

THE LEGALITY AND EFFICACY OF UNILATERAL SANCTIONS

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ABSTRACT

The objective of this text is to evaluate the legality and efficacy of unilateral sanctions that states may impose on another state. The sanctions are seen as the repercussions for non-compliance with international law or any protocol. The researcher explores the same from the perspective of the United States of America which uses conventional methods of imposing sanctions. The researcher tests the effectiveness of the same with respect to sanctions imposed on Cuba, Myanmar and Iran.

INTRODUCTION

The inherent nature of internal law makes its application different from conventional domestic law. The element of jurisdictions, subjects and sources means that it cannot be applied and enforced in the same manner as municipal law.

However, this does not mean that internal law is entirely ineffective or redundant. Development of modern international law and the emergence of international institutions makes has rendered it stronger than in the pre-World War II era¹. While institutional law relies largely on self-regulation, obligations and customary protocol, a failure to follow international obligations or procedures does always result in consequences. Once concluded, that there has been an infringement of some kind, the concerned state faces two scenarios, to comply with the rules and rectify its conduct or it refuses to comply and accept the obligations imposed.

In such a case, the recourse left to the affected states or institution is to impose sanctions. In layman's parlance, sanctions can be defined or described as actions that affected states resort to against other offending states. Sanctions may be diplomatic, military, economic etc. and may

¹ M.D. Evans, *International Law*, Oxford University Press. 1ed. Pg 505-507. (2003).

be imposed unilaterally or multilaterally. Unilateral sanctions mean a declaration by a single state to suspend some form of relations with another. Multilateral sanctions refer to a declaration by a collective of states that suggests all of the concerned states will suspend ties with the offender.

In theory, unilateral sanctions seem inequitable, considering that all states on an international platform are from evenly matched. This inequity is more apparent if a developing or economically weak country individually declares displeasure or imposes sanctions on a larger, more powerful state. Conversely, a state with considerable influence and power imposing sanctions against a smaller country effectively means that all sympathisers of the larger state will also consequently suspend relations with the offending state.

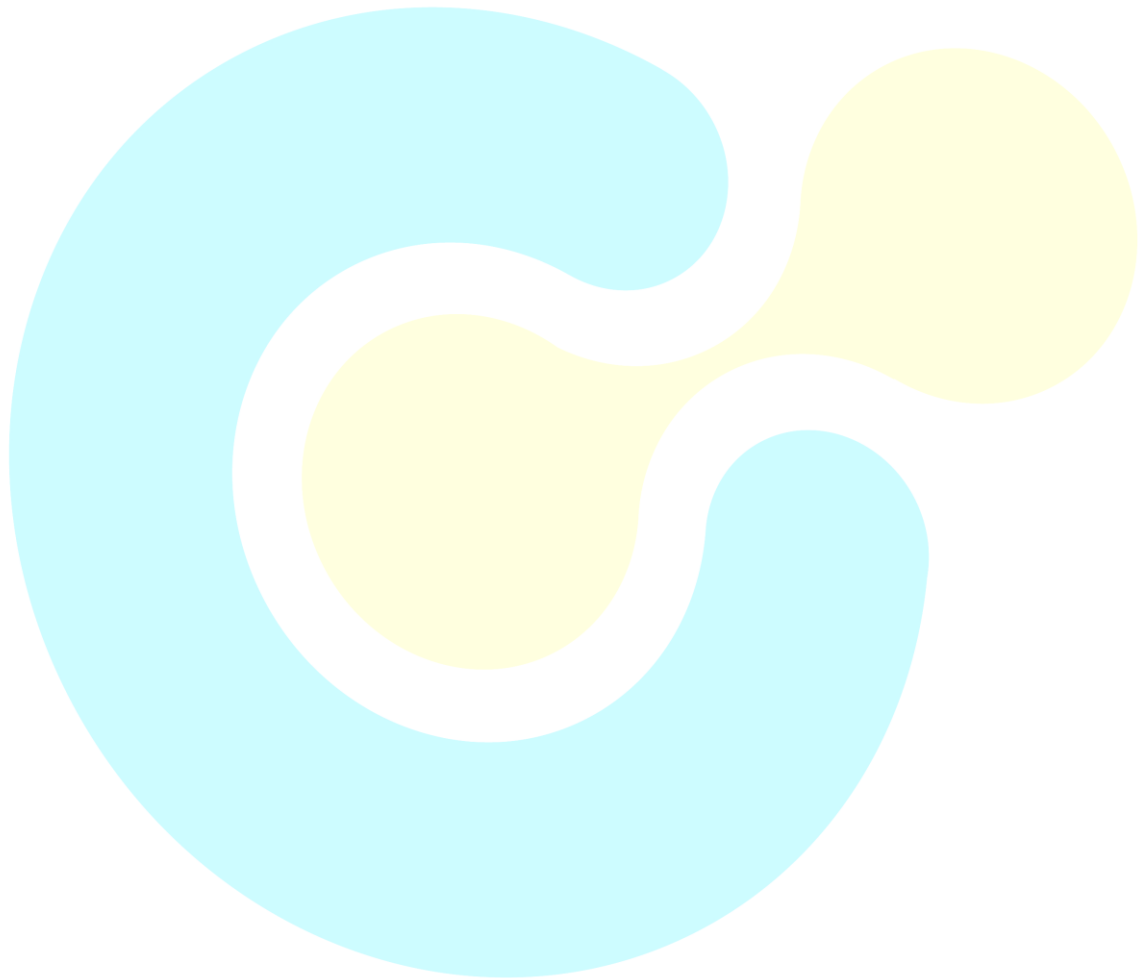
However, practice has shown that unilateral sanctions can often be effective and used by a state for considerable political and economic gains, as examples explored further in the paper will show².

