



GA5: Legal Committee

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Issue: Discussing the legitimacy of economic sanctions under international law

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I. Introduction

Throughout human history, there have been many different types of techniques used to frighten, threaten or force a state or a group to retreat. By the end of the Cold War, economic sanctions are among the most used ones. Defined as “actions taken by a country or organization against the economy of another country, to force it to obey a law or a set of rules”, economic sanctions are a part of international relations nowadays. By the increased international trade and the development of major states, economic sanctions may have severe consequences on the targeted states, which is the main reason they are being criticized and examined.

Facing a dramatic increase in the number of economic sanctions after the Cold War, many experts on the issue believe that a re-examination of the legal grounds and the implementations of economic sanctions is necessary. While having many benefits and creating hopes to avoid armed conflicts or military engagements, economic sanctions also have negative effects.

As they have major effects on the civilian population of the targeted countries, economic sanctions are now under criticism and debate. By receiving economic sanctions, one country might face a great fall in its economic strength based on the sanctioning parties and the duration of such sanctions. Economic sanctions imposed by economically strong countries for a long period of time result in inhumane conditions such as extreme hunger emerging in the civilian population. Such as the case of Cuba, where a great portion of the population is suffering from extreme poverty and the wages are extremely low.

While there is not a specific way to impose sanctions on a country or a party, they are often imposed on countries who disturb international peace or security, while some are imposed solely to change some behaviors of the targeted parties. While sanctions are being imposed on lots of the Member States and individuals, the United States and other countries located in the Americas could be identified due to their aggressive international policies, for disturbing international security and peace through their actions and their corrupt governments.

