



# Why does our opinion on the success and failure of sanctions change so often?

Peter van Bergeijk

Key Note for the Conference on "Political Economy of Sanctions"  
(December 13, 2019, Phillips University, Marburg)

# With a little help of my friends



Binyam  
Afework  
Demena



Alemayehu  
Sisay Reta



Gabriela  
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Jativa



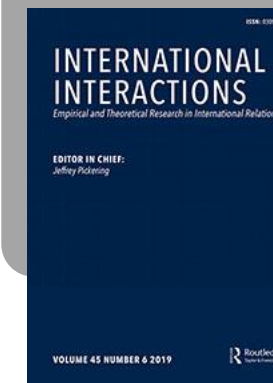
Patrick  
Bitandaro  
Kimararungu



Muhammad  
Shahadat  
Hossain  
Siddiquee



Sajjad Faraji  
Dizaji



# What to expect?



- A short history of disagreement
  - Critical discourse analysis; traditional narrative review; time line
  - Policy and research cycles (Goldstein, Wallenstein)
  - Intrinsic motivation (including national interests)
- Three forms of bias
  - Unreported revisions
  - Publication bias (meta analysis)
  - data construction
- Suggestions for future research

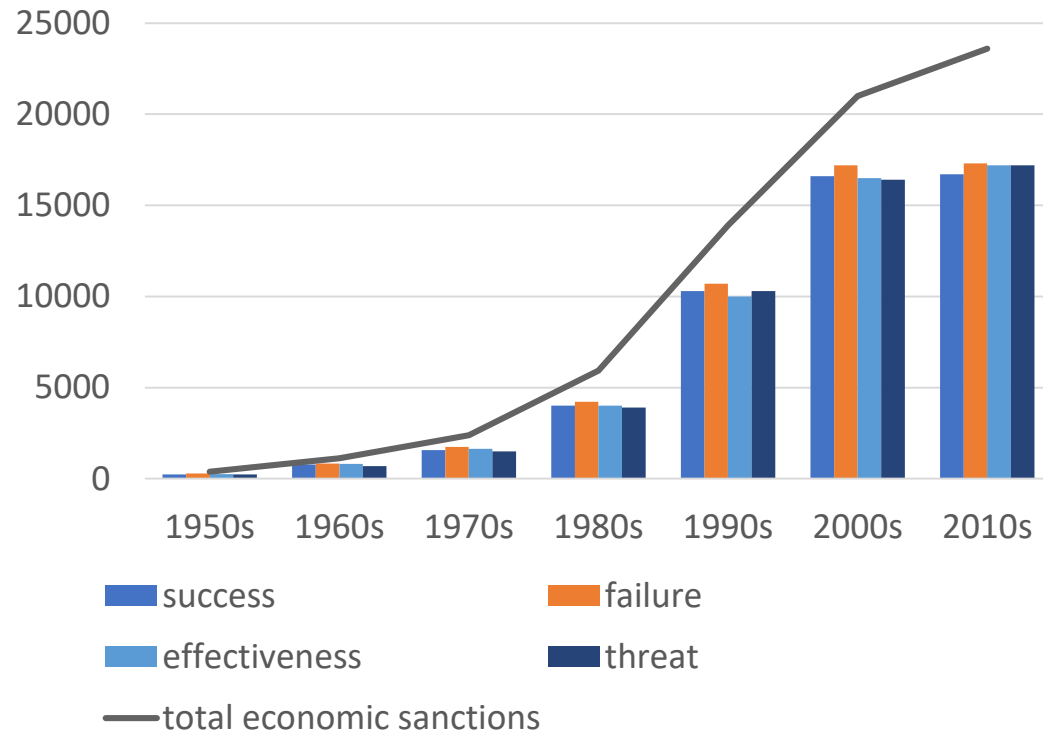


# 1. A short history of disagreement

# Discourse analysis



## Constant factors in the sanction debate

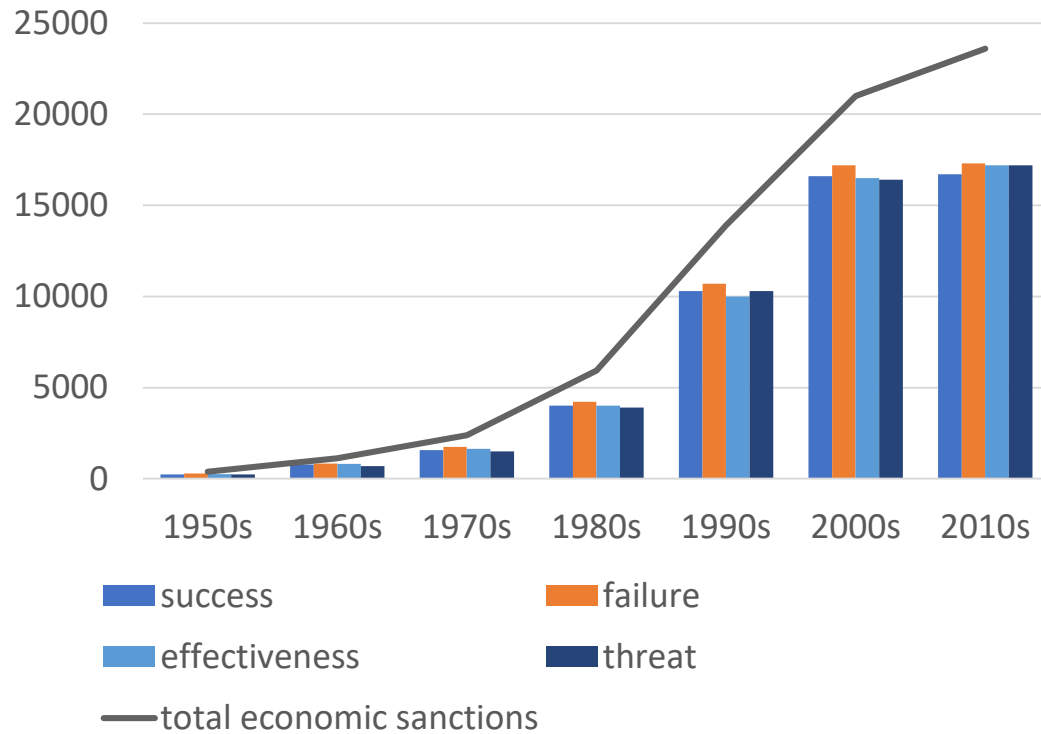


- Google scholar hits on keyword combinations

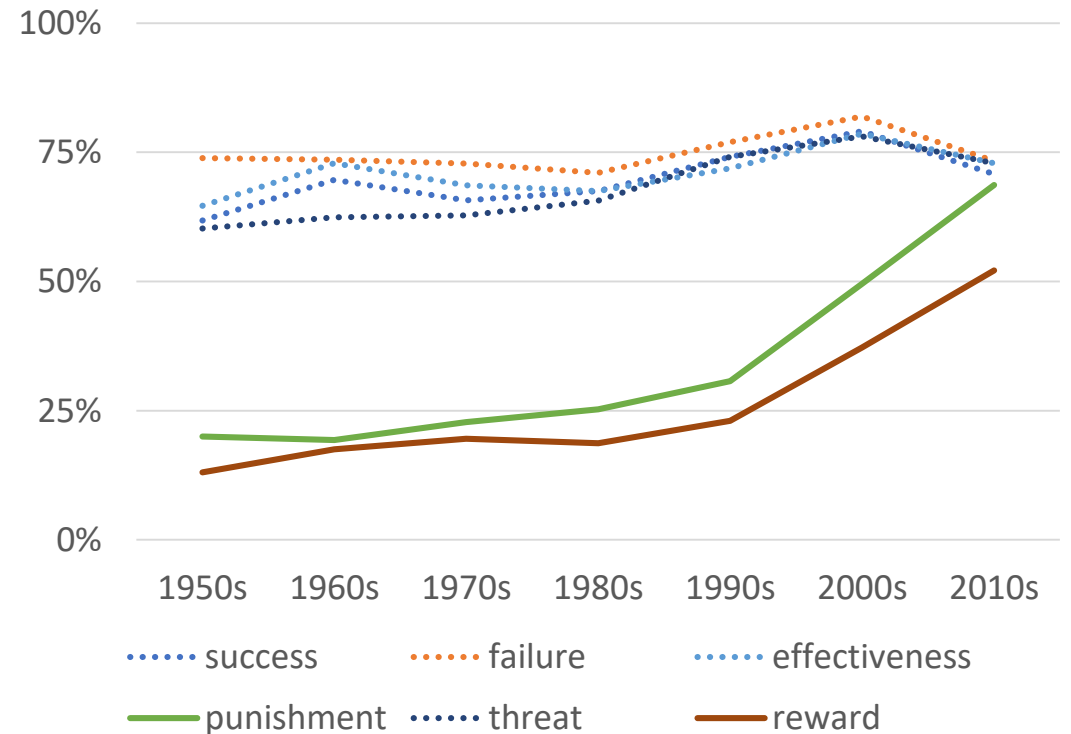
# Discourse analysis



## Constant factors in the sanction debate



## and some dynamics

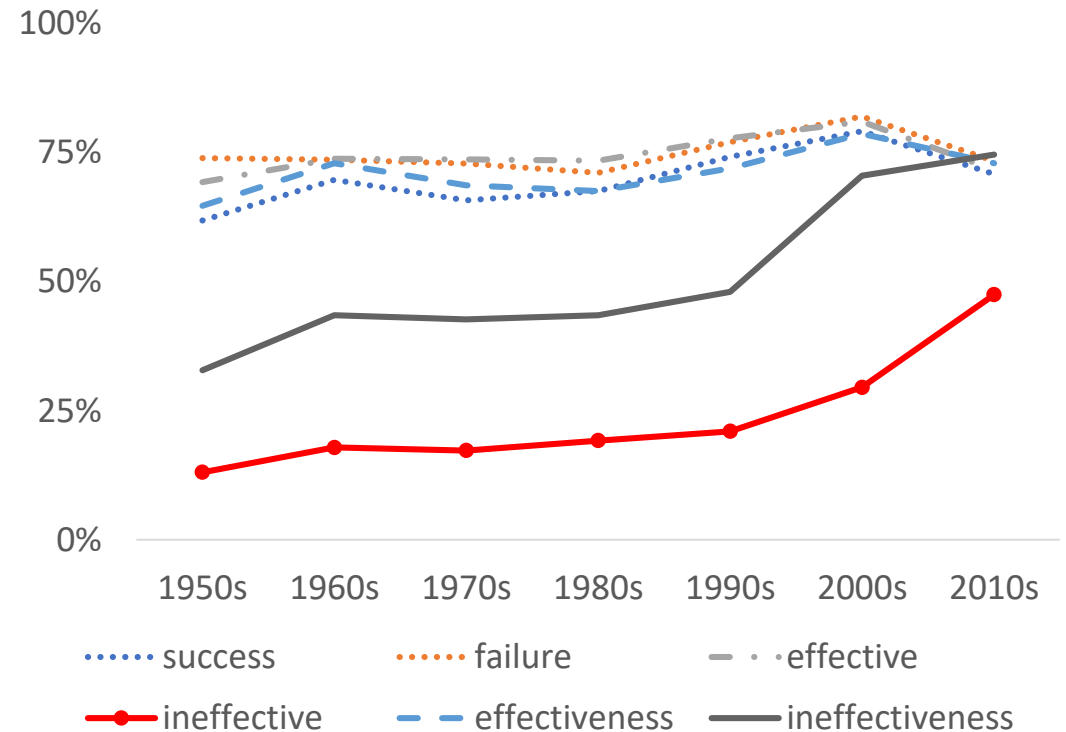


# Discourse analysis



- Ineffective & ineffectiveness become part of the common language in the sanction discourse since 1990.