The researcher seeks to explore this dichotomy and elaborate on the discrepancy between theory and practice to explain the legality and efficacy of unilateral sanctions.

² H.G. Schermers and N.M. Blokker, *International institutional law: unity within diversity*, Martinus Nijhoff Publishers. 4ed. (2011).

RESEARCH METHODOLOGY

For this paper, all theories submitted, assertions made and authorities cited, the researcher has perused through secondary sources such as legal articles, journalistic articles, books and online databases.



MULTILATERAL AND UNILATERAL SANCTIONS

Article 41 of the UN Charter authorizes the Security Council to undertake necessary measures that discount the use of armed or military force. Thus, after the end of the Cold War, sanctions under the United Nations and European Union began to be used more frequently, as a tool of mediation and negotiation and as a coercive measure in order to avoid the resort to armed force, and in consideration of the belief that international responsibility relied heavily on peaceful settlement.³

Sanctions imposed under article 41 can full or partial trade, financial, commercial and arms embargoes, therefore it can be said that sanctions are generally of an economic nature.⁴ Before taking action under section 41, the Council must determine whether there is a ‘threat to peace’, ‘breach of peace’ or ‘act of aggression’. The Council is thus authorised to tackle threats or breaches of peace, that are not necessarily instances of wrongful conduct with regards to international relations. Aggression refers to direct breaches of international law, although the definition of aggression suggests that the UN would be reluctant to limit the scope of the Council’s function. Thus it is evident that sanctions under the United Nations serve a much a wider purpose than the concept of unilateral or collective countermeasures⁵.

Joseph Gold has defined sanctions as “*measures to ensure the observance of obligations or to punish the violation of them*”. To widen the scope of the definition, he has replaced the term with “remedy”. Gold believes that the term need not always have a punitive, coercive element.⁶

Unilateral sanctions are those imposed on one country by another in hopes of achieving some change of policy in the country upon which the sanctions are imposed⁷. The term “unilateral” is used because an individual state or a group or uncoordinated states collectively impose sanctions on a target country. This results in a poorly executed measure that is punitive in character, rather than reformative and an underdeveloped country is isolated even further on

³ L.M. Trocan, *Sanctions in public international law. In Days of Law: The Conference Proceedings*, Brno: Masaryk University, Vancouver. (2009).

⁴ N. White and A. Abass, *Countermeasures and sanctions, International Law* (Evans ed., 2003), 505.(2006).

⁵ *Supra*, note 2.

⁶ J. Gold, *The “Sanctions” of the International Monetary Fund* □. *American journal of international law*, 66(04), pp.737-762. (1972).

⁷ T.M. Nyun, *Feeling good or doing good: inefficacy of the US unilateral sanctions against the military government of Burma/Myanmar. Wash. U. Global Stud. L. Rev.*, 7, p.455. (2008).

the international platform resulting in economic stagnancy and large scale economic deprivation.