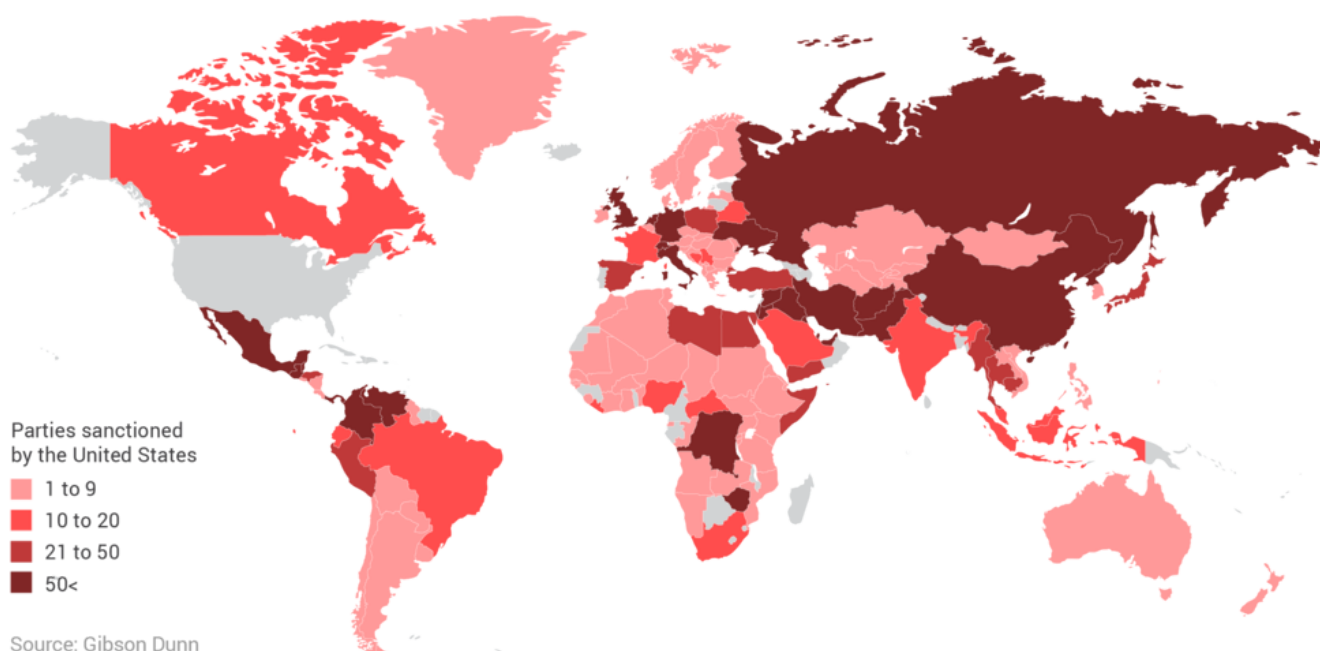


II. Involved Countries and Organizations

The United States of America

As one of the major economic powers, the United States of America plays a major part in the list of imposed sanctions. According to the United States Department of the Treasury, the United States has 36 active sanction programs. Considering the United State's past and present actions, it is clear that the United States is in favor of the use of economic sanctions and considers it as a strong power against countries with lower economic development. Under the presidency of Joe Biden, the current President, many economic sanctions have been imposed, such as the ones imposed on the Russian Federation due to their "Harmful Foreign Activities". Also, the United States imposed the "most enduring embargo in modern history" on Cuba, which has been creating many negative outcomes, especially to the civilian population for nearly 50 years.

Throughout many years, the policy the United States has been following in their foreign affairs is highly criticized due to the frequency and the harmful nature of their economic sanctions. While examining the usage of economic sanctions, the policies and the executions of the United States must be taken into consideration, since the United States is currently one of the greatest economies, has the most ongoing sanctions and, according to some, follows a hostile policy under some cases such as the Cuban embargo.



"Picture 1: Countries sanctioned by the United States of America"

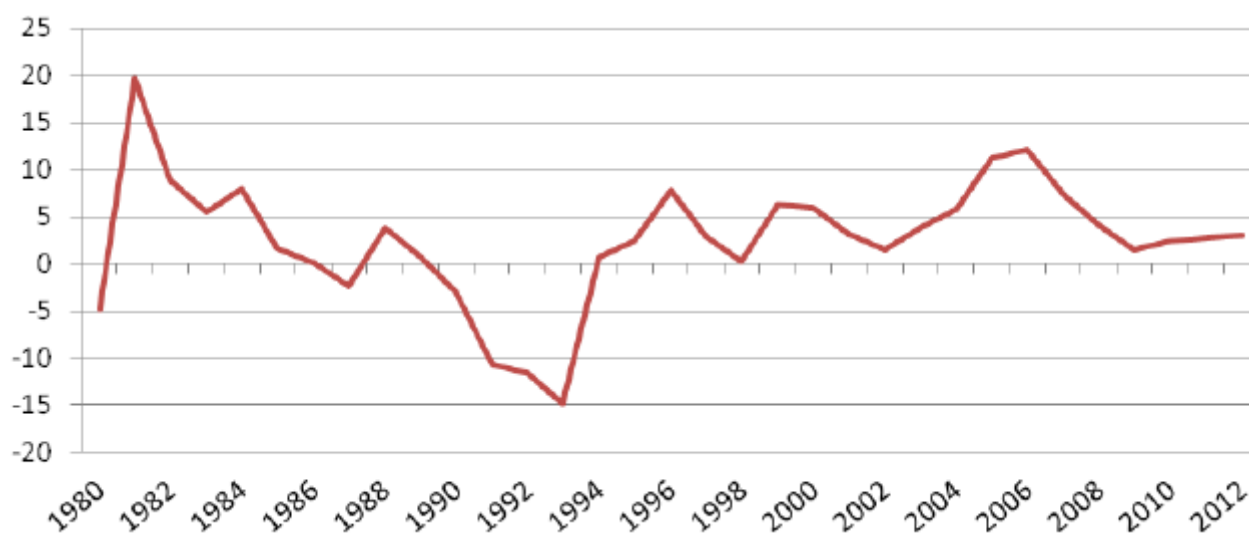


Cuba

Cuba received one of the greatest economic sanctions in modern history from the United States. The first economic sanction imposed on Cuba by the United States was on 14 March 1958, which was due to the ongoing armed conflicts in Cuba. Ever since Cuba has faced many economic sanctions, it has experienced many negative impacts on its economy. Such impacts could be shown through their inability to develop, their inefficient and outdated technologies, and the poorly motivated workers caused by low wages.

