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Economic Sanctions: Their Ineffectiveness at Attaining Their Stated Foreign Policy Goals with Specific Reference to the Cuban Case

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Economic Sanctions: Their Ineffectiveness at Attaining Their Stated Foreign Policy Goals with Specific Reference to the Cuban Case

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MISSING

A nation that is boycotted is a nation that is in sight of surrender. Apply this economic, peaceful, silent, deadly remedy and there will be no need for force. It does not cost a life outside the nation boycotted, but it brings a pressure upon the nation which, in my judgement, no modern nation could resist.
President Woodrow Wilson, 1919

INTRODUCTION

International economic sanctions are not singularly modern phenomena. In ancient Greece, Pericles of Athens enacted the Megerian Decree in 432 BC in response to hostile acts taken against it by neighboring Megera. Later, during the American Revolutionary War, Thomas Jefferson encouraged the use of sanctions as an effective tool of coercive foreign policy to be used against the colonists' enemies. Since then, following the historical precedence of economic acts like the Megerian Decree, economic sanctions have continued to be used as tools of coercive diplomatic policy. For example, following World War I, President Woodrow Wilson encouraged the use of economic sanctions as an equally strong, but less costly alternative to the use of military force. However, even though economic sanctions have long been used in attempts to force desired responses out of target nations (especially unilateral sanctions), they have seldom achieved their stated foreign policy goals.

As previously mentioned, the use of economic coercion (sanctions) is not new. Throughout history, sieges, blockades, and embargoes have often been used in conjunction with military force. " Sanctions have regularly supplemented the use of force in war and have also been used overtly and covertly to influence the foreign and domestic policies of target states," in the place of military aggression. (Doxey, 1980, pp. 3). But it is only since increased economic interdependence in the global market that economic sanctions have become a foreign policy tool to be used alone, separated from any link or threat of the use of military force. With this in mind, sanctions have become a preferable foreign policy tool to the use of force since they do not involve a risk to the lives of the citizens of the country imposing the sanctions. Therefore, economic sanctions could be seen as being less violent and less risky, while simultaneously being more "democratic" (based on international norms). (Wallensteen, 1983: 87).

Following the encouragement of people like President Woodrow Wilson, the use of economic sanctions by both the League of Nations and the United Nations against member states increased dramatically. These multinational organizations thought that, with the imposition of sanctions, aggressive nations would be either deterred from using or forced to stop the use of military force. Therefore, the use of economic sanctions as a tool of those trying to secure a global collective security increased dramatically following World War I. However, after sanctions failed to work against Italy between 1935 and 1936, faith in them as a tool of collective security began to significantly wane. (Wallensteen, 1983: 88).

Then, following World War II, economic sanctions became known as a way of expressing opposition to and displeasure with the domestic policies and practices of target nations, even if the offending practices did not threaten the collective security. In fact, since the end of the war, sanctions were imposed against Rhodesia in 1966 (Renwick, 1981: 74), Greece, Portugal and Spain because other members of the international community did not approve of the policies and practices of their respective regimes. In addition, sanctions have even been imposed against other target nations because of their ideologies (e.g. sanctions imposed against Cuba for being Communist). (Wallensteen, 1983: 89). However, then as now, the effectiveness of economic sanctions as a coercive diplomatic tool of foreign policy has been revealed as limited.

Many contemporary experts agree that American economic sanctions do not work. For, according to sanction scholars like James Blessing, "it can be argued that the suspension of aid does not appear to have been a very effective means of inducing change in recipient behavior. This conclusion is in general agreement with the conclusions of numerous other studies which show that neither the granting of aid nor the use of economic sanctions have been effective mechanisms of inducing behavior change," in target countries. (Blessing, 1981: 533; Bienen and Gilpin, 1980: 89; and Taubenfeld, 1964:188).

American economic sanctions allow Fidel Castro to blame the US for his own failures and some might suggest that the ineffective sanctions be either modified or dropped entirely. This course of action has been suggested to American officials in order to remove from Castro the opportunity to blame the US for his own economic and political errors in judgement. Even Castro's own daughter, Alina Fernandez Revuelta, recently commented along these same lines to USA Today that, "it's impossible not to lift the embargo. He (Castro), himself doesn't want it lifted since it is his only pretext for the poverty and misery in Cuba." (Deane, 1998: 17A).

In fact, 22 US Senators sent a letter to President Clinton in November of 1998 stating that the time and place has come to look into ending the American embargo of Cuba. "Our policy toward Cuba has not changed in nearly forty years," the letter said, "but the world we live in has changed a lot. It is, therefore, time for a serious, systematic look at our policy," regarding the use of economic sanctions against Cuba. (Deane, 1998: 17A).

Economic sanctions appear to be worthy of further study mostly because of their prevalent use within the contemporary international arena of coercive diplomacy. Other tools of coercive diplomacy, while effective, are less frequently applied and often call for the overt application of military force. Military force that is applied either as a show of aggression towards the target nation's leadership or as a sign of displeasure with the target nation's internal policy choices. Consequently, because of the prevalent application of economic sanctions as a coercive tool of foreign policy, this paper will look to explore the use of unilateral economic sanctions as they have been applied to Fidel Castro's Cuba by the United States. For, even though Cuba had all of the conditions and characteristics that should have made it extremely susceptible to the influence of economic sanctions on its domestic policy choices, it has been able to withstand the test of more that four decades of economic sanctions.

The Hypothesis

The primary problem addressed by this paper is that economic sanctions generally fail. And one of the reasons that they fail is the central issue of this study. Consequently, the hypothesis of this paper is that **as the period of time that unilateral economic sanctions are imposed increases, the target nation's opportunities to overcome key vulnerabilities increases and, as a result, the effectiveness of the unilateral economic sanctions imposed decreases**. As its main focus, this study will look at the economic sanctions imposed by the United States against Cuba and their effectiveness at achieving their stated American foreign policy goals. This 'effectiveness' can be evaluated by seeing whether or not the economic harm incurred, "has translated through the target state's political system and into either policy or regime changes." (Losman. 1979: 41).

International economic sanctions, have often been defined as "a ban on the movement of goods and hard currency to and from a foreign country." (LatinFinance). However, for the purposes of this research project, it is necessary to narrow down the previous, general definition to include 'unilateral economic sanctions'. Therefore, we will define unilateral economic sanctions as economic restrictions or measures used by one country or state against another to both uphold standards of behavior expected by that country's customs or laws *and* to attain a specific foreign policy goal.

The purpose of this paper

Authors like Kaempfer and Lowenberg have already done extensive research regarding the public choice theory-based justifications for the use of economic sanctions, and any attempt made by this study to add to their work will be feeble at best. Therefore, the purpose of this paper is to follow more closely to the trail of case studies blazed by sanction scholars like Margaret Doxey, Donald Losman and Donna Kaplowitz that attempt to explain why economic sanctions are ineffective. Both Doxey and Losman look at the ineffectiveness of economic sanctions in general while Kaplowitz tries to cover the Cuban case study in its entirety. In addition, this paper will attempt to answer whether or not economic sanctions become less effective as time increases. This is important because having a generally established time period would allow policy makers to try economic sanctions for a time and then move on to use other foreign policy tools if the sanctions fail to attain their stated foreign policy goals.

Then, following the introduction and the statement of purpose, the author will explore the definitions regarding the roles and functions of economic sanctions as tools of coercive diplomacy as they have been presented by authors like Wallensteen, Doxey, Kaplowitz and Losman. By looking at the various definitions of sanctions we will add to our general knowledge about the effectiveness of economic sanctions as coercive foreign policy tools. Next, we will look at a general introduction to the problems associated with the application of economic sanctions followed by the hypothesis or major proposition of this paper. This, in turn, will be followed by a presentation of the methodology or testing strategy by which the author intends to test the hypothesis of this paper.

After presenting the previously described framework, upon which the rest of this paper will be built, the author will look into the history and background of economic sanctions. This section will provide the reader with a brief historical background of sanctions, from the time of the Megarian Decree in ancient Greece to the time of the American Sanctions imposed against Cuba.

Then, following a brief historical description of the evolution of American economic sanctions in general, we will look into the reasons why democratic nations like the US have been inclined to impose them against target nations, from the time of Thomas Jefferson to the time of Bill Clinton. This general treatment of the history of American economic sanctions will be followed by an in depth look into the evolution and specifics of the American economic sanctions applied against Cuba. This section will cover the history of US sanctions against Cuba from their embryonic stage of development during the presidency of Dwight D. Eisenhower through their metamorphoses during the Kennedy, Carter, Reagan and Clinton regimes and up to the present day. This is important since the American experience with economic sanctions against Cuba will be used as the real-world test case for the hypothesis of this paper.

Following the historical background of economic sanctions in general and US economic sanctions against Cuba in particular, this paper will next analyze how the US economic sanctions imposed against Cuba have affected the Cuban economy. This is relatively important to understand since authors like Losman have suggested that the political purposes of economic sanctions (their foreign policy goals) can not be attained without the sanctions first negatively impacting the economy of the target regime. (Losman, 1979: 41). Therefore, by finding out how much the US economic sanctions imposed against Cuba negatively affected the Cuban economy, we should be able to see that the economic damage was insufficient to translate into the desired regime changes, political policy alterations or an ideological reorientation. And finally, after looking at the economic impact of the US sanctions against Cuba, we will summarize the key points of this paper as well as state the conclusions that the author has drawn from the evidence presented herein.

The Problem

The main problem with economic sanctions as tools of foreign policy is that we have had to ask ourselves repeatedly why *they seldom work*. In other words, economic sanctions are often ineffective at meeting their stated foreign policy goals. Whether they are ineffective because they have been unilaterally applied or because the target nation is eventually able to circumvent the negative impacts caused by economic sanctions may be part of the explanation. Still, the matter of primary importance is whether or not economic sanctions have been able to attain their stated foreign policy objectives.

Then, the second problem that must be addressed regarding the use of economic sanctions as tools of foreign policy is why sanctions fail to achieve their stated goals. Of course, in a limited number of cases (between 13 and 15 percent), economic sanctions have succeeded in attaining their foreign policy goals. However, as the length of time that the sanctions are imposed increases, the less effective the sanctions become. (Hufbauer, et al, 1990: 6). In other words, the longer that the imposing country waits for sanctions to work, the less likely that they will succeed at attaining their stated foreign policy goals at all.

Granted, in some cases like South Africa and Columbia, sanctions have been able to achieve some of their stated foreign policy goals some of the time. However, especially following World War II, most economic sanctions have failed. In many cases, they have been unable to do what they were supposed to do or cause what they were supposed to cause a majority of the time. According to Gary Hufbauer, Jeffrey Schott and Kimberly Elliott, "extensive research on the effectiveness of economic sanctions throughout this century suggests that," (Elliott, 1997:1) unilateral sanctions – even when imposed by the largest economic power in the world – are unlikely to succeed when applied in today's increasingly interdependent global economy. For, as Elliott continues, "since 1970, unilateral US sanctions have achieved some of their foreign policy goals in only 13 percent of the cases where they have been imposed." (Elliott, 1997: 1).

Thirteen percent of economic sanctions imposed during the past two decades, then, have only partially succeeded at attaining *some* of their stated foreign policy goals. An unacceptable rate of failure if it were applied to the use of military force. And yet, the American political leadership seems perfectly satisfied with the current pace being set by its ineffective economic sanctions.