Unilateral sanctions tend to have a one dimensional intention. Resources and economic channels are obstructed with the hope that a country will change its conduct in a manner that is more acceptable to the country imposing a sanction. However, this is an infrequent occurrence.⁸ The rationale behind these is that in case of regimes that violate human rights or support terrorist activities, the obstruction of economic channels leads to lesser resources available to support terrorist organisations. The same was seen in the case of the United States against Libya and Iran.

A display of power or an imposition like a sanction by one state against another, by definition are based on a momentary perception of superiority, the impermanence of which can be observed in terms such as “strong” or “weak”. Economic sanctions are not the most equitable of legal remedies, but even a slight disparity in political strength, result of singular incident can provide the basis for application and design of an economic sanctions programme⁹. For example, Costa Rica, a largely uninfluential state was accused by some Caribbean States of trying to use economic sanctions (‘banana diplomacy’) in order to consolidate the position of the candidate they desired for the election of the Secretary-General of the Organisation of the American States.

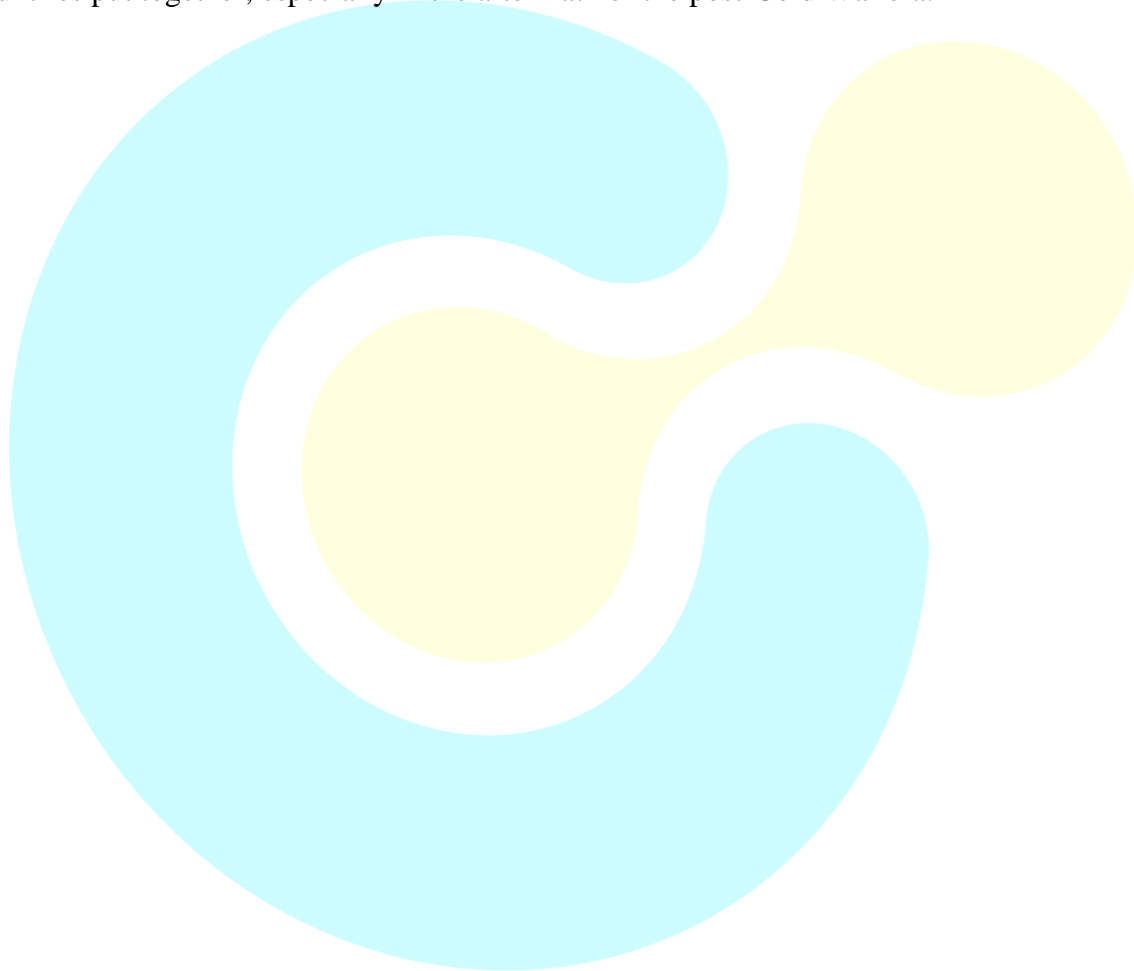
Conversely, no state is actually immune from economic sanctions. That is more dependent on parameters such as the degree of the sanction. For example, the People’s Republic of China has implemented an extremely effective sanctions programme against the United States. To the extent that China has virtually gained all the adjustments they expected the U.S. to make in its China policy¹⁰. The threat theory speaks about the potential success of the sanctions based on the communication of them to the offending state. According to the threat theory, an undesirable outcome for the offending state is promised. The success will depend largely on the tools applied, whether military sanctions or economic sanctions have been promised and the history of the acting state to effectively carry out both.