Considering the negative effects of economic sanctions, Cuba presents a great example. The sanction had a major impact on even the basic needs of the Cuban people such as food, water, healthcare products, and many other needs. The economic sanctions do not only result in economic impacts, but also have political impacts as well, such as the protests against the government and unhealthy international relations. With the decreased quality of life, the shortage of necessary goods, the government's inadequate response to the COVID-19 crisis, and the lack of economic strength; protests against the ruling Cuban Communist Party grew in 2021.

Resulting in many crises in Cuba, the sanction by the United States is being strongly criticized by many parties, mainly by the Cuban authorities.



"Picture 2: Cuba's GDP growth rate between 1980 and 2012"



European Union (EU)

As a regional organization, the European Union consists of 27 member states and acts as a political and economic union between its members. The EU sees sanctions as essential tools in their policies. Differing from some of the sanctions imposed by States or the United Nations (UN), EU sanctions are not intended to punish, but to bring differences in policies or actions of non-EU countries.

Currently, the EU has imposed more than forty sanctions. Part of these sanctions is mandated by the United Nations Security Council, while the remaining sanctions are set autonomously by the EU itself.

The decision-making organ of the EU on imposing, renewing, or removing sanctions is the Council of the European Union, which took its authority from the High Representative of the Union for Foreign Affairs and Security Policy.

Venezuela

Venezuela is a country with great political instability, corruption, human rights violations, and violations of democracy, which resulted in facing economic sanctions by the United States and many other Member States. Formerly one of the largest economic powers in the region, Venezuela now faces severe economic decline due to the economic sanctions imposed on the State. The country faced economic sanctions based on its biggest resources, oil and gold. According to the reports of a UN Special Rapporteur, Venezuela faced a decline rate of 99% in its governmental income after facing economic sanctions. The decline led to a collapse of public services. When the government faced a great decline in its income, it had no funding to sustain the public services, which eventually led to their malfunction, and left them unable to provide required services.

China

As one of the greatest economic powers and the leading exporter, China holds great importance in the world economy and has a strategic position in international relationships. China has received economic sanctions from the EU and many other member states based on its human rights violations. In retaliation for such economic sanctions, China imposed economic sanctions on the aforementioned parties as well as other individuals. Recent actions taken by the Chinese government reflect their willingness to impose economic sanctions and their stance on the issue at hand.

Even though they are receiving sanctions, China is one of the few countries strong enough to stand against such sanctions. As a country with a very high Gross Domestic Product, China does not depend on any international party to sustain its economy. China can provide the required goods and services in cases



of great economic sanctions. Thus, the Chinese government stands confidently against economic sanctions and other embargoes.

United Nations (UN)

As a major international organization, the United Nations holds a very important place in sustaining world peace and international relations. As an authority, the United Nations Security Council can impose sanctions on states to prevent the use of armed forces. The United Nations Security Council gained the authority to impose sanctions by Article 41, Chapter 7 of the United Nations Charter. In the last 55 years, the United Nations Security Council has imposed 30 sanctions on different establishments, such as countries and terrorist groups including Al-Qaida and the Taliban.

Considering the lack of authority to oversee the implementations of international law, the UN, the Security Council, and the General Assembly works as the authorities under United Nations-based economic sanctions, which are the sanctions approved by the Member States of the UN.

III. Focused Overview of the Issue

After the end of the Cold War, economic sanctions became a very important tool for many parties, particularly the UN, EU, and the United States. Considering the increased international trade and the need for imported products, economic sanctions have become strong weapons for many purposes from preventing human rights violations to putting regimes under pressure.