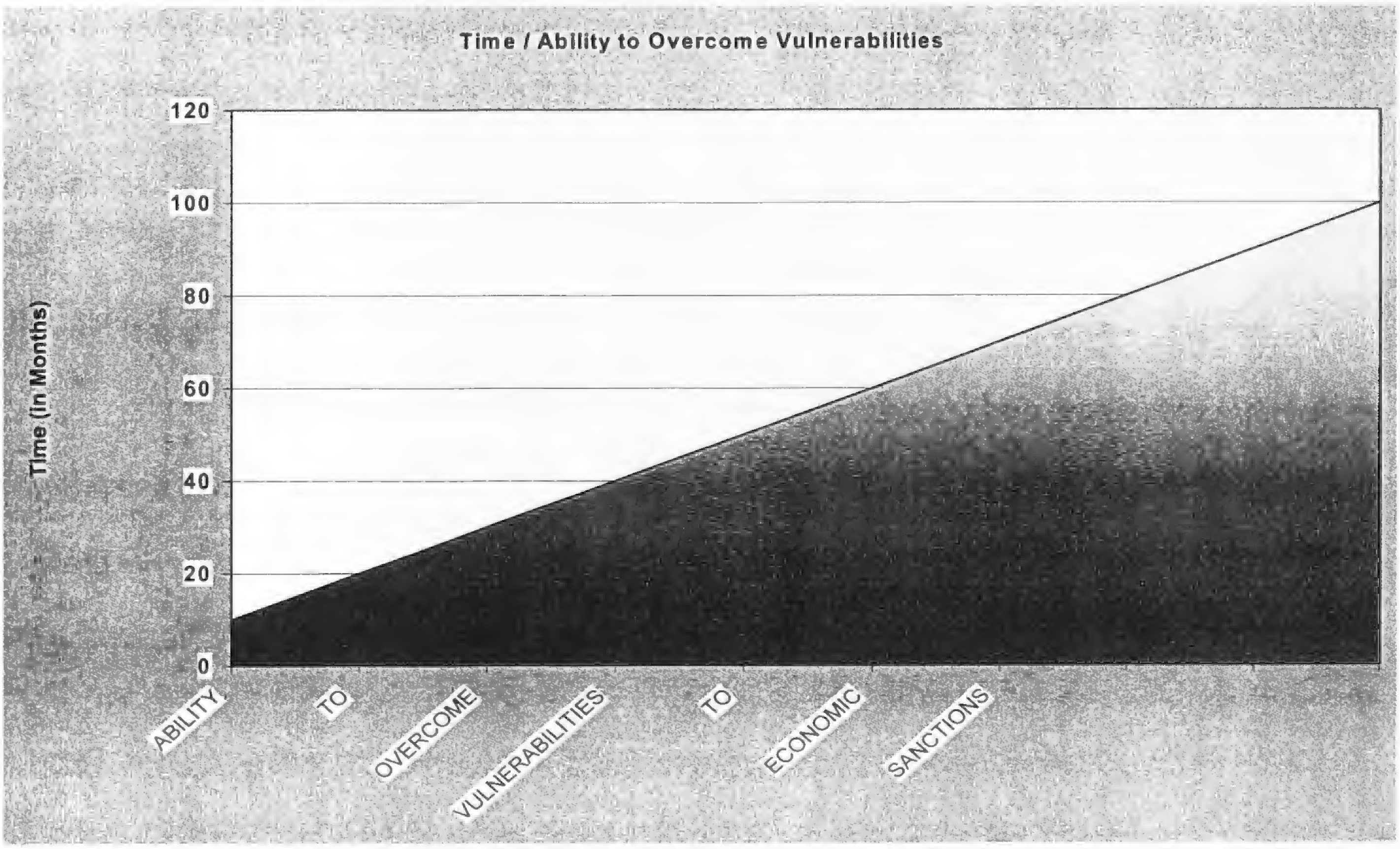
However, it is not the passage of time alone that undermines the effectiveness of economic sanctions. There are other factors that contribute to the failure of economic sanctions. Episodes between close allies are generally short, to the point, and often successful. Conversely, if the target nation shares its animosity for the imposing country with a foreign power, the target country is more likely to overcome the negative affects of economic sanctions by receiving economic assistance from that foreign power - especially if the sanctions last for an extended period of time. And finally, the greater the inherent likelihood of success of economic sanctions against a certain target country, the shorter the time needed to achieve results. In other words, if the economic sanctions applied against a target nation are going to work at all, they should be able to attain their stated foreign policy goals within a relatively short period of time. Otherwise, if the sanctions are allowed to drag on for an extended time period, and even if the foreign policy goals are met, chances are that the success of the sanctions episode will be attributable to external influences other than the economic sanctions.

In any event, the inverse relationship between the effectiveness and the duration of the economic sanctions argues against a strategy of slowly applying more and more pressure over time until the target country caves in. Time affords the target country the opportunity to find alternative suppliers, to build new economic relationships with other nations, and to mobilize domestic popular opinion in support of its policies. (Hufbauer, et al, 1990: 6). Consequently, sanctions that are imposed quickly and harshly have an increased chance of succeeding.

As previously mentioned, sanctions that are long and drawn out over an extended period of time, allow the target country to overcome the "key vulnerabilities" that made it an attractive target for the application of economic sanctions in the first place. "The average cost imposed by sanctions against the target nation as a percentage of GNP in success cases was 2.4 % and 1% in failures. Also, while successful economic sanctions lasted an average of 2.9 years, the duration of ineffective sanctions considered to be failures was eight years or longer." (Hufbauer, et al: 1). Therefore, based on the preceding information, it should be easy to see that it is better to apply sanctions hard and fast rather than let sanctions drag on for years. And yet, with the case of Cuba, the US has decided that sanctions might work if we just give them another year to force Fidel Castro to change his domestic politics and offending policies.

Methodology

If the hypothesis of this paper holds true in the Cuban case, one would expect to see a negative relationship between the increase in the period of time that unilateral economic sanctions are imposed and the ability of the target country (Cuba) to overcome key vulnerabilities. Additionally, one would also expect to see that the increased ability of the target nation to overcome key vulnerabilities results in the decreased effectiveness of the sanctions at attaining their stated goals.



Time / Ability to overcome vulnerabilities
Hypothetical trend in decreased effectiveness of unilateral economic sanctions when both time and ability to overcome key vulnerabilities are simultaneously increased.

In order to find out if a negative relationship exists between the two independent variables and the dependent variable of my hypothesis, I plan to use the non-experimental method of a case study research design. Case study research allows students to look closely at events and learn about the *multitude* of factors that may be involved in explaining the (in)effectiveness of sanctions.

Further, after looking at alternative explanations for the ineffectiveness of unilateral economic sanctions, the author realizes that the hypothesis of this study does not take into account some other variables that might also influence the effectiveness of the sanctions. For example, it does not account for the "cult of personality" or powerful personal influences that some dictators, as leaders of target nations, have over their people. Also, this study does not account for the additional variable of the predominant religions of these countries. Some of the countries currently under unilateral economic sanctions have general religious beliefs and/or cultural attributes that make it less likely for the common people to put any pressure on their government(s) to comply with the demands of the country imposing the sanctions against them. And yet, after considering all of these other possible variables, the author has chosen the independent variables that he did in order to keep the hypothesis of this paper both simple and generally applicable.

Units of Analysis

Even though unilateral economic sanctions can be and sometimes are imposed by nations against corporations, for the purposes of this study, we will look only at unilateral economic sanctions imposed by the United States against Cuba in order to attain specifically stated policy goals. Initially, Cuba was chosen as the focus of this case study since it has had unilateral economic sanctions imposed against it by the US for almost 40 years. After having to face nearly four decades of unilateral economic sanctions imposed against it by the US, Cuba has had sufficient time to overcome the key vulnerabilities. In addition, the duration of the sanctions also allows us to judge the success of the American economic sanctions at attaining their stated goals. Therefore, by looking at the Cuban case, we should be able to examine intensely the hypothesis of this paper, try to define the relationship between the variables and demonstrate whether or not the expected results prove to hold true in the real world.

DEFINITIONS

Sanctions/Unilateral Sanctions

First, in the legal profession, "negative sanctions are measures of enforcement which follow violations of law. They are penalties which indicate the limits of permissible conducts and encourage compliance with known rules." (Doxey, 1996: 7). In an ideal world, negative sanctions would be a sufficient deterrent to countries or regimes that are thinking about violating international laws or norms. However, some nations disregard the threat posed by potential negative sanctions and consequently are subjected to the punishments that sanctions impose. And yet, even though there is no inherent problem with the concept of economic sanctions imposed within a nation (fines, penalties, etc.) where legislators can pass sanctions into law, the international arena is quite different. (Doxey, 1996: 7).

In the international arena, the main actors are not individual citizens or companies. Rather, they are "sovereign states, subject to no overarching authority, and there are few international institutions comparable to those found in states." (Doxey, 1996: 8). Therefore, in the international arena, the definition of sanctions given above is inapplicable. Moreover, even if a broader definition of sanctions which includes the defense of international *norms* as well as international laws issued, there is still a problem with the fact that nation-states that do not, "exhibit social cohesion to any marked degree." (Doxey, 1996: 8). As a result, it is not surprising that international sanctions are no longer given legal definitions or that many different definitions of sanctions are used today.

In response to this problem, David Baldwin developed three common definitions for the term 'economic sanctions'. First, he defined economic sanctions as, "a rather narrow concept referring to the use of economic measures to enforce international law".

Second, "sanctions refer to the types of values...intended to be reduced or augmented in the target state." Third, "the term sanctions corresponds to the concept of economic techniques of statecraft," (Baldwin, 1985: 35-36) upon which this paper is based. Baldwin contrasts the definitions in terms of their scope. Economic sanctions are either measures used to enforce international law, which he considers to be, "narrowly legalistic and therefore unsuitable for general foreign policy analysis," or they are governmental economic tools used to gain influence over the target nation. (Baldwin, 1985: 36). However, the third definition of sanctions offered by Baldwin is too broad since it allows any politically motivated act of coercive economic foreign policy to be called a sanction.

Yet, it is nevertheless both possible and desirable to, "preserve the sense of sanctions as penalties linked to real (or even alleged) misconduct." (Doxey, 1996: 9). From this perspective, violations of international laws (or even international norms) and the use of internationally backed enforcement tools are possible, but not essential to the use of economic sanctions in the international arena. (Doxey, 1996: 9). However, what is important is to separate sanctions from violent (the use of force) or even non-violent (diplomacy) foreign policy tools that are used, "specifically to further the interests of one or more states at the expense of others. Therefore, international sanctions can be properly defined as penalties threatened or imposed as a declared consequence of the target nation's failure to observe international standards of conduct or to meet international obligations." (Doxey, 1996: 9).

As previously mentioned, for the purposes of this paper, it has been necessary to narrow down the previous general definition of economic sanctions to include 'unilateral economic sanctions'. Consequently, unilateral economic sanctions will be defined in this paper as: economic restrictions or measures imposed by *one* country or state against another to both uphold standards of behavior expected by the imposing country's customs or laws *and/or* to attain a specific foreign policy goal or set of goals. Goals such as forcing a change in the leadership of the target nation's regime, policy reorientation, or an ideological alteration.