⁸ D.J Levinson, *Collective sanctions. Stanford Law Review*, pp.345-428. (2003)

⁹ W.M. Reisman and, D.L Stevick, *The applicability of international law standards to United Nations economic sanctions programmes. European Journal of International Law*, 9(1), pp.86-141. (1998).

¹⁰ *Supra*, note 6.

While multilateral sanctions have generally been effective and helped in achieving outcomes, isolated unilateral sanctions have not always given desired results. In light of the same to evaluate the effectiveness of unilateral sanctions, the researcher aims to look at three instances of sanctions- the United States' sanctions imposed on Cuba, the targeted sanctions imposed on Myanmar and the relations between United States and Iran. Many other countries have used economic sanctions in the past as a political tool. However, economic sanctions being a primary aspect of the US foreign policy, it has singularly imposed more sanctions than all other countries put together, especially in the aftermath of the post-Cold War era.



**LEGALITY AND EFFICACY OF UNILATERAL SANCTIONS-CRITICAL
ANALYSIS**

It would be unfair to take an absolutist approach towards the judgement of efficacy of sanctions. The ideal method to evaluate the same would be to set out certain parameters against the results obtained and effects produced. The parameters would thus be:

- a) Whether the desired change or response was brought out in the offending state, with regard to policy, legislation and militaristic action
- b) Whether there were any adverse effects or unintentional punitive measures directed toward the civilian population
- c) The cost, whether economic or political that the initiating country had to bear

In light of these, it becomes imperative to understand that certain pre-existing factors would also determine the potential success of a unilaterally imposed sanction. These include the contemporary relationship between the affected states. In case of hostile relations, unilateral sanctions would make negligible to no difference to the offending state. However, in case of friendly relations and economic interdependence, such sanctions are likely to be more effective.

Considering the cost borne by the initiator state is another important parameter. No state enjoys monopoly in industries in the world market. It is therefore impossible that an industry will be left unchallenged on the global stage. In case of the United States imposing embargoes and sanctions on the countries, they often lose out on their own export revenue and jobs. The target country merely looks for a replacement among more than willing European and Asian competitors.

If a country is more reliant on being self-sufficient and relies on indigenous resources for its economic development, sanctions will only give rise to more economic isolation of the country and make it less responsive to threats. Countries such as South Korea¹¹ and Japan¹² are often cited as the pioneers of self-transformation based on indigenous resources.

Unilateral Sanctions imposed by the United States

¹¹ P.S. Lee, *Economic crisis and chaebol reform in Korea*. APEC Study Centre, Discussion Paper Series, 14. (2000).

¹² W.W. Lockwood. *Economic Development of Japan*. Princeton University Press. (2015).

Four instances of sanctions imposed by U.S. can be observed keeping in mind the three parameters. The US has an inbuilt statutory framework using which they impose sanctions. These are of three kinds. The Office of Foreign Asset Control, a part of the Department of Treasury administers trade and economic sanctions, export control sanctions are administered by the Department of Commerce, and arms sanctions are administered by the Department of State.¹³ The President often imposes all three in order to coerce an offending State to change their policies.¹⁴ More than the arms sanctions, trade and economic sanctions affect a country, since they result in economic ostracism of a country. These sanctions typically involve the freezing of assets or stopping business with the State or any entity controlled by the State and preventing senior U.S. officials from travelling to the State. The effect of these sanctions is punitive-t prevent business access to the largest economy in the world.¹⁵ The offending State generally ends up losing out economically on revenue and the economic growth and development becomes largely stagnant. Jobs and standards of living significantly decrease. The States where these sanctions are imposed are generally facing deprivation and poor living conditions. These become more severe with such impositions.¹⁶