1. Benefits and drawbacks of economic sanctions

It is undeniable that economic sanctions are being made with good intentions and they do have many benefits. In theory, economic sanctions are meant to be harmless and are used to avoid military conflicts. However, the outcomes of the economic sanctions are not always the expected ones.

According to the research made by The Peterson Institute for International Economics (PIIE) on 115 cases of economic sanctions imposed between the beginning of World War 1 and 1990, 35% of the evaluated cases were at least partially successful.⁸ The report has shown that this portion of the economic sanctions shows that the imposed sanctions are more likely to be successful if: (i) the goal between the sanction is not extravagant, (ii) the imposed country does not have more economic strength than the sanctioning country, (iii) both parties have friendly relationships prior to the imposition of sanctions, (iv) sanctioning country does not create high costs for itself, (v) the imposed sanction happens quickly and decisively. The studies also highlight the greatest factor in the increased numbers of economic sanctions is globalization. This study shows that sanctions must not exceed reality. It clearly suggests that there are



specific conditions, the aforementioned ones, if a party wants to impose sanctions. While most of the countries follow them, there are cases where these rules are overlooked, which often leads to unfortunate conditions. This research highlights the importance of the nature of sanctions. If the sanctioner does not take actions according to the nature of a sanction, the sanction will likely fail. However, if the sanctioner party (or parties) is (are) aware of the conditions to satisfy a sanction to be successful and move accordingly, they will have better outcomes.

Moving on with the consequences and the drawbacks of the economic sanctions, there are many. The first consequences of economic sanctions are on the economy of the states, not only of the sanctioned country, but the sanctioner as well. According to researchers, it is estimated that the sanctions imposed by the US led them to lose around 15 billion dollars to 19 million dollars in 1995. The loss of such money leads to a reduction of around 200,000 employees. While this data reflects the economic consequences in 1995, the consequences are similar in the 21st century since, on this basis, economic sanctions are imposed under the same conditions and similar parties.

Another crucial consequence of the economic sanctions is their most criticized one, the effect on the civilians. In theory, it is assumed that the economic pressure on the civilians of a country will apply pressure on the country's government to change their actions and/or approach. However, sometimes the government simply avoids change and receives economic sanctions. Since some sanctions are imposed on corrupt governments or countries that disturb international peace, the citizens have no way of punishing their governments that adopt policies that lead to sanctions. Such governments would not stop the actions they take, that caused the sanctions in the first place.

As aforementioned in this report, economic sanctions have many negative effects on the targeted countries. The negative effects are not only limited to the economy but also creates political and humanitarian crises as well.

2. Implementation of economic sanctions

Another crucial point that must be taken into consideration during the evaluation of the economic sanctions is their method of implementation. Economic sanctions may not work as they were planned to in some cases. Such cases highlight the importance of the way the sanctions are implemented.

The first case of an unsuccessful economic sanction is when the sanctioned country does not have great economic dependence on the sanctioning country. When the sanctioner country does not have enough trade with the sanctioned country, the effects of the sanction become limited. Such cases eventually lead to an unsuccessful sanction. One example of this could be given by sanctions imposed on



China since China does not have a significant portion of their economy and production dependent on other countries, they are not significantly affected.

Another factor on the success level of an economic sanction is based on the governmental organs of targeted states. In countries ruled by authoritarian governments, sanctions may be used as an excuse to put on restrictions or gain more power within their regime. Else, the country might accept the consequences of the economic sanction, then start creating new trade partnerships with different states. Such conditions highlight the importance of UN-based or collectively imposed sanctions.

An additional important point in the implementation of economic sanctions is that of the outcomes economic sanctions have on the sanctioner country. While implementing sanctions it must be taken into consideration that sanctions are tools with great impact on the international economy. Thus, it might have negative effects on both parties. An example of this situation can be given from the previously mentioned research on the economic losses of the United States through their imposed economic sanctions.