These 'unilateral sanctions', "can either be acts of self help directly related to an injury sustained by the government imposing them (reprisal sanctions), or penalties for violations of internationally accepted rules or standards of conduct." (Doxey, 1996: 10). In this sense, by claiming violation of *internationally accepted* norms or laws, unilateral economic sanctions carry more credibility and encourage other nations to adopt the sanctions on their own against the target country.

Furthermore, in addition to the issue of added international credibility, governments try to base their unilateral economic sanctions on moral grounds or internationally accepted norms to justify their sanctions domestically. Imposing nations, "will say that they are imposing sanctions to defend legitimate, worthy and general interests rather than to advance particular interests of their own." (Doxey, 1996: 10). However, before believing the claims of the imposing nation, we must investigate the circumstances associated with each and every case. For, unless rules and norms have indeed been violated, the justification or authority claimed by the imposing nation for its application of unilateral economic sanctions can not be validated.

Time

The period of time necessary for a target nation to get "over the hump" or initial shock period of the most negative effects of economic sanctions varies from target to target based upon the number and degree of vulnerabilities it has to overcome. For example, the period of time necessary for Rhodesia to overcome its key vulnerabilities, was five years. Meanwhile, for Cuba, the time period needed to overcome the negative effects of the US imposed sanctions has been estimated to have been anywhere from one year to almost a decade. Yet, even though Rhodesia and Cuba took different periods of time to overcome the negative effects of the economic sanctions imposed against them, it is important that we try to set a period of time sufficient enough for a target to overcome its key vulnerabilities. By overcoming its key vulnerabilities, the target nation is also able to overcome the negative effects of the economic sanctions imposed against it – thereby rendering the sanctions ineffective.

According to Hufbauer, Schott, and Elliott, "the most effective sanctions are imposed quickly and decisively to maximize impact ('successful' sanctions lasted an average of 2.9 years while failures lasted an average of 8 years)." (Hufbauer, et al, 1990: 1). Therefore, for the purposes of our study here, this paper will set the period of time at eight years (following the time frame used by Hufbauer, Schott, and Elliott) so that we will have a concrete, empirically observable time frame with which we will work. This is important because, if we failed to establish a set period of time by which sanctions should work (and after which they become increasingly ineffective), we could draw whatever conclusions we wanted to from the case being studied at any given time. One paper might wait forever until the economic sanctions imposed against a target country attained their goal(s) and claim that they were successful, while another would wait only a brief period of time and then claim that the sanctions were ineffective. Thereby incorrectly proving their hypotheses to be correct.

Following this line of thinking, if a sanction effectively attains its foreign policy goals before a period of eight years has expired, then our hypothesis would have us believe that the target had been unable to overcome its key vulnerabilities. However, if after eight years passes and the sanctions still have not attained their goal(s), this study proposes that the sanctions are unlikely to ever attain their goals without some additional "shock" such as the use of military force to affect the desired change(s).

Key Vulnerabilities

The 'key vulnerabilities looked at in this paper include: first and foremost a lack of diversity in trading partners; second, little diversification in domestic production; and third, a weak or poorly developed economy. First, a lack of diversity in trading partners will be defined by identifying the number and variety of trading partners that both supply a majority of the goods imported into the country and buy a majority of the target's exported goods. Second, the diversification of domestic production will be defined by the level of domestic agricultural and industrial output as well as by evaluating whether or not domestic production levels dropped or increased following the application of economic sanctions. And finally, the level of economic performance of the target nation's economy will be defined and evaluated by looking at the annual growth rate of the GMP (similar to the GNP and used by socialist economist in the 1960s to measure economic growth rates – excludes certain transportation sectors from the calculation of economic progression) as well as the GNP. For, according to sanction scholars like Perez-Lopez and Zimbalist, both the GMP and the GNP can be used to effectively measure the health of a target nation's economy.

Ability to overcome

By looking at the level of economic development, diversification of both domestic production and number of trading partners of the target nation (Cuba) of this case study, we should be able to determine to what extent Cuba has been able to overcome the negative repercussions of the American economic sanctions imposed against it. Therefore, this paper will look at Cuba, both before the unilateral economic sanctions were imposed, and after the predetermined eight-year period has ended, to see how well Cuba has been able to raise its level of economic development (as indicated by the annual rate of growth of its GNP), diversify its domestic production and increase the number of its trading partners.

Then, if we find that Cuba has been able to overcome the previously listed key vulnerabilities, we must subsequently accept that the unilateral economic sanctions failed to prevent the Cuban economy from growing. And if the sanctions failed to prevent the economy from growing, we should be able to see that they also failed to impose sufficient economic harm to force Cuba into acquiescing to America's demands. In other words, if Cuba has been able to overcome its key vulnerabilities after eight years of sanctions, and the economic harm imposed by the sanctions is insufficient to force Cuba to change its policies, then the US sanctions have not been able to attain their stated foreign policy goals and must be categorized as failures.

Negative impact

Next, the 'negative impact' of economic sanctions means in this case that the sanctions have damaged the target's economy so much that - for one reason or another - the target nation is forced to act. Whether it acts by changing its policies in accordance with the sanctions' goals or by diversifying its domestic production – and its trading partners - such forced changes in behavior amount to both unwanted and increased (negative) costs.

Ineffectiveness

Following the application of economic sanctions against a target nation, the target nation is subjected to the sanction's negative effects. And, if the sanctions are effective, they will force the target nation to modify its political behavior in response to the negative effects of the sanctions. However, economic sanctions still can not be seen as effective unless the target nation's political response to the negative effects of the economic sanctions is the response sought after by the nation applying the sanctions.

Therefore, a sanction can be seen as effective only of it achieves its stated political or foreign policy goals. And yet, if the country imposing the sanctions continues to apply them against the target nation over an extended period of time, it is essentially stating by its actions that it does not believe that the sanctions have achieved their stated foreign policy goals. Otherwise, if the sanctions *had* successfully attained their stated foreign policy goals, there would be no reason to maintain the sanctions for even one additional day.

Examples given in the paper earlier included the use of unilateral economic sanctions to stop human rights violations, antiterrorism, nuclear non-proliferation, anti-narcotics, to induce political instability, and workers rights. But, without being quite so specific, I will state here that economic sanctions are effective only if they attain their stated foreign policy goals of forcing a change in the target nation's domestic policies, regime, or leadership, or ideology.

Therefore, given the definition of a successful sanction. I will posit here that an ineffective episode of economic sanctions will be defined as any sanction that does not meet the requirements to be an effective sanction. In other words, if the economic sanctions imposed against a target nation fail to achieve their stated objectives, and the imposing nation continues to apply the sanctions, the sanctions must be recognized as being ineffective – a failure. Moreover, as the dependent variable of my hypothesis, it is essential to the success of this paper that I am able to illustrate the negative or positive effects that the two independent variables (time and the ability to overcome the 'key vulnerabilities) have on the level of effectiveness of the US economic sanctions imposed against Cuba.

A BRIEF HISTORY OF SANCTIONS

History tells us that economic sanctions are not singularly modern phenomena. Throughout history, from the ancient Greeks to the present time, economic sanctions have been used by some of the most powerful nations, as coercive foreign policy tools in both their economic relations and their political conduct with other nations. In ancient Greece, for example, the domineering Pericles of Athens enacted the Megerian Decree of 432 BC in response to hostile acts taken against Athens by Megera, a neighboring city-state. The trade boycott prevented Megerian ships from accessing Athenian ports and excluded Megerian merchants from the markets of Athens. "The subsequent refusal of Athens to lift the boycott of Megera (a Spartan ally), in response to pressure from Sparta, was popularly believed to have caused the Peloponnesian War." (Baldwin, 1985: 150).

Thus, the Megerian Decree became one of the first historically documented cases of the use of economic sanctions as a coercive foreign policy tool. As such, it is important to note for a couple of reasons. "First, it is a valuable reminder that economic sanctions are not a twentieth-century phenomenon.... And second, the case is sometimes used to buttress the contention that economic sanctions are costly and ineffective techniques of statecraft." (Baldwin, 1985: 150).

Since that time, following the historical precedence of economic sanctions like the Megarian Decree, economic sanctions have continued to be used as tools of coercive diplomacy. First, they have been used to protect economic and commercial interests when faced with international competitors. And, second, they have been used in attempts to put pressure on target nations. Pressure used either to influence the domestic political policy choices of the target nations or to destabilize dictators or regimes that are believed to be 'hostile' or 'unfriendly' (Alerassool, 1993: 1).

The historical record further demonstrates that, by themselves, economic sanctions have seldom been able to, "roll back military aggression, have had a limited capacity to impair their targeted regime's daily operations, or force that regime into changing its domestic policies, and have never toppled a dictator." (Lopez, 1997: 70). Moreover, since the effectiveness of unilateral economic sanctions depends on many variables over which the sanctioning country has little control (like religion, external financial support by some foreign power, and the 'cult of personality' of the dictator in power), it is not surprising that these sanctions often inflict only minor and/or temporary damage on the target nation.

Next, being unable to either inflict sufficient damage on the target's economy, or to obtain sufficient control over the target's policy making process, the foreign policy goals of the country imposing the economic sanctions can not be achieved – and the sanctions fail. Thus, as Kaempfer comments, "it would be nothing short of an amazing coincidence if the effects of unilateral economic sanctions also happened to be damaging to the target nation." (Kaempfer, 1992: 163).

Then, with the ineffectiveness of economic sanctions in mind, this paper not only agrees with Kaempfer, but also proposes further that the desired outcomes of economic sanctions – their foreign policy goals - are rarely attained. For, according to Losman, "economic harm must be translated through the target state's political system into policy or regime changes. But, to the degree that dictators like Castro prevail, or charismatic leaders engender popular support in spite of (or often with the aid of sanctions), the desired political changes rarely if ever occur." (Losman, 1979: 41).

In sum, research on the effectiveness of economic sanctions since the time of the Megerian Decree suggests that economic sanctions are unlikely to successfully attain their stated foreign policy goals. In addition, a review of (unilateral) economic sanctions since the 1900's suggests that unilateral sanctions – even when imposed by one of the most dominant economic powers in the world – face difficult challenges, especially in an increasingly integrated international economy. Even against such small and vulnerable targets as Panama, Haiti, and Cuba, military force was eventually used (unsuccessfully in the case of Cuba) in an attempt to achieve American foreign policy goals - goals that seemed so unattainable to American policy makers when sanctions were used alone against the targeted regimes.

American economic sanctions

Since 1960, US sanctions have achieved foreign policy goals in only 13% of the cases where they have been imposed. (Elliott, 1997: 2). And yet, this cycle of failure remains incapable of deterring American policy makers from their continued reliance on economic sanctions as their main coercive foreign policy tool. In addition to whatever effect repeated failure may have on the credibility of the American leadership, other recent research suggests that economic sanctions are costing the US between $15 and $19 billion dollars in potential exports lost. This, in turn, translates into 200,000 or more jobs lost in the relatively highly paid sector of employees working in export related jobs. (Hufbauer, et al, 1997: 2). As such, this persistent reliance on economic sanctions, in spite of available evidence indicating their ineffectiveness, can only have a negative effect on the credibility of the American political leadership.