## and some more dynamics



# Overview of studies of the determinants of sanction success in leading journals



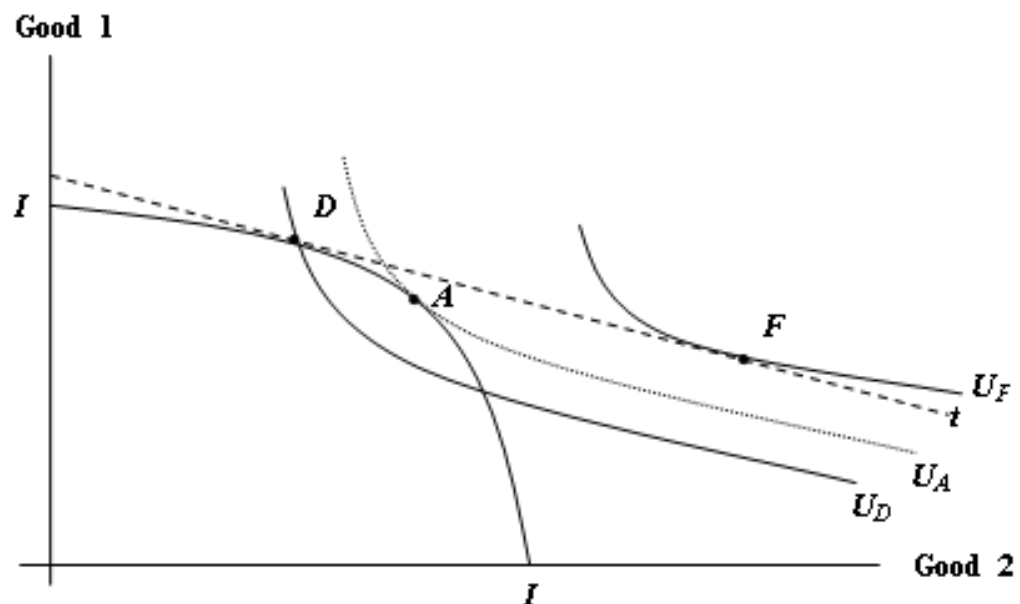
Study	Journal	Trade linkage	Prior relations	Duration
Dashti-Gibson et al. (1997)	<i>American Journal of Political Science</i>	*		*
Drury (1998)	<i>Journal of Peace Research</i>	*	*	
Drezner (2000)	<i>International Organization</i>	+	+	
Hart (2000)	<i>Political Research Quarterly</i>	+	*	
Nooruddin (2002)	<i>International Interactions</i>	*		*
Jing et al (2003)	<i>Journal of Peace Research</i>		+	
Ang and Peksen (2007)	<i>Political Research Quarterly</i>	*	+	*
Lektzian and Souva (2007)	<i>Journal of Conflict Resolution</i>	*		
Bapat and Morgan (2009)	<i>International Studies Quarterly</i>		*	*
Chan (2009)	<i>International Political Science Review</i>	—		—
Major (2012)	<i>International Interactions</i>	+		
Whang et al (2013)	<i>American Journal of Political Science</i>	+		
Woo and Verdier (2014)	<i>Journal of Semantics</i>	*	—	
Lektzian and Patterson (2015)	<i>International Studies Quarterly</i>	*	+	*
van Bergeijk & Siddiquee (2017)	<i>International Interactions</i>	*	+	—
Kleinberg (2018)	<i>Journal of Peace Research</i>	*	—	
Peterson (2018)	<i>Conflict Management and Peace Science</i>	—		



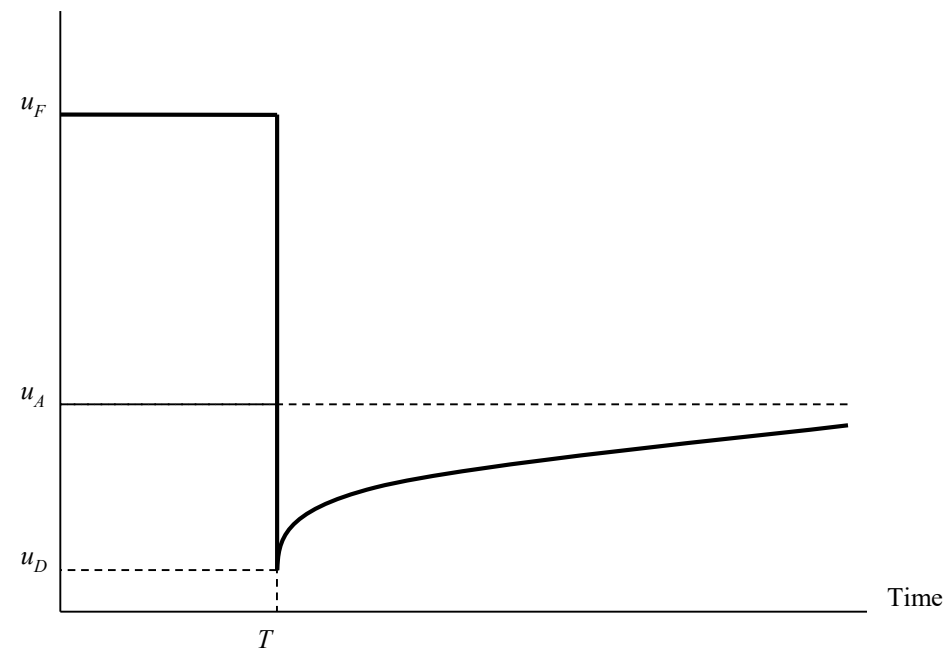
# Why trade linkage, duration and prior relations?