All these problems are among the possible outcomes of the economic sanctions if they are imposed under incorrect executions. These problems once again highlight that economic sanctions do not work in the same way planned. Before imposing an economic sanction, states must conduct required research and plan the procedure well. Nonetheless, economic sanctions might not have the same outcomes or accomplish the desired results.

3. Examination of economic sanctions under international law and the legal framework of economic sanctions

Briefly, international law is the common law among the Member States to set a body of rules which controls the relations between all states. International law has evolved mainly by international agreements and customs, which makes them the major sources on the legality of a state's or a party's acts. While economic sanctions are mostly in use to prevent military engagements between two parties, they might result in creating economic benefits for the sanctioner. Such results and the inhumane conditions the economic sanctions have created for many years, have raised many concerns and examination of economic sanctions under international law.

Before examining economic sanctions under international law, it is useful to explore the concept of international law. While the idea of having an international law is very useful and practical, international law lacks many crucial characteristics to satisfy the properties of a complete international law. The main concern in the practicality of international law is its decentralized structure. To elaborate, there are no international organizations that have the authority to force binding rules of international law. This means that it lacks an executive institution and a jurisdictional body to execute jurisdictions. Even though obedience to international



law benefits the states in nearly all cases, that does not ensure that all states will move accordingly to international law, such as the case where the United Nations General Assembly adopted many resolutions which asked the United States to cancel their economic sanction on Cuba; however, the United States ignores such resolutions.

International law evaluates economic sanctions based on whether they suit non-intervention in the internal affairs of States or not. The non-intervention in the internal affairs of States mentions that a state should not intervene with another state's internal affairs whether it is direct or indirect. In past examinations of economic sanctions based on their interference in other state's interior affairs, the International Court of Justice (ICJ) gave a precedent-setting decision in the case *Nicaragua v. the United States*, 1986. The ICJ decided that while the usage of military forces was an intervention with the interior affairs of Nicaragua, economic sanctions imposed were not. While the legitimacy of economic sanctions is still under debate, it is believed that they should not be held under examination as a whole as there are many types of sanctions such as unilateral sanctions, multilateral sanctions, and smart sanctions. Also, they might be examined under specific areas such as their outcomes and intentions.

While unilateral sanctions are considered to be more dangerous and unhealthier considering their unstable nature, which might lead to harming both parties, in cases of more peaceful sanctions they might be more successful. On the other hand, unilateral sanctions have less risk of backfire and crucial damage to the sanctioner party, but unilateral sanctions could have destructive effects if they are imposed with the goal of harming. Aside from such sanctions, smart sanctions are under discussion as well. While smart sanctions offer a more peaceful and harmless environment, they have a higher chance of not reaching their aim and failing. Every sanction type has its pros and cons, and all of them are under discussion.

IV. Key Vocabulary

Sanction: Sanctions are often described as “a threatened penalty for disobeying a law or rule” or “an official order, that is taken against a country in order to make it obey international law”¹⁷

Embargo: Embargoes are governmental orders which restrict commerce with a party or the trade of goods. Embargoes can be seen as a form of economic sanctions.

Unilateral Sanctions: Unilateral sanctions can be described as sanctions imposed by a single country. Generally, unilateral sanctions are intended to cause greater harm or greater costs. It creates a risk for sanctioner Member State as well due to the responsibility they will take.



Multilateral Sanctions: Multilateral sanctions are sanctions imposed by a group or a block of countries. These types of sanctions are seen as less dangerous since a large group is imposing. However, the outcomes of multilateral sanctions might be greater in some situations, if it gets enacted by a large economic power.

Smart Sanctions: Smart sanctions or targeted sanctions are sanctions imposed with the intention of affecting only specific individuals or a particular area of a country. Smart sanctions offer more solution-oriented actions. While some experts believe that they are more beneficial, some experts support that they are not “smart”.

Evasion of Sanctions: Evasion of sanctions or sanction evasion is when the sanctioned party avoids sanctions and uses a variety of methods to continue the activities blocked by the economic sanctions imposed on them.