One example of sanctions research, by the Institute for International Economics regarding the use of economic sanctions as a foreign policy tool, was recently presented by research fellow Kimberly Ann Elliott before the Subcommittee on Trade of the House Committee on Ways and Means. In her statement, Ms Elliott empirically addresses the 'conventional wisdom' of economic sanctions. Such 'conventional wisdom', as explained by Ms. Elliott, suggests, "that sanctions *never* work, that they are costly politically and economically, and that their use should be constrained". (Elliott, 1997: 2).

With the goal of constraining the use of economic sanctions in mind, the Institute's study empirically assessed the outcomes of 115 cases of economic sanctions, beginning during World War I and ending in the 1990s. Of the 115 cases studied, the US was a participant (either as part of a group or independently) in 78 of the cases. Consequently, since America was involved in such a large portion of the cases, the results of the study as a whole can be broadly applied to the US. For example, the results of Elliott's study, indicate that the 69% failure rate of US economic sanctions was comparatively close to the 65% failure rate of the group studied as a whole. (Elliott, 1997: 2). Consequently, with the results of the study showing that sanctions fail more than two-thirds of the time, American policy makers should be willing to try out other foreign policy tools besides sanctions.

Yet, even after noting the 69% failure rate, the most important result of the Institute's study is the fact that the effectiveness of American backed sanctions declines drastically when they are unilaterally imposed by the US alone. "Prior to the 1970s," for example, "sanctions in which the US was involved alone...succeeded at least partially just over 50% of the time."(Elliott, 1997: 2). Then, between 1970 and 1990, the effectiveness of US sanctions fell to nearly 21%. This shows a post-1970 increase in the rate of failure for American backed sanctions to almost 79%. A 'batting average' that is entirely too poor for any corporate executive, but apparently still perfectly suitable for the US political leadership.

The US seems to use sanctions whenever it is faced with a foreign policy problem.

A little more than two years ago, President Bill Clinton lamented the fact that America had become, "sanctions happy." And yet, Clinton is the president who has signed laws for new economic sanctions against the target nations of India, Pakistan, Cuba, Iran and Libya and has used his executive powers to add to the rich legacy of sanctions inherited from past occupants of the White House. A pattern of behavior far different from what we would expect from someone "lamenting" America's over-reliance on economic sanctions.

Maintaining its "sanctions happy" posture, the US has employed economic sanctions more often than any other country in the world. Early after World War I, the American infatuation with economic sanctions began when President Woodrow Wilson tried to sell the idea of the League of Nations to his countrymen, together with its newly crafted foreign policy tool of economic sanctions. Wilson famously declared in 1919 that, "a nation boycotted is a nation that is in sight of surrender. Apply this economic, peaceful, silent, deadly remedy and there will be no need for force. It is a terrible remedy," for terrible problems. (Padover, 1942: 108). Still, Americans did not buy into the concept of the League of Nations (the Senate refused to ratify US membership in that precursor to the United Nations). But, as time passed, American policy makers adopted Wilson's idea of sanctions as their top choice for a foreign policy tool.

For example, since the end of World War I, the United States imposed economic sanctions more than 110 times (32 cases more than were covered in the Institute for International Economics' study). Such sanctions, as an often-used tool of American coercive diplomacy, as well as the denial of a target nation of customary export items, have included the severance of import or other financial relations with a target country. Both are examples of severe courses of action, taken in an effort to force the target nation to change its social, political or economic policies.

In one instance, the US voted to block World Bank or International Monetary Fund loans in an effort to stop the spread of nuclear proliferation around the globe (e.g.

India and Pakistan). In other instances, the US restricted trade with a country to try and force it to change its human rights or political policies (i.e. Argentina, Chile, China and Cuba). And occasionally, in the most severe cases of disobedience to the desires of the American political leadership, the US has been known to impose sanctions in an attempt to force the ouster of a foreign dictator or regime (Iraq and Serbia).

Whatever the motivating factor, the current list of US sanctions covers 26 target countries, accounting for more than half of the world's population. And recently, since the collapse of the Soviet Union in the early 1990s, the American Congress has felt freer to interfere in US foreign policy issues by instructing the president on the smallest details regarding both the imposition and waiving of sanctions. In short, whenever tensions rise, and the US becomes dissatisfied with the social, political or economic policies of another country, sanctions are often used as America's 'first strike' weapon of choice. (Hufbauer, 1998: C01).

TABLES OF ECONOMIC SANCTIONS IMPOSED BY THE UNITED STATES

Countries in Which US Economic Sanctions are in full force – total embargo (1)	Countries on State-Sponsored Terrorism List – US Restriction on Financial Transactions	Countries on Drug De-Certification List (2)	Likely Targets of Future Sanctions(3)
Cuba Iran Iraq Libya North Korea	Cuba Iran Iraq Libya North Korea Syria Sudan	Afghanistan Burma (Myanmar) Columbia Iran Nigeria Syria	China (4) Burma (5) (Myanmar) Nigeria Indonesia Mexico Pakistan Angola Algeria Turkey Liberia Burundi Serbia
Source: Personal communications with personnel at the US State Department (Non-attributable) – Legislation passed by Congress in 1996 places additional restrictions on foreign companies that invest in the energy sector in Iran and Libya (oil) or the use of appropriated property in Cuba			

confiscated from American corporations and citizens.

– Countries that are decertified because of poor counter-narcotics enforcement lose eligibility for US foreign aid. The US government is obliged to vote "no" on loan applications from these countries that are filed with multilateral development banks (The World Bank and the International Monetary Fund). National interest waivers have been granted however, to Lebanon, Pakistan, and Paraguay.

– These countries have been targeted for sanctions by American legislators in recent bills or by the media and a list of these countries is constantly updated by the US Department of State.

– As an result of the massacre of student-protestors in Tiananmen Square, the US government restricts Chinese purchases of US made military equipment, law enforcement materials and modern computer technology.

– Sanctions are in place today that deny US visas to certain Burmese political leaders and that direct American votes against Burma in multilateral lending institutions; The president of the US has the option to decide on other additional measures.

'A Terrible Remedy'

Ongoing foreign policy sanctions, defined as the "deliberate, government-inspired withdrawal, or threat of withdrawal, of customary trade or financial relations," have been imposed either multilaterally by the UN or unilaterally by the United States on the following nations:

Target Country	Initial Year	Type of Sanctions	Precipitating Event	Key Changes to Sanctions
Angola	1993	Limited trade restrictions (arms and oil embargo); Air and travel sanctions	Failure to implement peace agreement	Air and travel ban (1997); Ban on UNITA diamond exports (1998)
Azerbaijan	1992	Restriction on financial assistance (including Overseas Private Investment Corp.)	Embargo of Armenia over Nagorno-Karabakh	
Burma (Myanmar)	1988	Restrictions on aid (including US Export-Import Bank, OPIC), travel restrictions, Ban on trade preferences, Investment ban	Repression of political opposition	Massachusetts state sanctions (1996), Ban on new U.S. investments (1997)
Cambodia	1992	Limited trade restrictions (log boycott; oil embargo)	Failure to implement peace agreement; repression of opposition parties	Aid reductions (1997)
Cameroon	1992	Restrictions on aid	Repression of opposition parties	
China	1989	Restrictions on financial assistance, Exim, OPIC; Limited export restriction	Tiananmen Square massacre	Limited export restriction (1991)

Cuba	1960	Comprehensive trade and financial sanctions; Secondary sanctions to inhibit foreign investment	Castro-led takeover; military interventions in Africa (Angola in the 1980s);Repression of opposition	Cuban Democracy Act restricts trade of US subsidiaries abroad (1992). Helms-Burton bill codifies embargo; adds secondary sanctions against third-country investors in Cuba (1996)
Gambia	1994	Restrictions on aid	Military coup	
Haiti	1997	Restrictions on aid	Political instability	
India	1998	Ban on financial assistance, including Exim, OPIC; Limited trade restriction; Ban on bank loans to government; Postponement of non-humanitarian official multilateral lending	Nuclear weapons tests	
Indonesia	1991	Military aid restrictions; Ban on arms sales	Political repression, especially in East Timor	
Iran	1984	Comprehensive trade and financial sanctions; Secondary sanctions to inhibit foreign investment	Support for terrorism, opposition to peace process in Middle East; efforts to acquire weapons of mass destruction	Limited export restrictions (1984) Import boycott added (1987) Total export embargo (1995) Iran-Libya Sanctions Act adds secondary sanctions against foreign firms investing in oil sector (1996) Cultural and athletic exchange agreement signed with the US(1998) Ban on the importation of Iranian rugs and pistachios lifted (1999)

Iraq	1990	Comprehensive trade and financial sanctions, except limited oil sales under UN oil-for-food program	Invasion of Kuwait; post-war discovery of extensive program to acquire weapons of mass destruction	
Liberia	1992	Arms embargo	Civil War	
Libya	1978	Comprehensive trade and financial sanctions; Air travel ban	Gadhafi regime support for terrorism; bombing of Pan Am Flight #103 over Lockerby, Scotland	Limited US export restrictions (1978) US boycotts Libyan oil (1982) US imposes comprehensive sanctions (1986) UN imposes limited trade sanctions; air-travel ban (1992-1993) Iran-Libya Sanctions Act adds secondary sanctions against foreign firms investing in oil sector (1996)
Niger	1996	Restrictions on aid	Military coup	
Nigeria	1993	Restrictions on aid; US bans all financial assistance, Exim, OPIC; Restrictions on arms sales; Travel restrictions	Abrogation of election results; execution of Ken Saro-Wiwa, other dissidents	
North Korea	1950	Comprehensive trade and financial sanctions	Korean War; possible acquisition of nuclear weapons	UN threatens trade and financial sanctions to forestall nuclear weapons acquisition (1993-94)
Pakistan	1979	Ban on financial assistance, OPIC, Exim, export credit guarantees; Ban on bank loans to Pakistani government;	Nuclear weapons program; nuclear weapons tests	US imposes limited sanctions (1979) US waives sanctions during Soviet intervention in

		Postponement of non-humanitarian loans		Afghanistan (1980s) US expands sanctions; g-8 imposes limited sanctions (1998)
Somalia	1992	Arms embargo	Civil war	
Sudan	1988	Comprehensive trade and financial sanctions	Civil war and human rights abuses; support for terrorism	Aid sanctions (1988-89)
Syria	1986	Ban on US assistance, including Exim, OPIC; Limited trade restrictions	Support for terrorism	
Vietnam	1954	Denied most-favored-nation status	Vietnam War and aftermath; American personnel missing in action	Total trade embargo lifted; other restrictions remained (1994) Most-favored-nation status reinstated (2000)
Yugoslavia	1991	Comprehensive trade and financial assistance sanctions	Civil war in Bosnia; implementation of Dayton agreement ending Bosnian war; intervention of Serbian troops in Kosovo	UN trade sanctions lifted, restrictions on multilateral lending, other limited sanctions remain (1995) Additional sanctions imposed against Serbia over Kosovo (1998)
Zaire	1990	Restrictions on aid	Mobutu corruption and suppression of opposition; continued repression under Kabila regime	Sanctions continued after Kabila takeover (1998)
Zambia	1996	Restrictions on aid	Repression of opposition, human rights violations	
Source: Institute for International Economics. (Hufbauer, 1998: C04-C07).				