## Trade disruption in a simple neoclassical model



## Time profile of utility

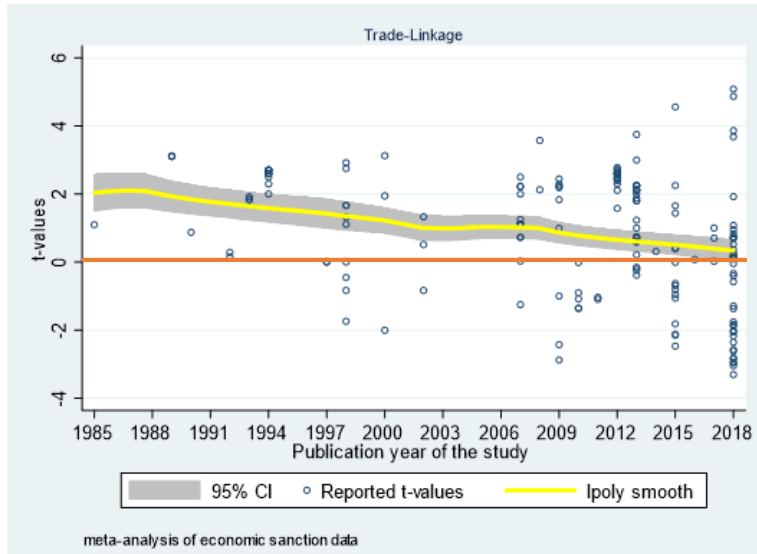


# Kernel plots of key determinants of sanction success

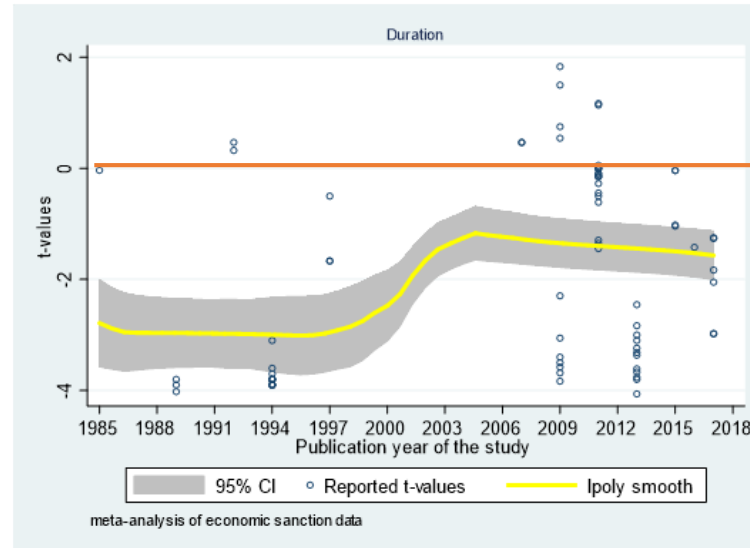
(t values in 36 primary studies published 1985-2018)



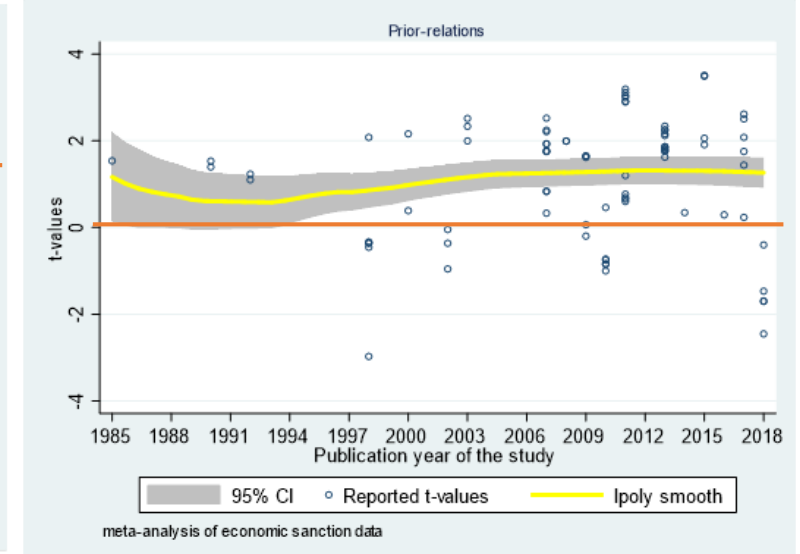
## Trade linkage



## Duration











## Prior relations



# Key cases of a century of sanctions



1920s 1930s	1950s	1960s	1970s	1980s	1990s	2000s	2010s
 1921 Yugoslavia 1925 Greece 1935 Italy	 1948 US – Netherlands 1958 USSR – Finland	 1962 US Cuba 1965 UN Rhodesia	 1973 Arab oil embargo 1977 UN Apartheid	 1980 US Grain embargo	 UN Apartheid		

“Although there are some difficulties of evaluation, there is a strong consensus that sanctions have not been successful in achieving their primary objectives” Barber (*Foreign Affairs* 1979:384)

“Economic sanctions are more effective than most analyst suggest. Their efficacy is underrated (...) their successes are widely unreported, while their failures are exaggerated by those with an interest in either avoiding their use, or in using other instruments” Rogers (*Security Studies* 1996: 72)

“While the literature has identified many factors as possible determinants of sanctions success, the empirical findings regarding these hypotheses have been inconclusive.” Bapat et al (*International Interactions* 2013: 80)

# Research Cycles



**Robert Goldfarb**



"The economist-as-audience needs a methodology of plausible inference." *Journal of Economic Methodology* (1995):

**Peter Wallensteen**



A century of economic sanctions: A field revisited. Uppsala: Department of Peace and Conflict Research, Uppsala University, 2000.