V. Important Events & Chronology

Date (Day/Month/Year)	Event
432 B.C.	Athens imposed economic sanctions on Megara - the first known sanction
1919	The formation of The League of Nations - the creation of the predecessor of United Nations, a partial authority in international law
14 March 1958	The United States embargo against Cuba - the greatest economic sanction in human history
1991	The ending of the Cold War - the beginning of more frequent usage of economic sanctions

VI. Past Resolutions and Treaties

- Article 41 of the United Nations Charter

<https://www.un.org/en/about-us/un-charter/full-text>



This article gave the United Nations Security Council the authority to use measures to enforce the decisions taken, such as imposing sanctions. Ever since the United Nations Security Council has been imposing sanctions on several occasions.

- The past resolution was passed by the United Nations General Assembly - <https://news.un.org/en/story/2021/06/1094612>

The resolution calls for the US to end the Cuban embargo. These resolutions have been asking the US to end the Cuban embargo for nearly 30 years, but they have not had any effect to this date. The resolutions were voted either for or absent by all Member States except for the United States and Israel.

VII. Failed Solution Attempts

While there are not any specific attempts on the issue at hand, there are many solution attempts made on specific cases. The question of economic sanctions is a highly controversial topic that has approaches from multiple views. There have been many types of research and ideas made for more than 25 years to solve the controversy in the concept of economic sanctions. However, a specific step or a re-examination on an international level has not been made yet.

Even though there are not any solution attempts made to solve the issue at hand through international law, there are some attempts that can be taken into consideration. One of the attempts was made by the United Nations General Assembly which has been voting annually since 1992 on a resolution that demands the United States to end economic sanctions and embargoes imposed on Cuba. In the last vote held on 23 June 2021, 184 member states voted in favor of the resolution, 2 member states, the US and Israel, voted against, while three member states, Brazil, Colombia, and Ukraine, abstained. The UN continues its attempts to stop some of the economic sanctions. However, the UN only interferes in extreme cases.

VIII. Possible Solutions

Before coming up with solutions for this issue at hand, delegates must keep in mind that every country has a different approach to the issue at hand. This situation shows that there are multiple solutions to this issue. Another crucial point to keep in mind while coming up with solutions is that this issue is closely related to international law and country policies.

One of the permanent solutions to this issue would be the creation of an authority to oversee the economic sanctions and their implementations. The biggest reason behind the controversy on the economic



sanctions is the authority gap, which leads to countries using sanctions even in illegal ways. The creation of an authority controlling the economic sanctions would prevent countries from using economic sanctions for their own economic benefit and prevent economic sanctions from reaching extreme ways.

Another solution might be amending international law and strengthening the rules on economic sanctions. Since there is a gap in international law on the issue at hand, additional amendments and new sets of rules might prevent controversial economic sanctions from occurring.

Finally, an alternative for the entire concept of economic sanctions could be found. In this issue, the complete elimination of economic sanctions is not very productive since they are tools to prevent military engagements. Nonetheless, finding a more harmless and peaceful alternative to economic sanctions or changing the concept of economic sanctions into a more harmless tool would be a productive solution for the issue at hand.

IX. Useful Links

- <https://www.dukechronicle.com/article/2019/09/sanctions-expert-benefits-drawbacks-economic-restrictions> - This article highlights the benefits and drawbacks of economic sanctions through the perspectives of professionals.
- <https://www.brookings.edu/testimonies/economic-sanctions/> - This link provides an extended explanation of economic sanctions.
- <https://gsdrc.org/publications/impact-of-economic-sanctions-on-poverty-and-economic-growth/> - This paper examines the impact of sanctions on poverty on economic growth by giving real-life examples.
- <https://www.investopedia.com/articles/economics/10/economic-sanctions.asp> - This link will help you to have a better understanding of how economic sanctions are imposed and the functioning of economic sanctions.

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