Why America is so eager to use sanctions.

Since sanctions have become so prevalent as an American foreign policy tool, we must ask ourselves first of all why American officials are so eager to use economic sanctions as their main foreign policy tool. And secondly, we must also ask ourselves what we have learned from the American reliance on sanctions as a coercive diplomatic tool. Unfortunately, the answers to these questions are neither simple nor brief.

First, as a substitute for the use of military force, sanctions have become the bloodless choice of American politicians wishing to demonstrate their resolve against dictators and tyrannical governments throughout the 20th century. For, according to Charles W. Kegley and Margaret G. Hermann, "the attribution 'democracy' carries with it the expectation that such a government *will favor bargaining, mediation, compromise, and other nonviolent methods of conflict resolution over forceful coercion for resolving conflicts.*" (Kegley, 1996: 3). In addition, Kegley and Hermann propose that the more firmly established a democracy is (like America), the more likely it is to choose a nonviolent method of dispute resolution along the lines of economic sanctions. (Kegley, 1996: 3).

International 'norms' influence democracies:

In most cases, Americans are more likely to approve the use of sanctions over the use of military force since international democratic norms promote the use of nonviolent means of conflict resolution prior to the use of military force. As a result of these 'norms', democracies are expected to value, "negotiation, mediation, compromise, consensus and other nonviolent methods (like sanctions) over the use of force," by their fellow actors on the world stage. (Kegley, 1996: 24).

In other words, the other members of the international community expect a *mature* democracy like America to choose a nonviolent method of conflict resolution like the imposition of economic sanctions over the use of overt military aggression. And with this expectation, comes a sense of responsibility that democracies feel – a set of reinforcing democratic norms – to use nonviolent diplomatic options to resolve a dispute.

This sense of responsibility was in evidence as early as 1769 when American leaders felt pressured to promote the use of economic sanctions as a substitute for the use of military force. At that time, Thomas Jefferson encouraged applying the "peaceful coercion" of economic sanctions to achieve a foreign policy goal. This act by Jefferson, perhaps, came close to anticipating Woodrow Wilson's subsequent doctrine of encouraging the use of economic sanctions as a foreign policy tool. Jefferson though, unlike Wilson, seemed to anticipate many of the difficulties to be encountered by the countries imposing the sanctions when he stated that; "war injures the punisher as much as the punished." In this case, the war is an economic war waged through the application of economic sanctions, and the injuries involve dollar amounts rather than the body counts that result from the use of military force. (Renwick, 1981: 5).

However, it is not purely out of a sense of responsibility or feelings of obligation to the international community that American politicians prefer to apply economic sanctions prior to resorting to the use of military force to resolve foreign policy conflicts with target nations. The perception of the general population of a democracy is also important. In fact, as we often take for granted, the opinion of the general public plays a far more important role in the decision making process of a democracy than it does in the decision making process of a non-democratic regime. The political leadership of a democratic nation like America realizes this fact, and knows further that, without the support of the general public, they can not remain in power (failing to win the next election).

Politicians also realize that the American population, for example, "assumes that diplomatic channels (or other nonviolent means) will be exhausted entirely before military force is applied against the target nation. When responding to Iraq's invasion of Kuwait, American politicians were quick to adhere to the public opinion of the American people and chose to impose sanctions against Iraq for close to a year before finally approving the use of military force. Such is often the case in the US where the application of military power is usually seen as the instrument of last resort unless the American people, territories, or interests are directly threatened. (Kegley, 1996: 27). This is evidenced by the American trend of applying American military force in response to "major" attacks on the 'Maine', Pearl Harbor, and recently, in response to Osama bin Ladin's attacks on American embassies in Africa. And yet, when the economic sanctions failed to force Iraq to withdraw from Kuwait after almost a year, the American president *still* decided to wait for the support of the American people before finally approving the use of military force.

In many instances, the American political leadership has learned to respect the opinion of the American people, and seek their support. This is especially evident following the negative reactions of the American people to the use of military force in Vietnam. For example, following the constant stream of body bags containing the remains of fallen American servicemen killed in Vietnam, the average American citizen placed a high value on diplomatic efforts, bargaining, mediation and the use of sanctions prior to the initiation of military strikes.

Consequently, as witnessed in the case of Iraq, President George Bush learned from the experiences of the Vietnam era and attempted to force Saddam Hussein's troops out of Kuwait through the imposition of economic sanctions. Later, he followed the economic sanctions with an embargo on military shipments before finally approving the use of military force (Operation Desert Storm). Moreover, the economic sanctions that were imposed against Iraq were given close to a year to achieve their stated foreign policy objectives. And yet, even after a year, Iraq was finally forced to leave Kuwait only after facing the allied forces led by the American military.

However, even after looking at the Iraqi case, by keeping the casualties of the Vietnam case in mind, it is easier to understand why Americans are so eager to approve the use of sanctions over the use of force. This pattern of behavior is important to note since, if the other members of the international community lose faith in the predisposition of democratic nations to use nonviolent methods of conflict resolution, democracies will lose the natural protection afforded them by the international expectation that democracies are more likely to negotiate than they are to fight. (Kegley, 1996: 4).

Other reasons why American politicians are more likely to select economic sanctions as their chosen foreign policy tool include the lingering effects of the Vietnam and Korean War nightmares that still hang over the US. The general public opinion regarding the use of military force as a foreign policy tool declined dramatically following the constant stream of casualties and sound defeat of American troops fighting in Vietnam. Those events, combined with the disappointing results of the Korean War have left a bitter taste in the mouths of most Americans regarding the use of military force to solve international disputes. Consequently, with all of the lessons learned from the Korean War as well as the American loss to Vietnam, American politicians themselves encourage the use of nonviolent economic sanctions before ever considering the approval of the use of military force.

Fourth, American politicians have also chosen economic sanctions over the use of military force since they have known that they must take *some* action when faced with political, social or economic violations of 'American' standards of conduct by foreign powers. Initially, for example, the American leadership imposed economic sanctions against Cuba in order to force Castro out of power, the Cuban government into democratization and the Cuban people into a state of social freedom. However, after maintaining the sanctions against Cuba for nearly forty years without achieving their stated foreign policy goals, the justification for the sanctions has changed.

Today the American leadership claims that the US must maintain its economic sanctions against Cuba, although they remain ineffective, to symbolize America's opposition to Fidel Castro and his policies to the rest of the world. And thus, the fourth reason why America chooses to impose economic sanctions over the use of military force is that sanctions are now considered by the American politicians to be a symbolic gesture of opposition to the policies of the target nation rather than a legitimate foreign policy tool. And yet, when we consider the overwhelming international opposition to America's use of economic sanctions (as demonstrated by recent UN votes to condemn the US embargo against Cuba), it should be easy to see that the use of sanctions has failed – even as a *symbolic* foreign policy tool." (Hufbauer, 1998: C01).

General lessons we have learned from the American use of sanctions

We have learned many valuable lessons from the past eighty years of America's over-reliance on economic sanctions as a foreign policy tool. First, as a substitute for the use of military force (like was witnessed with Iraq), we now know that sanctions are often unable to force target nations into making the desired policy changes. To speak bluntly, President Wilson was dead wrong when he stated that a, "boycotted nation...is in sight of surrender.... That if sanctions are applied, there will be no need for the use of military force."(Padover, 1942: 108). In fact, maybe only one case of sanctions in five results in policy changes that can be directly traced back to sanctions. (Hufbauer, 1998: C02).

Democracies vs. dictatorships

Next, authoritarian dictators like Saddam Hussein have been ready, willing and able to wait out economic sanctions imposed by America since they have nothing to fear from the people of their own countries. A dominant political dictator, unlike American politicians, cares little about public opinion or gathering consensus. Initially they might attempt to rally public support against the "American oppressors" as a way to divert general sentiments of displeasure away from themselves and towards an overbearing foreign power. Then, if they are unable to rally public support against the country imposing the sanctions, authoritarian dictators have generally been comfortable using military power to subdue domestic uprisings and general public discontent resulting from the imposition of economic sanctions.

Juan J. Lopez categorizes Fidel Castro's regime as a 'sultanistic'/post-totalitarian regime. A fundamental reason for this categorization is that, under these types of dictatorships, there are no regime softliners (moderates) with enough power and freedom to either contain or oppose the dictator. (Lopez, 1997: 240). In a post-totalitarian regime, there *is* a tolerance of *some* criticism, but "almost all control mechanisms of the party – state endure and do not evolve." (Lopez, 1997: 240). In Cuba, as in Iraq, political power is directly related to the 'sultanistic' leadership (e.g. Saddam and Castro), "and all individuals, groups, and institutions are permanently subject to the unpredictable despotic intervention, of the dictator. (Lopez, 1997: 240).

Additionally, in both Cuba and Iraq, the important political figures derive their importance from their connection to their dictators. There is no room for objection, and even moderate opposition must be crushed for the dictator to survive. Therefore, according to Lopez, the most likely causes for the ouster of dictators like Saddam and Fidel are mass uprisings, assassinations, military coups, or the invasion of foreign military forces seeking to take over the dictator's country. (Lopez, 1997: 240).

In other words, economic sanctions are not likely at all to force such regimes out of power without being backed up with the use of military force. In fact, it is one of the ironies of economic sanctions that authoritarian dictators - isolated from the media-based eye of world opinion - are less susceptible to the effects of the sanctions than their democratic counterparts. As a result, the contrast between Sudan and South Africa or between Cuba and Columbia could not be sharper.

For example, in the Colombian presidential elections of 1998, Andres Pastrana was elected to replace Ernesto Samper following several years of sanctions directed personally against Samper by the US. Charging that Samper had accepted $6 million dollars (US) from the Cali drug Cartel for his 1994 presidential campaign, the United States disqualified Columbia as a recipient of US aid and revoked Samper's entry visa to the US (in effect declaring him *persona non grata*). (Hufbauer, 1998: C02). The American actions were probably not the sole reason for Samper's loss to Pastrana, but they most likely contributed to other domestic factors to ensure his defeat.

Another lesson learned from the use of economic sanctions is that it is naive to think of sanctions as an effective alternative to the use of military force when dealing with dictators and tyrants. Sanctions had little or no effect on the policies of the saber-rattling Manuel Noriega in Panama in 1989, Saddam Hussein in Iraq since 1990 and Fidel Castro in Cuba since the early 1960s. Only the application of military force ended with changes to the policies of Panama and Iraq (not mentioning the Bay of Pigs blunder in Cuba). For example, it was only *after* the United States threatened further air strikes against Iraq that Saddam allowed UN arms inspectors into his country. And, only after the American invasion of Panama, was Noriega removed from power.

Unfortunately, when American presidents approve the use of economic sanctions, they see them far more often as isolated measures, not as part of an escalating "use of force" learning curve. The "use of force" learning curve follows a steady progression from diplomatic protests and appeals, to negotiations, followed by economic sanctions, and finally to military force. At each step, if the target nation refuses to make the policy changes sought by the sender, it must know that more severe actions are still to come. In this scenario, the more belligerent the reaction of the political leadership of the target nation, the *sharper* the learning curve, and the more rapid the imposing country's transition from peaceful diplomatic protests to overt military aggression.