United States' trade embargo on Cuba

The most infamous of them is the United States' embargo on Cuba. The United States first imposed an embargo on trade when the regime of Fulgencio Batista nationalised the American owned Cuban oil refineries. By 1962, all imports were embargoed. The United States declared that the embargo would continue till democracy and a greater respect for human rights prevailed in Cuba. Six legislations enacted in the States are used to deal with the sanction. These are, the Trading with the Enemy Act of 1917, the Foreign Assistance Act of 1961, the Cuban Assets Control Regulations of 1963, the Cuban Democracy Act of 1992, the Helms–Burton Act of 1996, and the Trade Sanctions Reform and Export Enhancement Act of 2000.

The Foreign Assistance Act, approved in 1961 at the height of the Cold War consisted of not approving support to Communist countries including Cuba. Section 620(a) went so far as to

¹³ William M. McGlone & Michael L. Burton, *Economic Sanctions and Export Controls*, 34 INT'L LAW 383, 383 (2000).

¹⁴ Arthur B. Culvahouse, *A Practical Guide to International Sanctions Law and Lore: Mamas, Don't Let Your Children Grow up to be Sanction Lawyers*, 32. HOUS. J. INT'L L. 587, 590–93 (2010).

¹⁵ *The World Factbook*, United States, CENT.INTELLIGENCE AGENCY, Retrieved on October 6th 2017 from :<https://www.cia.gov/library/publications/the-world-factbook/geos/us.html>.

¹⁶ Randall Peerenboom, *Beyond Universalism and Relativism: The Evolving Debates About "Values in Asia , "* 14 IND.INT'L &COMP. L. REV. 1, 43 (2003).

forbid any assistance to any country that attempts to support or provide resources to Cuba. Under this Act, the President of the United States (POTUS) is authorised to “establish and maintain a total embargo upon all trade between the United States and Cuba”¹⁷.

The nature of the this policy is such that the United States Government Accountability Office has called it the “*the most comprehensive set of US sanctions on any country, including the other countries designated by the US government to be state sponsors of terrorism*”¹⁸. This in itself is an indicator considering Cuba had not resorted to any act of aggression on US soil.

One can explore the effects in light of the parameters, besides the legality of the entire act.

To begin with the embargo has been the source of numerous debates in the UN General Assembly. The basis is that the embargo is contrary to the charter and international law¹⁹. The Inter American Commission on Human Rights has also consistently denounced the embargo calling upon the government to lift it²⁰, as it affects the human rights of the Cuban citizens. The international community at large has declared its dissent for the sanction as it is a violation on moral, political and economic grounds.

U.S. President Barack Obama was left with little support in Congress when he tried to lift the embargo, owing due to vociferous opposition from the Republicans. Few of international debates and discussion ever reach the sphere of the severe human rights violations of the Cuban citizens and the detrimental effect the embargo has had on them.

To take into account the three aforementioned parameters:

In light of compliance, there is practically none from Cuba. To date it remains a communist dictatorship, and democracy has not yet prevailed. Though it is a totalitarian communist state, Cuba proclaims itself to be “centralist democracy” with its “one state one party” system. Therefore, the desired change in policy or reforms has not been obtained.

¹⁷ Foreign Assistance Act, 1961, section 620.

¹⁸ *United States Government Accountability Office, Economic Sanctions, Agencies Face Competing Priorities in Enforcing the U.S. Embargo on Cuba*, (2007).

¹⁹ UN General Assembly, Resolution 63/7, Necessity of ending the economic, commercial and financial embargo imposed by the United States of America against Cuba, A/RES/63/7.

²⁰ Inter-American Commission on Human Rights, 2008 Annual Report, Status of Human Rights in Cuba, Chapter IV, para 154, OEA/Ser.L/V/II.134, Doc. 5 rev. 1, 25 February 2009, http://www.cidh.oas.org/annualrep/2008eng/Chap4.c.eng.htm#_ftnref12. Retrieved 5th October, 2017.

