders and targets are both less likely to bargain with adversaries than with friends. Thus, incorporated is a *Prior Relations* variable, which rates the parties' ex ante relationship. Better relations should increase sanctions efficacy. Data come from HSEO (2007).

Adversaries are particularly defiant targets. What is found is that with a better *ex ante* relationship, the sender is significantly more likely to succeed. This supports the argument that targets are less likely to concede to their enemies due to fears of future confrontations and high expected concession costs. Likewise, states are more likely to bargain with friendly targets because the broader ramifications for the sender's security or moral standing are less severe. Particularly salient is the difference between adversarial targets and all others,[2] highlighting the importance of both sender and target concerns regarding bargaining with an enemy state.

Sender Costs

Senders are less likely to maintain sanctions if they are domestically costly. Some sanctions may benefit the sender economically, like the cessation of aid or credits, but generally sanctions harm the sender's own firms and workers and create domestic pressure to lift the restrictions. Although a precise accounting of sender costs does not exist, HSEO (2007, 115) provide a rating for sender costs ranging from net gain to major loss. Using that rating, the model incorporates a Sender Costs variable.

Demonstrated here is that sanctions that are more costly to the sender are less likely to succeed. High sender costs elicit domestic pressure to lift sanctions. This, in turn, diminishes the sender's resolve because its threats to maintain or escalate sanctions are less credible. Weak sender resolve diminishes the likelihood that the target will make concessions. Importantly, sanctions failed all three times the sender faced high costs, and only succeeded in 41% of the episodes in which the sender faced minor costs. In contrast, sanctions were effective in half of the cases in which the sender endured minor or no costs.

Universality

Finally, universal sanctions represent episodes of unique international cooperation. In that light, one might expect universal sanctions to be extremely effective. However, the particularities of Security Council procedure lead to very different expectations. Since the permanent members can each veto proposed resolutions, bargaining requires finding common ground among the P5 in addition to between the Council and the target. Given the disparate interests among the P5, universality actually renders bargaining less likely. Used is a dichotomous *Universal* variable to determine if universality decreases sanctions efficacy. Data come from HSEO (2007).

As expected, sanctions imposed by the Security Council are relatively ineffective. This seems to support the assertion that the veto power of the Council's permanent members prevents the emergence of a mutually acceptable outcome among them, let alone between the Council and the target. However, episodes involving universal sanctions often culminated successfully. In fact, of the 12 universal cases, seven are coded as successes. The regression model masks the role of episode duration in universal cases. On average, a successful universal sanctions regime lasts 12.3 years, while overall, episodes last 7.1 years. Episode length in universal cases suggests that sanctions remained in place until the most ambitious Council member was satisfied with the outcome.

Escalating beyond sanctions

The role of military force in sanctions episodes is undeniable. Pape (1997), for one, highlights the difficulty of distinguishing between the impacts of sanctions and military force, particularly when used simultaneously. Force is included as a confounding variable, indicating when the sender utilizes force against the target. The use of force increases the likelihood of sanctions success (Lektzian and Souva 2007; HSEO 2007). Although force is not incorporated into the theory, its impact is not inconsistent with my framework. By using force, the sender inflicts greater defiance costs on the target and manifests greater resolve in the confrontation. Data on the use of force comes from the militarized interstate disputes (MIDs) dataset from the Correlates of War Project (Gohsn, Palmer, and Bremmer 2004). For each observation the model determines whether the sender used force against that target in that year. If the sender is an international or multilateral organization, the model relies on HSEO (2007) for whether force was used.

What is found is that the sender's use of military force against the target significantly contributes to episode success. This is consistent with others' findings (Lektzian and Souva 2007), but does not go so far as to validate the claim that sanctions rarely succeed without the use of force (Pape 1997; Pape 1998). In fact, senders who do not use force still achieve their goals 46 percent of the time, compared to 58 percent when force is used. This finding is not inconsistent with the model. Military force is a companion policy to sanctions that increases defiance costs to the target and amplifies sender resolve by demonstrating a willingness to escalate.

[2]To isolate the impact of an adversarial relationship, I rerun the regression with *Prior relations* as a categorical, rather than continuous, variable.

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