Yet, American politicians seem to refuse to use sanctions as one step along a "learning curve" path of coercive foreign policy tools. The unfortunate repercussion of this refusal is that the United States has earned a well-deserved reputation for being a soft enforcer of its international objections to the policies and practices of target nations. And, as a result of this "soft" reputation, target nations know that if they can survive the negative effects of economic sanctions, they have no need to fear an escalation to the next step of the "use of force" learning curve – overt military aggression. (Hufbauer, 1998: C02).

The third lesson that we have learned from the American use of economic sanctions, is the fact that sanctions negatively impact the lives of the general populace of the target nation while simultaneously increasing the grip of the authoritarian dictators that the nations imposing the sanctions are trying to oust. When sanctions are imposed against a target nation without any plans to escalate to overt military aggression, the people of the target nation are hurt the worst. For example, as has been witnessed in Cuba and Iraq, the hardest hit are the poor Kurds of northern Iraq, the Shiites in southern Iraq and the poor, old and sick Cubans that are unable to get jobs earning American dollars in Cuban tourist resorts. Consequently, while the general public suffers, intended targets like the political leadership, the military and the economic elite are left unscathed by the effects of the economic sanctions imposed against their country. (Hufbauer, 1998: C02).

Fourth, is the lesson that sanctions applied hard and fast are more likely to succeed (all other circumstances being equal) than sanctions that are less vigorously applied over a long period of time. Recently, well-known economic scholars Gary Hufbauer, Jeff Schott and Kim Elliott advocated that, "if it were done, when 'tis done, then 'twere well it were done quickly." (Elliott, 1997: 6). With this statement, the scholars suggest that sanctions are more effective if they are carried out quickly since a heavy, slow hand invites both evasion by the target nation and the mobilization of domestic opinion in the target country against the sender of the sanctions.

Sanctions imposed slowly or incrementally and without vigor may simply strengthen the target government or dictator at home as he uses his 'power of personality' to rally the general populace under the flag of nationalism. Moreover, such measures are likely to be undercut over time either by corporations based within the sender's own borders or by foreign competitors. Therefore, in support of the need for hard and fast economic sanctions, Hufbauer, Schott and Elliott reported that the average successful cases of sanctions lasted less than three years, while sanctions deemed ineffective lasted for more than eight years. (Elliott, 1997: 6).

However, it is not the passage of time alone that undermines economic sanctions. Other factors are directly related to the length of economic sanctions imposed against a target nation. Episodes between allies are generally short, to the point, and often successful (as with the American boycott of Japanese automobiles made from less than 35% American parts). Furthermore, the target country is more likely to receive assistance from another major power if the episode continues for a number of years (e.g. Russian economic support for Cuba in light of American economic sanctions. And finally, the greater the likelihood that sanctions will succeed from the beginning (all other circumstances being equal), the shorter the inherent period of time necessary for sanctions to achieve their stated foreign policy objectives. (Elliott, 1997: 6).

In any event, the inverse relationship that exists between the likelihood of success of economic sanctions and the duration of the sanctions illustrates well the argument against gradually increasing sanctions – or "turning the screws" – against the target nation. The longer the period that sanctions are in force, the greater the chances that the target nation will be able to economically adjust, find alternate trading partners and suppliers, build new alliances against the imposing country (Cuba & Russia v. America), and mobilize domestic opinion in support of its policies. (Elliott, 1997: 6). But the lesson that sanctions applied hard and fast are more likely to succeed poses a dilemma.

Hard core sanctions, that are intended to severely impact the economic well being of the target nation, usually require multilateral cooperation (Iraq), if not UN or G7 support. While the US may be the sole military superpower on the world stage today, it is but part of a cast of co-stars when the global economic players take the stage. Therefore, without the cooperation of either the UN or G7 nations, America alone cannot deny a target country key imports, critical markets or vital financing. These are some of the "key vulnerabilities' that must be effectively targeted if economic sanctions are to stand a chance of successfully attaining their foreign policy goals. As a result, the justifications for hard or multilateral sanctions also constitute a warning to nations that seek to impose sanctions unilaterally. (Hufbauer, 1998: C03). The justifications also constitute a warning because, without multilateral support, unilateral sanctions do not stand a chance of succeeding.

Still, with the ineffectiveness of economic sanctions in mind, the US continues to adhere to its current sanctions policy and impose sanctions unilaterally against targeted countries around the world. This adherence continues since, in the view of politicians like Senator Jesse Helms and Representative Dan Burton, the US has a special responsibility to deal with the misdeeds of misbehaving political leaders. And yet, since the cost of using military force against a target nation is too high, and diplomacy is often ineffective, politicians like Helms and Burton cave in to both international norms and public opinion and call for the application of economic sanctions.

Then, when politicians like Helms and Burton cave into international pressure and public opinion polls, they try to avoid the nightmares remembered from Vietnam and use economic sanctions as the global cure-all for both problems abroad and consciences at home. And the reason that they choose sanctions, to quote President Wilson out of context, is that sanctions are "a terrible remedy." (Padover, 1942: 108). In other words, they are highly ineffective when applied unilaterally and almost never successfully achieve their stated foreign policy goals.

The lack of benefits for using economic sanctions as an American foreign policy tool

Economic sanctions are an important tool of US foreign policy and have been since Woodrow Wilson reintroduced them to the American public shortly after World War I. Sanctions, as a foreign policy tool, are often used as one part of an overall American response to the actions of foreign leaders, and the policies of target countries, to achieve US foreign policy goals. Such goals include: stopping military aggression, nuclear proliferation, state-sponsored terrorism, drug trafficking, human rights abuses and encouraging democratization, as well as increased social, political and economic freedoms. (Schott, 1998: 2).

Therefore, when used together with diplomatic protests, negotiations and other measures like threatening military aggression, sanctions are used to symbolically demonstrate the determination of the US to see the target nation alter its objectionable course. In addition, the use of economic sanctions also expresses American outrage, calls on the target nation to bend to America's will, and attempts to deter other countries from repeating the same mistakes in the future. Consequently, to effectively follow this pattern, sanctions should not be used separately from other diplomatic or military courses of action. Rather, to be effective, economic sanctions should be "consistent with and well-integrated into an overall US policy response," (Schott, 1998: 2) that allows for the use of military force.

In addition, economic sanctions should be custom-designed in order to meet the specific objectives of each individual case. No "cookie-cutter" approach to the application of economic sanctions can ever be successful since both the American foreign policy goals as well as the target nation's economic vulnerabilities vary from case to case. For example, a boycott of oil exports from Cuba would be about as effective as a boycott of sugar imports from Iraq. And, sanctions need to be applied to the most vulnerable areas of the target's economy so as to have the greatest impact on the target nation's political leadership. (Schott, 1998: 2).

However, America fails to tailor its use of economic sanctions on a case-by-case basis and broadly applies economic sanctions as its foreign policy 'band-aid'. A foreign policy 'band-aid' favored by American policy makers mainly since they provide a middle of the road option located somewhere between doing nothing at all, diplomatic protests and negotiations and the use of military force. Economic sanctions also make an attractive choice for American policy makers because they are willing to suffer the negative effects of economic sanctions on American businesses and the American economy more than they are willing to suffer the negative repercussions of a military engagement with the targeted country. (i.e. Vietnam and Korea). Yet, with the exception of Cuba and North Korea (where economic sanctions followed failed attempts to use military force), economic sanctions have only recently been used by the US as one step along the foreign policy path towards overt military aggression.

The ineffectiveness of recent economic sanctions has forced America's political leadership to approve the use of military force in countries like Panama, Haiti, Somalia, Iraq, Libya and Kosovo. And the use of military force was approved either to reinforce the message being sent through the application of economic sanctions or to coerce the target nations to finally abide by US foreign policy demands. During Operation Desert Storm against Iraq for example, President George Bush deemed it necessary to deploy the US military against Saddam Hussein's Republican Guard. A decision that President Bush made following the inability of the year-old US-imposed economic sanctions to force Saddam into withdrawing his troops from Kuwait. (Schott, 1998: 2).

The Costs

Next, even though it is difficult to pin down the benefits associated with the use of economic sanctions, it is fairly easy to track down the costs. Economic sanctions not only deprive the sender (the US) of potential profits from lost international trade transactions, but also harm corporations working in the export industry of the sender. Such export-oriented corporations are among some of the most productive businesses in the American economy today. Additionally, as the American use of economic sanctions has expanded over the past century, tensions have increased between the US, her allies and the other industrialized nations of the world.

In fact, many American businesses constantly complain through the American media that the effects of unilateral economic sanctions imposed by the US go beyond their intended targets, beyond the economic sectors of the target nation. And that the negative effects of the sanctions are often felt by American companies long after the sanctions are lifted. The negative effects of economic sanctions country are often felt harder by American companies when they earn a reputation for being "unreliable suppliers" shortly after economic sanctions are imposed. For example, sanctioned nations may avoid buying from US companies even after sanctions are lifted and continue to trade only with non-US companies to avoid risking the economic deprivation that they experienced immediately following the initial application of American sanctions. Such prejudice against American companies places them at a distinct disadvantage in international markets in which they must constantly compete against foreign competitors.

In any event, exports sales lost today by American companies may also mean lower exports even after the sanctions are lifted. This could happen if the US companies are not be able to supply intermediate manufactured goods and replacement parts for factories and machinery sold to the target nation by foreign competitors during the course of the sanctions. Foreign firms that supply intermediate manufactured goods and replacement parts have been known to intentionally design their final products without American-made parts in order to maintain a monopoly in the target nation's market once economic sanctions are lifted.

In a $7 trillion dollar US economy, the potential costs incurred by American companies, as a direct result of US sanctions imposed against *other* countries may not be great, but they *are* felt. Often, the negative effects of US economic sanctions on *US-based* companies are concentrated in sectors and felt by businesses that focus on international trade and investment. And, unfortunately for the American economy, these companies are often the most competitive and well off in the US.

In fact, according to Kim Elliott, workers in plants involved in exporting are more productive and more highly compensated than are the workers of comparable companies that do not export their goods. In addition, employment growth is nearly 20 percent higher in exporting companies and plants than in those that have never exported or have stopped exporting their goods. And finally, another sign that export-oriented companies are valuable to the American economy (and should be protected), is the fact that exporting firms are less likely to go out of business in an average year (Elliott, 1997: 3). And, as a result, are more likely to make stable contributions to America's GNP.

Therefore, with a rapidly changing and interdependent global economy, unilateral economic sanctions have become decreasingly effective for the US government a foreign policy option, while simultaneously becoming increasingly costly for American owned companies. As a result, if sanctions are to have any chance at all of producing favorable outcomes, they must be formatted on a case-by-case basis not only to negatively impact the economy of the target nation, but also to protect the economic well being of American companies. (Elliott, 1997: 3-4).

The decline of sanctions as an effective American foreign policy tool

Perhaps many extemporaneous factors contributed to the decline in effectiveness of US imposed economic sanctions, but a large part of the explanation must be based on the ever-expanding economic interdependence that we have witnessed in the past few decades on the world stage. Consequently, the United States has slipped from its once-held position of global dominance in the world economy and its ability to gain economic leverage against the other nations of the world is constantly declining. And, given that the United States' slow, but inevitable slide from its once lofty position of global economic dominance has continued during the past ten years, or even sped up, there is little reason to expect that the effectiveness of American economic sanctions has conversely improved. (Elliott, 1997: 2).