# Views on the sanction instrument may drive reported results



## Intrinsic motivation



## National interest







## 2. Three forms of bias

Unreported revisions

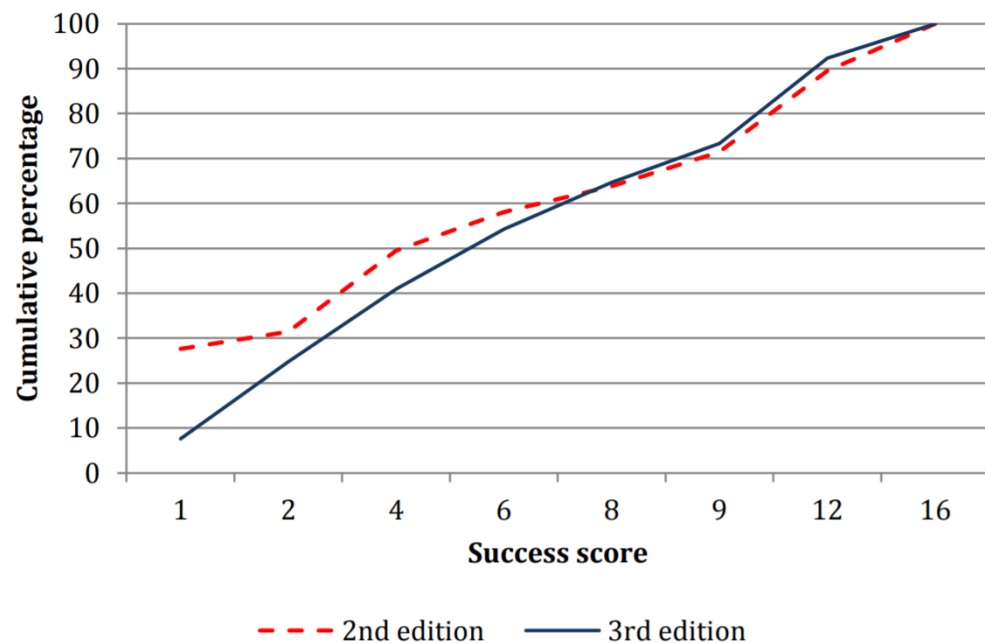
Publication bias (meta analysis)

data construction



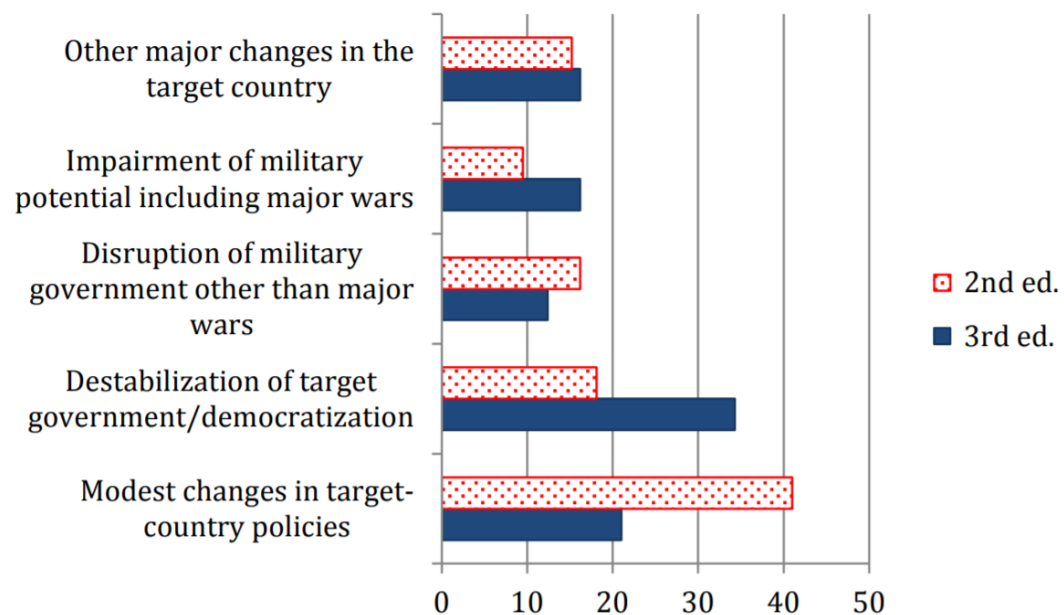
# Unreported revisions generate differences and may also reflect bias