There has been a consistent proclamation from Amnesty International and other American agencies that the embargo deprive Cuban citizens of primary healthcare and by default violate their rights under article 12²¹ of the International Convention on Economic, Social and Cultural Rights as well as article 25²² of the Universal Declaration of Human Rights. A report documenting the adverse effect of the embargo on the healthcare of the Cuban populace has been published by the American Association for World Health²³. The report is the most credible source on the issue. It is based on an excursion to Cuba, where the agency found out that the embargo was one of the most primary causes of malnutrition in women and children, below par water quality, inconvenient or negligible systems to procure medicines and no channels to exchange medical and scientific information due to visa restrictions and currency regulations.

In the initial stages, the United States had allowed medical aid for humanitarian reasons. During the 1990's when the embargo got stricter, the Cuban economy found it harder to cope. The healthcare was provided by the human government in order to prevent a human catastrophe. With the collapse of the Soviet Union, their support to Cuba also stopped. This caused an economic crisis and prevented the Cuban government from providing the same quality of healthcare. Thus with respect to the second parameter, the sanction has not been successful and has instead led to human rights' violations.

It is alleged that the embargo costs the United States more than it costs Cuba. The US Chamber of Commerce estimates about \$1.2 billion of losses caused to the States due to the obvious dent in sales and exports. The Cuban Policy Foundation has estimated it costs almost thrice that, up to \$3.6 billion per annum in economic output. Considering the embargo has been present since 50 odd years, the total loss can be calculated to be between \$120 billion - \$150 billion, when adjusted for inflation²⁴.

Therefore with respect to the parameters suggested, the researcher submits that the case of sanctions imposed on Cuba not only lack in legality, but are ineffective.

United States and the sanctions on Myanmar

²¹ Article 12, ICESCR "the enjoyment of the highest attainable standard of physical and mental health"

²² Article 25, UDHR – Right to Standard of Living and Adequate Health

²³ American Association for World Health, *Denial of Food and Medicine: The Impact of the U.S. Embargo On Health & Nutrition in Cuba*. (1997).

²⁴ David Mager, *Time to End the Cuban Embargo*, *Huffington Post*, 2013. Retrieved on October 6th 2017. From: http://www.huffingtonpost.com/david-mager/cuba-embargo_b_3714610.html

Myanmar, earlier known as Burma gained independence from the British Empire in 1948. The movement was led by General Aung San, father of Nobel Peace prize winner and human rights Aung San Suu Kyi. Soon after, political turmoil and rife within various ethnic groups in Burma resulted in a dictatorial regime backed by the military, and led by General Ne Win. The communist government imposed self-instituted isolation on an international level, for a period of close to three decades. This added to the problems posed by the economic sanctions. In 1987 the United Nations had declared Myanmar one of the least developed countries in the World.²⁵ In 1989, Aung San Suu Kyi had been placed under house arrest.²⁶ By 1990, the United States had imposed sanctions citing a number of reasons: the failure of the National Unity Party to partake in peaceful democratic elections, the militaristic government's inclination to employ bonded labour, the sentiment harboured and encouraged against Muslims and the ouster of civilians from their own homes.²⁷

The US sanctions resulted in the passing of Omnibus Consolidated Appropriations Act of 1997, by Congress in 1996 to authorize the President to prohibit any business investment in Myanmar. Much needed humanitarian and medical assistance, diplomatic relations were suspended while an arms embargo was imposed, a ban on imports was declared and Myanmar's preferred trading status was terminated.²⁸ Later, Congress enacted the Burmese Freedom and Democracy Act of 2003, which mandated sanctions and allowed the President to lift them only upon finding measurable progress toward democratic government, the release of political prisoners, freedom of speech and the press, freedom of association, and permitting the peaceful exercise of religion.²⁹ Together, all the sanctions repressed Myanmar's citizens and prevented them from effecting change, leading to questions about the United States' actual intentions with the sanctions.

To the events that occurred analyse the efficacy of these sanctions with respect to the above established parameters.

²⁵ *Least Developed Countries: LDC Factsheets, Myanmar, UNITED NATIONS DEV. POLICY AND ANALYSIS DIV.*, Retrieved on October 6th 2017, from: http://www.un.org/en/development/desa/policy/cdp/ldc/profile/country_129.shtml

²⁶ Derek Tonkin, *The 1990 Elections in Myanmar: Broken Promises or a Failure of Communication?*, *CONTEMPORARY SOUTHEAST ASIA: J. INT'L & STRATEGIC AFF.*, Apr. 2007,

²⁷ *Omnibus Consolidated Appropriations Act, 1997*, Pub. L. No. 104-208, § 570, 110 Stat. 3009, 3009-116 (1996)

²⁸ *Ibid.*

²⁹ *Supra*, note 7.