Therefore, the American attempts to punish foreign governments and pursue policy changes through the imposition of economic sanctions is a foreboding signpost on the road to global economic freedom and increased economic interdependence between the world's economies. That the use of unilateral economic sanctions by the US has actually increased in recent decades is a sure sign that America's diplomatic relations with both our major trading partners and the target nations are in jeopardy.

In many instances, American-imposed economic sanctions jeopardize diplomatic relations because they send a contradictory message regarding US beliefs. For example, the underlying messages that lay behind the use of economic sanctions go against America's stated belief in a free market economy, as well as the positive influence of private investment in target nations. When American policy makers state on the one hand how much American trade will positively influence the domestic policies of China and Vietnam, while simultaneously denying that American trade with Cuba will have the same effect, they are sending a contradictory message. In addition, claims that US trade will not positively influence countries like Cuba also fail to recognize the fact that American companies like Coke or Ford help to foster greater economic freedom, as well as promote 'American' ideals to the people of America's trading partners around the world.

In addition to sending a contradictory message, economic sanctions are also a bad foreign policy choice because they often do not work (they often fail to meet their stated foreign policy goals). Out of the 78 cases of US imposed economic sanctions since World War I, not a single example besides Columbia can be found where US unilateral economic sanctions forced a target nation to change its basic political structure or significant political policies. In fact, the 40 year old economic embargo of Cuba, a tiny island nation less than 90 miles from the "soft underbelly" of America's southern coastline, is a monument to the ineffectiveness of unilateral economic sanctions as a coercive foreign policy tool. And yet, the US still chooses to maintain unilateral economic sanctions against a number of countries around the world.

To counter the anti-economic sanctions sentiment, some supporters of economic sanctions point to South Africa as one instance where US economic sanctions where successfully applied, even though the facts tell a different story. It is unrealistic to credit an American Congress's vote for sanctions in October of 1986 with either the effectiveness of the economic sanctions against South Africa or the overthrow of Apartheid. Also, it is also unrealistic to credit the US with the success of the sanctions against South Africa since it was not the economic pressure levied against South Africa alone that forced the end to Apartheid.

On the contrary, the well-organized domestic political forces, after a three-decades-long struggle, were the ones that achieved the peaceful overthrow of a racist system that had no moral ground to stand on. Those domestic efforts, combined with pressure from multilateral economic sanctions and efforts of governments and local communities around the world, finally forced the white-minority government to cave in to political, social and economic pressures and loosen its death grip on political power in South Africa. And yet, many American politicians look to the South African case of economic sanctions as another reason why economic sanctions should be applied more often. (Elliott, 1997: 3).

Even the goals of sanctions are misguided

The goals of US economic sanctions are often unrealistic and almost always misguided. A bill seriously considered in the American Congress in 1996 would have banned all investment in Burma (Myanmar) unless the President of the United States first certified that an elected official of Burma had been allowed to take office. Clearly, the details of the situation in Burma differ from those of other nations like Cuba. Yet, setting a standard that requires a trading partner to have an elected government in power, sets a dangerous precedence. It sets a dangerous precedence not only since it encourages some to speculate that US companies might some day be prevented from doing business in the vast majority of countries in Africa, Asia and the Middle East, but also since it illustrates one side of a two-faced American position. America's position regarding this matter seems two-faced when we witness the normalization of trade relations taking place between the US and countries like Vietnam and China while we simultaneously pursue the imposition of economic sanctions against countries like Burma and Cuba.

Recently, even America's major trading partners have refused to support most US-imposed economic sanctions. And they will almost certainly refuse to support any future congressionally imposed ban similar to the one being proposed for Burma. This should trouble America's political leadership since, to have any hope of effectiveness, such a boycott would require the cooperation of China, Singapore and many other Asian nations. A level of international cooperation that America is not likely to receive.

In fact, Asian countries have chosen closer economic ties with Burma over isolation, having invited Burma to participate in the Association of Southeast Asian Nations. Subsequently, as has happened elsewhere in the world, US unilateral sanctions against Burma will serve primarily to transfer business from American owned companies to foreign firms without accomplishing the *important* foreign policy goals that US economic sanctions are legally based upon.

Contrary to the current practice, as the main economic characters playing out their role on the international economic stage, American companies should be encouraged to enter, not discouraged from entering new markets around the world. US foreign investment is not only profitable for the American companies that invest wisely, it also helps to foster greater economic growth and prosperity among their corporate employees living in the target nations. And, as a result, the companies that invest in target nations help those nations advance their economic conditions, social atmosphere and political practices from within via positive economic reinforcement, rather than from without, through the negative economic impact of unilateral sanctions.

Examples of positive economic reinforcement are the companies that engaged in long-term investment in Burma and other target nations and built schools, hospitals and roads. These are services that the local governments could not have afforded on their own. Then, in addition to providing economic benefits, American companies can also simultaneously introduce the people of the target nation to the principles of peaceful democratic reforms in an atmosphere of friendship and cooperation rather than one of one of fear and loathing.

WHY CHOOSE CUBA FOR THIS CASE STUDY

As previously mentioned, throughout history, economic sanctions have been continuously used as coercive foreign policy tools. First, economic sanctions have been used to protect economic and commercial interests when faced with 'unfair' international competition. And second, they have been used in attempts to put pressure on target nations. Pressure used to either influence the domestic political policy decisions of the target nation or to destabilize the 'sultanistic' dictators or regimes that are seen as 'hostile' or 'unfriendly' by the nation imposing the sanctions. (Alerassool, 1993: 1).

However, as history has proven, economic sanctions have seldom been able to, "roll back military aggression, have had a limited capacity to impair their targeted regime's daily operations, or to force the targeted regime into changing its domestic policies, and have never toppled a dictator." (Lopez, 1997: 70). Additionally, since the effectiveness of unilateral economic sanctions depends on so many variables over which the sanctioning country has little control, it is not surprising that sanctions often inflict only minor and/or temporary economic damage on the target country.

Consequently, being unable to either inflict sufficient economic damage on the target country's economy, or to obtain sufficient control over the target nation's policy making process, the foreign policy goals of the country imposing the economic sanctions cannot be achieved – and the sanctions fail. For, as Donald Losman stated, "economic harm," resulting from economic sanctions, "must be translated through the target state's political system and into policy or regime changes. But, to the degree that dictators like Castro prevail, or charismatic leaders engender popular support in spite of (or often with the aid of sanctions), the desired political changes rarely if ever occur." (Losman, 1979: 41).

Thus, with the inability of economic sanctions to attain their stated foreign policy goals in mind, the author decided to study one case in which economic sanctions should have worked. Therefore, after looking at the 'key vulnerabilities' of various countries targeted by US imposed economic sanctions, the author decided to study the case of US economic sanctions imposed against Cuba.

Initially, the variables that set Cuba apart from the rest of the targeted nations included its small size and population – thereby limiting its original prospects and ability to conduct trade in the international market. Then, another variable that suggested to the author that US economic sanctions should have worked, was its geographic location, "within what has historically been considered America's backyard." (Schwab, 1999: 167).

Located only 90 miles from the "soft underbelly" of the US, Cuba had become enveloped by both the American trade markets and American companies with the US being responsible for more than 68.9 percent of Cuba's total trade. (Wallensteen, 1983: 104).

And finally, Cuba's over-reliance on sugar as its main export should have made it extremely vulnerable to the initial American embargoes barring the exportation of Cuban sugar to the US. And yet, even though Cuba seemed to have been 'ripe for the picking' by US imposed sanctions, Fidel Castro remains in power nearly forty years later.

Indeed, no one would have faulted an American foreign policy scholar of the 1960s for suggesting that economic sanctions imposed by the US against Cuba should effectively attain their foreign policy goals. With the US dominating the Cuban import and export markets, the close proximity of Cuba to the US, the limited variety of domestic production and the small number of trading partners, sanctions *should have succeeded.* Therefore, the study of the American sanctions imposed against Cuba (the Cuban case study) was chosen more for its inherent chances for early success than it was for its long history of ineffectiveness. In any case, if US imposed economic sanctions should have worked anywhere, and against any country, they should have worked against Cuba because of its economic vulnerabilities. And, if the American sanctions had worked against Cuba, the viability of economic sanctions as an effective foreign policy tool would have been proven. However, Cuba does have a dictator, so one would not expect sanctions to work there as effectively as they worked against countries with democratic forms of government. (like Columbia).

However, if we find through this study that the American sanctions failed to work (failed to attain their stated foreign policy goals) *against* Fidel Castro's Cuban regime, *through* an especially vulnerable Cuban economy, then it is unlikely that they will work anywhere else. Cuba was a good case to look at not only since Cuba was economically vulnerable, but also since Castro's position as an authoritarian/sultanistic dictator enabled him to crush opposition that might have forced out the leadership in a more democratic nation. Consequently, it should be easy to see why the author chose Cuba for this study.

A study of the ineffectiveness of economic sanctions at attaining their stated foreign policy goals.

First, the author chose the Cuban case to find out whether or not the stated foreign policy goals of economic sanctions could be achieved if the sanctions are imposed against a particularly vulnerable target. Second, the author chose the Cuban case for this paper to prove that, even when the target country is potentially very vulnerable to the negative economic effects of the sender's economic sanctions, economic sanctions are unlikely to achieve their stated foreign policy goals. And finally, the author chose the Cuban case for this study since the US sanctions against that country have had close to forty years to attain their foreign policy goals. And, as logic suggests, if economic sanctions have failed to achieve their foreign policy goals after nearly forty years, chances are that the sanctions will not achieve them at all. For, according to Hufbauer, Schott and Elliott, "successful economic sanctions lasted an average of only 2.9 years, while sanctions that lasted longer than eight years tended to fail." (Hufbauer, et al, 1990: 1). In fact, only 21% of the cases imposed in pursuit of even modest foreign policy goals between 1973 and 1990 succeeded. (Hufbauer, et al, 1990: 8).

Detailing the embargo: a table of the main facets and goals of the American economic sanctions imposed against Cuba

The **overarching goal** of US policy toward Cuba is **to promote a peaceful transition to democracy** in the island nation.
To that end, America's foreign policy efforts against Cuba are proceeding on the following track: • To place pressure on the regime for change through comprehensive economic sanctions; • To reach out to the Cuban people; • To promote and protect human rights in Cuba; • To support multilateral efforts that press for the democratization of Cuba; and • To encourage migration-related agreements between Cuba and the US to promote the safe, orderly and legal migration of Cubans to America.
What the US sanctions against Cuba allow:
➢ Food and medical sales to Cuban entities as well as the Cuban government (following a July 21, 2000 vote by the American Congress).

- Humanitarian aid
- Family reunification visits by all Cuban-Americans, once a year.
- Visits by licensed US citizens such as academics, journalists, artists, humanitarian group members, and sports teams.
- Anyone sending up to $1200 a year to relatives or friends in Cuba, except senior government or Communist Party officials.
- Direct flights from Miami, New York and Los Angeles.
- Direct telephone service.