## Cumulative frequency distribution success score (common cases)



**Note:** No success score of 3 exists for the common cases.

## Foreign policy goals (common cases; in percent)





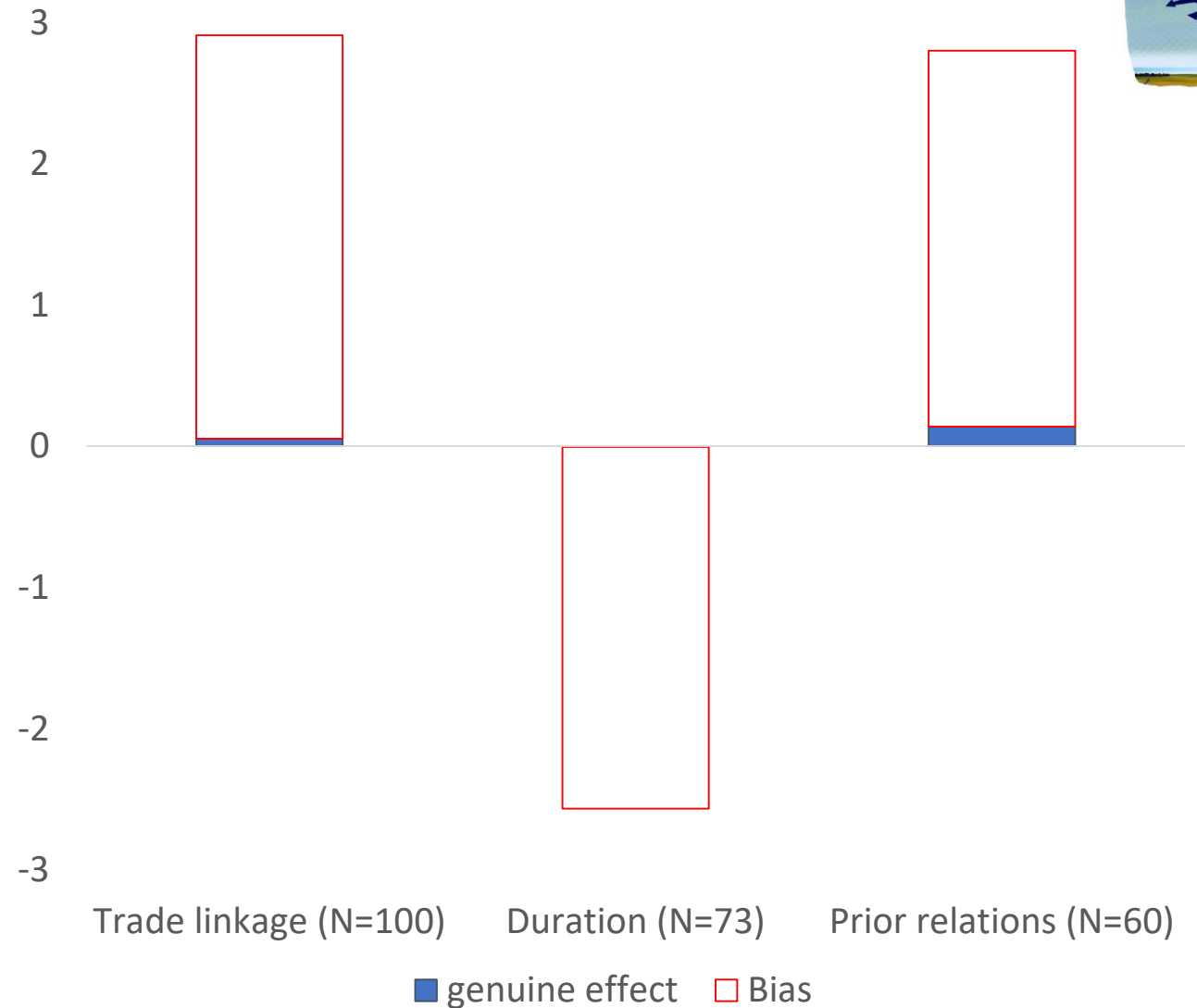
## Bias and genuine effect

Multivariate Meta Regression Analysis for precision and sources of Heterogeneity

27 primary studies on the effectiveness of economic sanctions published over the years 1985-2017 inclusive

Sources:

Sources: Benalcazar Jativa (2018), Kimararungu (2018) and Reta (2018)







# Determinants of Absolute Bias

## (331 regressions of 36 studies (1985-2018))

	(1)	(2)	(3)	(4)	(GTS)
Peer Reviewed	-0.3	-0.2	-0.3	-0.4	-0.3
No. of citations <sup>a</sup>	0.1	0.1	0.1	0.1	0.1
No. Obs. primary study <sup>a</sup>	-0.2	-0.2	-0.2	-0.2	
Co-authored	-0.9*	-0.8*	-0.9*	-1.0*	-0.9*
US affiliation	0.3	0.5	0.4	0.3	
Academic affiliation	0.1	0.1	0.1	0.2	
PhD	-0.5		-0.5	-0.5	-0.5
Homogenous gender		0.2	0.2	-0.3	
Journal Rank	0.4	0.3	0.4	0.4	0.5
Political scientist	-0.2	-0.2	-0.2	0.1	
Publication year (base 1985)	0.04*	0.04	0.05*	-0.16*	0.04*
Idem squared				0.005**	

\*\*, \* stand for 1 and 5% level of significance, respectively.



# Data construction



Hufbauer, Schott, Elliot, Oegg  
*Economic Sanctions reconsidered*,  
1985, 1990, 2008.



Morgan, Bapat, Kobayashi, Krustev  
Threat and imposition of economic sanctions  
2009, 2014

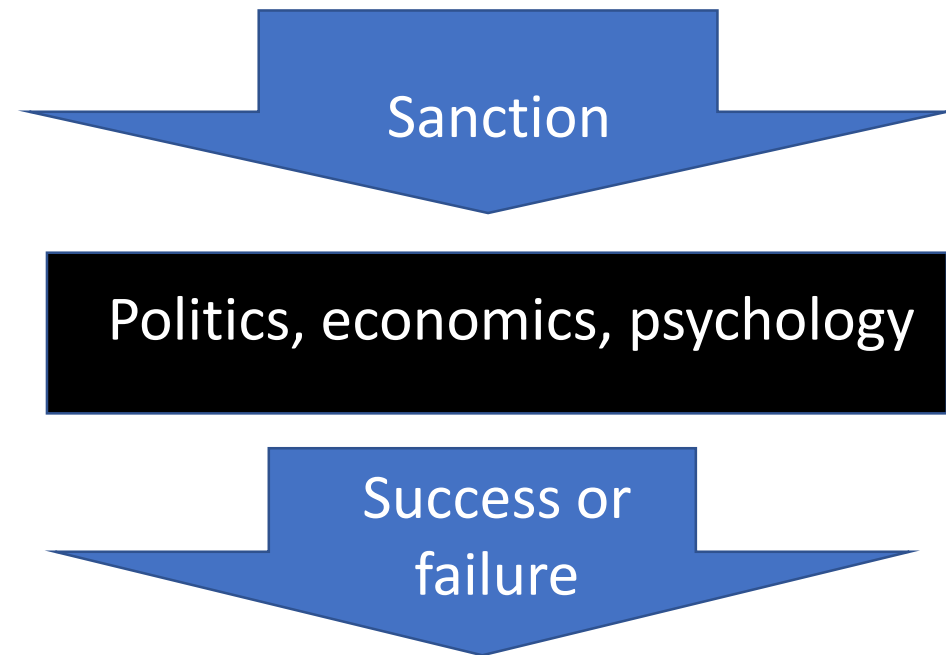


Felbermayr, Kirilakha, Syropoulos,  
Yalcin, Yotov  
The Global Sanctions Data Base.  
2019