A policy change in Burma became harder to effect because of these sanctions. The ban on US citizens from travelling to Burma meant that the local populace was weakened further. US citizens would have had more leverage to demand change and pressurise the government. Companies such as Motorola and Ericsson backed out of potential business deals because of legislations that terminated business contracts with companies that dealt with Burma.³⁰ While there are no definite figures with respect to losses, but the United States a large part of the Asian market share with Burma gaining increased economic access to China and India, between who a \$1 billion black market has been established.³¹ The citizens were prevented from demanding democracy because of the crippling economic setup prevailing in their country, thus economic progress for the locals was impossible. With loss of jobs, starvations and famines, many women turned to prostitution, making Burma a nest of human rights violations.³² A similar pattern such as the one in Cuba can be observed, as these unilateral sanctions imposed have failed on all three parameters.

Targeted sanctions against Iran

The causation of events that led to these sanctions began in 1979. The US had permitted the exiled Shah of Iran to obtain access to American medical treatment. Subsequently a group of radical students took over the American embassy and took some citizens hostage. In retaliation the American government froze Iranian assets- including cash deposits and gold to the tune of \$10 billion.

While this was temporary, the sanctions became more severe when Iraq invaded Iran in 1984. The world's erstwhile superpowers such as Soviet Union and the United States itself supported Iraq, although Iraq was the aggressor. Sanctions against Iran increased, prohibiting any sale of arms to Iran. While the Clinton administration briefly eased sanctions, President Bush's government renewed most of them, becoming more aggressive with the election of Mehmood Ahmedinejad in Iran in 2005. Seven penalties were listed out for companies who invested in the development of petroleum reserves in Iran.³³ The reasons were more or less the same, that Iran was using its financial resources to fund terrorism, indulge in human rights violations and

³⁰ L.T Hadar, *US sanctions against Burma: a failure on all fronts*. Washington, DC: Cato Institute. (1998).

³¹ M.S. Shin, A. Krupnick and T.L. Wilson, *Burma or Myanmar. US Policy at the Crossroads*, p.20. (1995).

³² A. Howlett, *Getting Smart: Crafting Economic Sanctions That Respect All Human Rights*. Fordham L. Rev., 73, p.1199. (2004).

³³ S.M. Wright, *The United States and Persian Gulf security: The foundations of the war on terror (Vol. 12)*. Garnet & Ithaca Press. (2007).

provide militaristic support to radical Islamic organisations and the uranium enrichment program undertaken by Iran, suggesting the development of potential nuclear war technology. The effects, unsurprisingly, also didn't depart from the general trend.

Ahmedinejad refuses to buckle under the pressure of the sanctions. Experts suggest that there will be no policy change within the country. Considering the prominence of ideology, the government will convince the populace to endure the hardship making out the West to be the perpetrators and responsible for their situation.³⁴

The cost to Iran is far greater. Inflation is a perpetual problem that the citizens have to tackle on a daily basis. The price of chicken and vegetables has gone up by 30% and 100% in a week's time. Household budgets and savings are diminishing at a rapid rate. Industries and factories find it harder to function without the ability to import vital raw material. The Iranian rial has been devalued. President Ahmedinejad has stopped the subsidies for food, water and electricity.³⁵

The ban on Iran importing commercial aircraft, except for necessary parts means frequent crashes and tragedies concerning airplanes. More than 1500 lives have been lost in plane crashes. The planes used by the country are unreliable and dysfunctional.³⁶ The citizens of Iran are therefore facing the first of the sanctions, and they have been rendered weaker against the regime.

The third parameter shows the U.S. losing out on revenue and job opportunities yet again. The estimated costs of the loss to the United States is about \$175 billion in export revenue. This lost export revenue translates into between 51,043 and 66,436 job opportunities lost per year on average. In 2008, a year of global recession, when job opportunities in any sector would have been welcome, as many as 214,657 to 279,389 job opportunities were relinquished.³⁷ Thus Iran becomes another case of unilateral sanctions that have been ineffective.