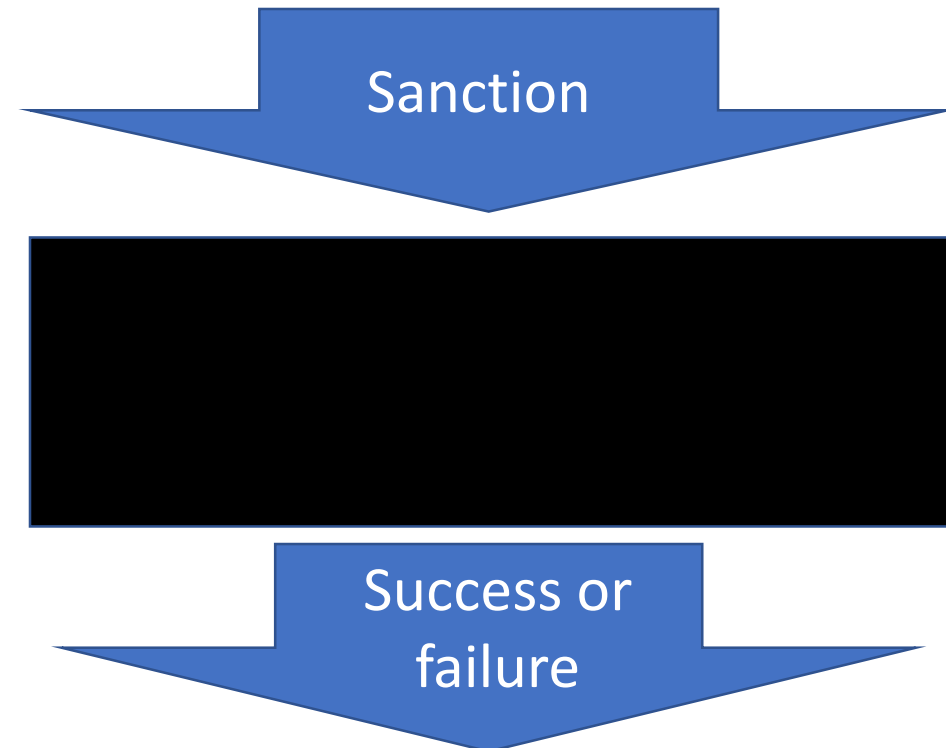


# The sanction black box

**Traditionally recognized sanction black box**



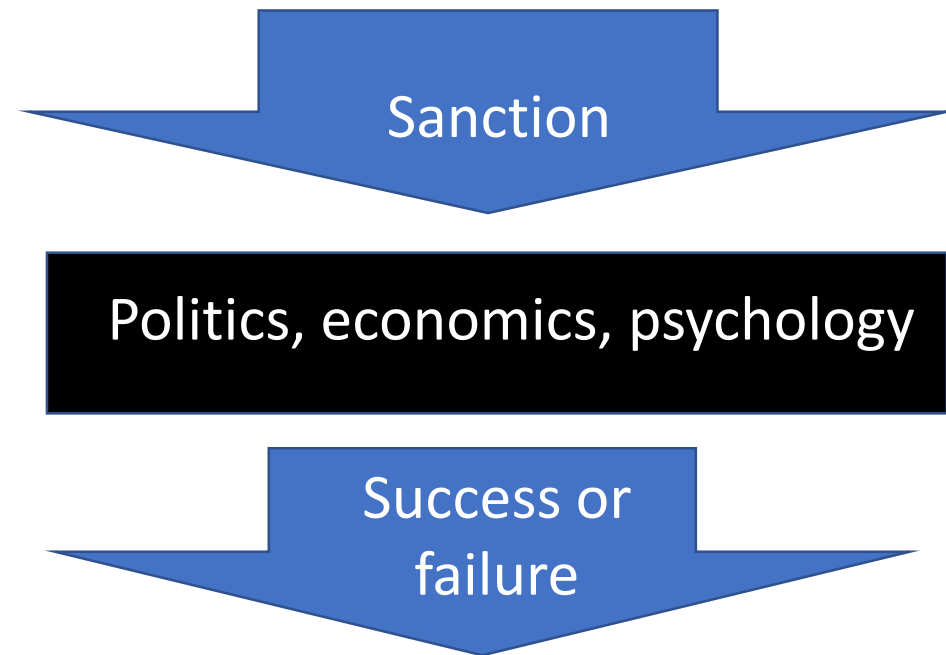
**Implicit unrecognized sanction black box**



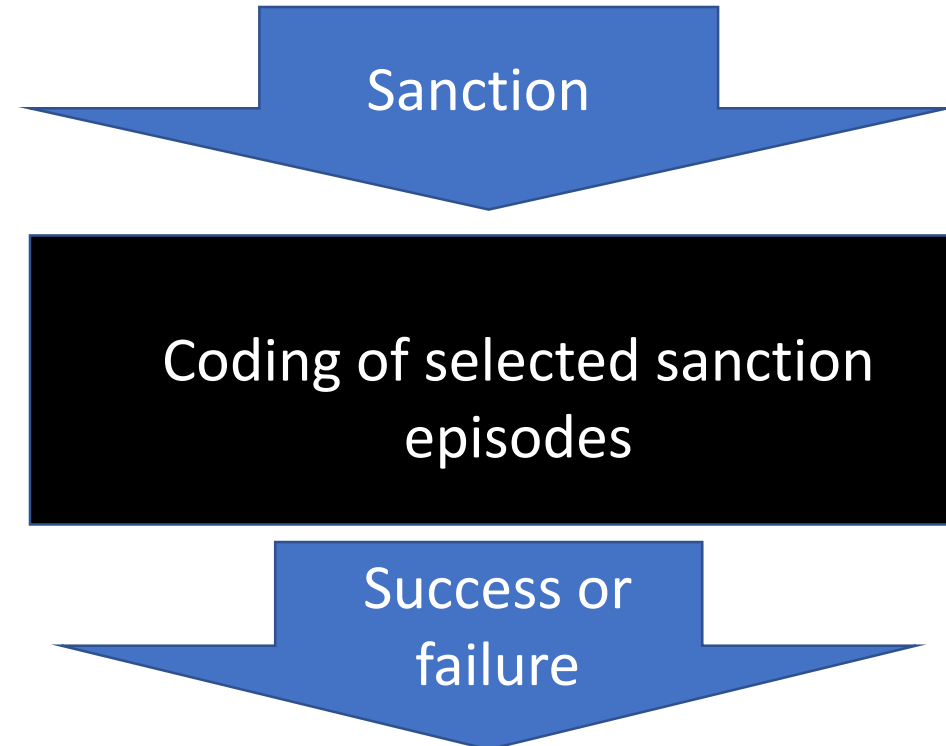


# The sanction black box

**Traditionally recognized sanction black box**



**Implicit unrecognized sanction black box**





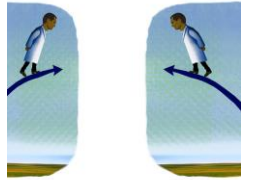
## Four stylized facts

- the empirical post Second World War shows an increasing association between economic sanctions and their ineffectiveness since the 1990s,
- the findings that are reported in the empirical literature show an increasing dispersion and inconclusiveness since the turn of the Millennium and
- the post 1985 empirical literature suffers from significant and since 2000 increasing bias in the reported results.
- the literature is dominated by an episode, endpoint, (inter)subjective evaluation of success and failure



### 3. Suggestions for future sanction research

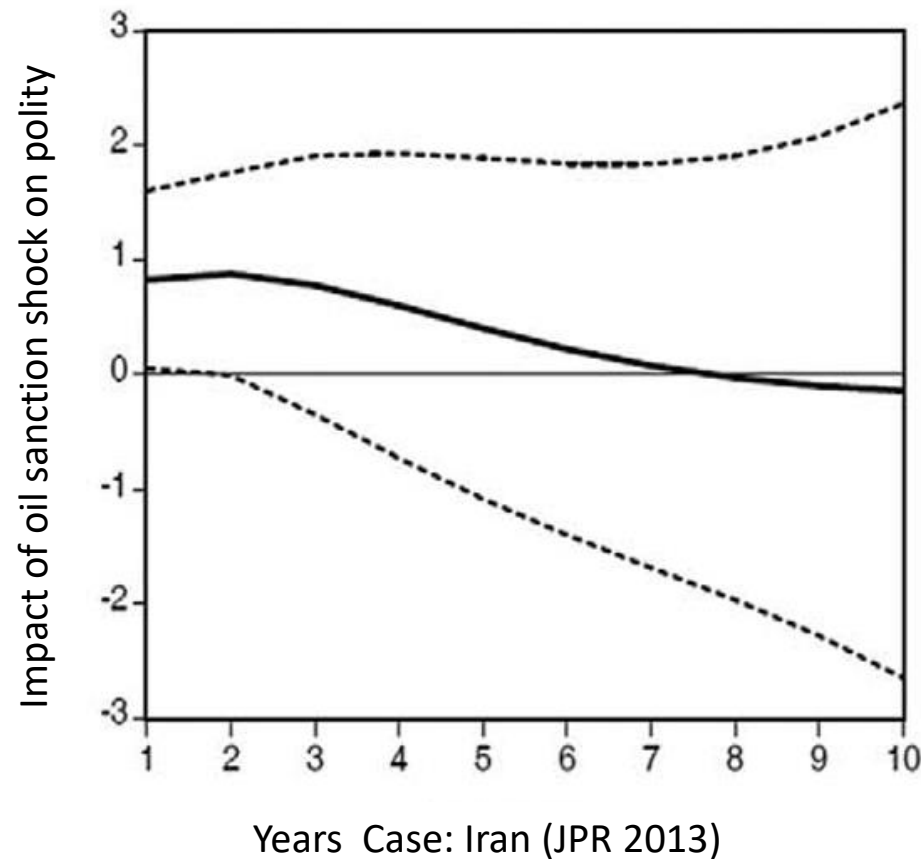
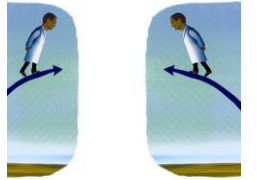
# Prevent p-hacking



- Problems reflect fit the so-called replication crisis that is a general and disturbing trend in science
- Large N is better than small N.
- Require more significance (at least 5%)
- Stimulate replication



# Alternative approach: country studies



- Establish relationship between instrument and target variable (goal of the sanction)
- Dynamics: time dimension.
- Perspective on (in) significance of impact determined by model
- Agnostic about VAR, CGE, SAM, structural model
- Research synthesis via meta-analysis