Conclusion

³⁴ Sabrina M. Peterson, *Iran's Deteriorating Economy: An Analysis of the Economic Impact of Western Sanctions*, *International Affairs Review*, Elliot School of International Affairs at George Washington University. (2013)

³⁵ *Ibid.*

³⁶ Kian Noush, *Aircraft, Iran Air Rare and Exclusive*, p.68. (2001).

³⁷ J. Leslie, R. Marashi and T. Parsi, *Losing Billions: The Cost of Iran Sanctions to the US Economy*. Washington, DC: National Iranian American Council. (2014).

As submitted earlier, taking an absolutist approach toward commenting on the effectiveness of a political and diplomatic remedy, such as unilateral sanctions would be unjustifiable. While the imposition of sanctions on countries, with severity is frowned upon in the international community, owing to disastrous consequences, certain exceptions are made for instances where States need to protect their own national interests. National interests include safety and security or territorial integrity and sovereignty.

Therefore, it is not the tool that should be commented upon, as it remains theoretically sound and can be engineered accordingly, but the application. While the successful application of unilateral sanctions such that they give the desired result, is more exception than norm, the exception too is unsurprising. One need look no further than the People's Republic of China to understand a more efficient application of legal and political resources.

On the world stage, China denounces the practice of imposing sanctions. Displaying an inclination toward the monistic theory,³⁸ Chinese Foreign Ministry spokesperson Hong Lei stated "China is against one country putting their domestic laws above international law and placing unilateral sanctions on another country."³⁹ China has gone as far as vetoing sanctions against Myanmar, Zimbabwe and Syria. However, China doesn't always practice what it preaches and has used economic sanctions numerous times. With its robust economic setup, China is now in a position to leverage its lucrative domestic market and a currency that is gradually gaining momentum. Therefore, strategists in China are developing ways to effectively use the same to their benefit and to achieve their foreign policy goals.

While not unheard of, what makes a vast difference is China's approach. It often uses a combination of rewards and punishments to assert its moral stand. China is a prime example of the usage of 'smart' sanctions- measures that specifically target the political leadership. Although earlier dismissive about the same, they have increasingly opened up to the use of these.⁴⁰

³⁸ J.G Starke, *Monism and dualism in the theory of international law*. *Brit. YB Int'l L.*, 17, p.66. (1936).

³⁹ "China Criticizes 'Unilateral' U.S. Sanctions Against Iran," *Voice of America News*, January 4, 2012, <http://blogs.voanews.com/breaking-news/2012/01/04/china-criticizesunilateral-us-sanctions-against-iran/>.

⁴⁰ Meghan L. O'Sullivan, *Shrewd Sanctions: Statecraft and State Sponsors of Terrorism* (Washington, D.C.: Brookings Institution Press, 2003).

China's methods can best be comprehended when contrasted with those of the United States. Opting to not use formal policy or presidential declaration, China rarely makes a formal announcement. Instead they employ the threat theory to use vague almost non-existent threats, variation in leadership visits, selective purchases and other informal measures. Such informal measures let the leadership adapt suitably to political scenarios and interests. Such sanctions can be terminated with minimal diplomatic discomfort. The employing of the threat theory is such, that there is mere communication of possible sanctions.⁴¹

Using short term selective sanctions means that the cost to China is also not great. Sanctions against Japan and France because their leaders interacted with the Dalai Lama, were not more than two years each. For this period their exports to China saw a drop.⁴² The objective is to communicate the possibility of more severe sanctions rather than actually employing them. More often than not, they are not necessary.

A mere change in the application of sanctions has seen China obtain desired compromises from the United States, while United States keeps believing they are in the superior position.

What needs to be taken from the above instances is that mere financial resources, militaristic strength and dominance over international organisations don't determine the efficacy and legality of a state's sanctions. However, the appropriate political, legal and economic engineering could result in apparently redundant unilateral sanctions yielding astounding results.

⁴¹ James Reilly. *China's unilateral sanctions. The Washington Quarterly*, 35(4), pp.121-133. (2012).

⁴² Andreas Fuchs and Nils-Hendrik Klann, "Paying a Visit: The Dalai Lama Effect on International Trade," *Center for European Governance and Economic Development*, Research Paper No. 113 (October 19, 2010).