What the US sanctions against Cuba ban:

- Cuban imports, except cultural materials such as books and Music CDs. People returning from legal visits can bring back cigars and rum
- US investments or property purchases
- Exports of US products other than food or medicine
- World Bank and International Monetary Fund credits to Cuba, through American-backed vetoes in those agencies.
- Tourism-related travel to Cuba.
- Business deals by foreign subsidiaries of US-owned firms.
- Visits to US ports by ships that have docked in Cuba within the preceding 180 days.
- And foreign firms "trafficking" in US properties appropriated or nationalized by Castro in the early 1960s.

Source: 1) USAID <http://www.usaid.gov/countries/cu/mand-cub.htm>
2)The Miami Herald <http://www.herald.com/herald/content/docs/085126.htm>

Background on Cuba's historical ties to the US

On January 7, 1959, the government of the United States officially recognized the government of President Fidel Castro of Cuba. However, after the US refused to sign trade agreements with Cuba, the Cuban government of Castro signed a trade agreement with the USSR. In this agreement the Soviet Union agreed to buy sugar, citrus and other goods from Cuba as well as to supply Cuba with much needed crude oil. This agreement was especially important to a Cuban industrial sector that is highly energy inefficient and environmentally unfriendly.

Such "offsetting assistance", given to Cuba by the Soviet Union, eroded almost immediately the chances for the success of any of the US sanctions imposed against Cuba. Often referred to as the "black knight corollary" by Hofbauer, a third country like the Soviet Union can quickly erode away the wall of economic deprivation constructed by economic sanctions by providing financial aid to the target country. "Black Knight" aid is especially effective when the policy goals of the economic sanctions include the destabilization of the target government as well as disruption of military expansionism abroad. (Hufbauer, et al, 1990: 5). Moreover, after the signing of the Soviet-Cuban trade agreement, the US-Cuban relations deteriorated further in a downward spiral of imposing tit for tat trade restrictions which finally ended with the US imposition of full economic sanctions against Cuba in 1962.

Then, later in 1960, American oil firms stopped refining oil purchased from the USSR on advice from the US State Department. Cuba responded to this refusal by nationalizing the American-owned oil refineries. This Cuban nationalization of American-owned factories, in turn, forced President Eisenhower to cancel the US import quota of raw Cuban sugar. This was extremely painful for the Cuban economy since Cuban sugar sales to the US up to that point were approximately 3 million tons each year (more than half of Cuba's total sugar exports). In response, Cuba then expropriated and nationalized *all* American-owned property within Cuba (valued at approximately $1 billion) while simultaneously initiating trade restrictions against the importation of all US products. (Krinsky and Golove, 1993: 108; Newfarmer, 1982: 128; Schrieber, 1973: 387).

In response to Cuba's restriction on the importation of American goods, the US decided to impose an embargo on all exports to Cuba except for medicine and food. Then, in October of 1960, the US extended the embargo to cover all foreign subsidiaries of American companies, reduced the American import quota for Cuban sugar to zero, and vowed to prevent ships carrying goods to and from Cuba from carrying any cargo owned by the US government. (Doxey, 1980: 35; Losman, 1979: 21,26).

Next, in 1961, Castro realized that his best chance for economic survival was to replace the American market with the market of the Soviet Union. To help with this move, he claimed publicly to be a Marxist-Leninist whose government-led revolution was to be a socialist/ant-imperialist one. Following this statement, President Kennedy severed all US-Cuban diplomatic relations, restricted the travel of American citizens and residents to Cuba, and launched plans for the unsuccessful Bay of Pigs invasion. (Newfarmer, 1982: 128).

In January of 1962, the Organization of American States (OAS) voted 20 to 1 (Cuba voting against) to declare that the Marxist-Leninist ideology is incompatible with the inter-American system. As a result, a two-thirds majority decided that Cuba had "voluntarily" left the OAS by declaring its Marxist-Leninist affiliation. (New York Times, 31JAN62: A1 quoted in Hufbauer, et al, 1990: 7).

Then, following the January decisions of the OAS, President John F. Kennedy proclaimed by executive order that the US had banned virtually all imports of Cuban goods. At that time, he also promised, "to do something about Castro, to destabilize the Castro regime and cause its overthrow, or at a minimum, to make an example of the regime by inflicting as much damage on it as possible." (Newfarmer, 1982: 128-129). In turn, Kennedy's decision was followed by an OAS vote to suspend all military trade with Cuba. And shortly thereafter, Cuba protested the OAS decision to the UN Security Council and asked the UN to suspend the decision of the OAS, but the UN took no action. (Doxey, 1980: 35).

Later, in August 1962, the American Congress passed the Foreign Assistance Act, including an amendment banning aid to "any country which furnishes aid to the present government of Fidel Castro in Cuba. This clause was further amended the next year to order the withholding of foreign aid from countries that allow ships flying their national flag to carry goods to and from Cuba." (Krinsky & Golove, 1993: 112-113). This action was followed by the Cuban Missile Crisis which forced the US to tighten the ratchet of sanctions another notch.

During the Cuban Missile Crisis (October 23, 1962), OAS unanimously supported the US "quarantine" of Cuba, and authorized members to take measures, including the use of military forces, to ensure "hemispheric security". This allowed the US to justify its naval blockade of Cuba's ports and the quarantine was not lifted until the end of the Cuban Missile Crisis on November 20, 1962. (Doxey, 1980: 36).

Next, in February of 1963, President Kennedy ordered the prohibition of shipments of cargoes paid for by the US government, on foreign-flag ships that have been in Cuban ports. He also encouraged maritime unions to boycott ships named on the US government blacklist because of their trade relations with Cuba. (Krinsky & Golove, 1993: 112-113). However, illicit trade with Cuba continued and President Kennedy felt that he had no choice but to invoke the Trading With the Enemy Act which froze all Cuban-owned assets in the US. The order to invoke the (TWEA) also transferred enforcement of the US sanctions against Cuba from the Department of Commerce to the Treasury Department. And, under American pressure, NATO countries agreed to halt military trade with Cuba while being allowed to continue economic trade with Cuba. (Krinsky & Golove, 1993: 114; Doxey, 1980: 37).

Most of the 1960's restrictions against Cuba, following Kennedy's assassination, were based on Under Secretary of State George Ball's suggestion to revamp the purpose of the economic sanctions. Ball proposed that the purpose of the sanctions against Cuba be revamped to: 'reduce Castro's ability to export the communist insurgency that brought Castro to power, to show the Cuban people that Castro cannot serve their interests, to demonstrate that Communism has no future in the Western Hemisphere, and to raise the costs to the Soviet Union of maintaining its sphere of influence over Cuba." (Doxey, 1980: 37).

Then, in 1975, US-Cuban diplomatic talks towards normalization began after the OAS lifted all collective sanctions against Cuba and the US decided to allow foreign subsidiaries of American companies to trade with Cuba. (Lowenfeld, 1977: 32). However, US-Cuban normalization talks ended when Cuba launched a large-scale military intervention in Angola. As part of this intervention, Cuba deployed 36,000 troops to Angola followed by US threats of military action if Cuba ever sends more troops to another country.

Later, in September of 1977, Cuba withdrew some of its troops from Angola and established interests sections with the US in their respective capital cities. Following the establishment of the interest sections, President Jimmy Carter (sarcastically called "the peacemaker") proposed the establishment of a fishing agreement with Cuba, loosened restrictions on travel to Cuba and opened discussions with Cuba on a wide array of issues. Then, later that year, Congress repealed the provision of the Foreign Assistance Act of 1961 banning aid to countries permitting their cargo ships to carry goods to and from Cuba. And, as a direct result of Congress's actions, the National Security Council destroyed the "ship blacklist". (Newfarmer, 1982: 129; Krinsky & Golove, 1993: 118).

According to Assistant Secretary of State for Inter-American Affairs, Terence Todman, "The Carter Administration had begun an effort to improve relations with Cuba, but normalization was supposed to take a long time and depended on many factors, including Cuba's behavior in the international arena... The United States desired improved relations with Cuba, improvement in human rights in Cuba, the release of all political prisoners (thousands of whom have been jailed for years), more responsible international behavior by Cuba (especially in Africa), and compensation to US citizens and companies whose properties were taken over by the Cuban government." (Department of State Bulletin, May 1978, pp. 56-67). However, in Castro's opinion, Cuba had already offered to settle on a compensation package for the American-owned properties, but the US refused to accept the terms of the deal.

Then, in 1980, Cuba broke from its conciliatory trend and sent 20,000 troops to Ethiopia. The deployment of Cuban troops to Ethiopia as well as the discovery of a Soviet "combat brigade" in Cuba led President Carter to establish the Caribbean Joint Task Force Headquarters in Florida and warn that Cuban troops would not be allowed to deploy against neighboring countries. (Newfarmer, 1982: 130). Fidel decided to "thumb his nose" at President Carter and initiated the raft armada of Cuban refugees from the port of Mariel. Eventually, the flotilla of rafts, boats and ships carried almost 125,000 Cubans illegally across the 90 miles of ocean that lies between the shores of Cuba and Florida. This event later became known as the "Mariel boatlift".

President Ronald Reagan took office in 1981 and initiated tighter economic sanctions against Cuba. He also proposed Radio Marti (Radio Free Cuba) and claimed that Cuba was the instigator behind the Marxist powers in Nicaragua, the communist rebels in El Salvador and the military junta in Grenada. In turn Reagan later characterized Grenada as a "virtual surrogate" of Cuba and attempted to regain Latin American cooperation against Castro. (Newfarmer, 11982: 132; Shulz, 1983: 37).

According to former Assistant Secretary of State, Thomas Enders, the Reagan administration sought to tighten the noose of economic sanctions against Cuba, "in response to the Cuban promotion of leftist revolution in Central America, especially El Salvador." (Washington Post, 15DEC81: A6 as quoted in Hufbauer, et al, 1990: 9). Therefore, knowing the tradition of the Reagan Administration (Irangate/ Iran-Contra Scandal), it is easy to see how important it was to President Reagan to stop the spread of communism (The Evil Empire) in Latin America, Central America and the Caribbean. Following the Reagan era, the objectives of the US economic sanctions against Cuba have been often categorized under two main headings: the overthrow of Castro and the containment of the spread of communism in Latin America. (Roca, 1987: 87).

In 1984, the United States and Cuba negotiated an agreement to resume normal immigration activities interrupted after the Mariel "boatlift", and to return people to Cuba from the "boatlift" that were then excludable under US immigration laws. However, Cuba decided to suspend this agreement in May of 1985 after the US finally got Radio Marti off the ground and began to broadcast anti-Castro information to Cuba. But, the agreement was accepted once again by Cuba after it began jamming Radio Marti broadcasts with the aid of the Soviet-made version of America's "Compass Call" (a radio transmission jamming platform). And yet, today, Radio Marti has attracted a large following of its short-wave radio broadcasts. (US Dept. Of State, 1998: 7)

In 1985, following Angola's announcement that it was willing to phase out the Cuban troop presence in return for South Africa's withdrawal from Namibia, Castro stated that he would accept US mediation efforts in the region. Castro also stated that the number of Cuban troops stationed in Ethiopia had been reduced to a "symbolic level". As a result, his comments seemed to indicate that there would be a substantial lowering of the Cuban military's presence in Africa. This reduction took place, both as popular support of Cuba within those countries waned, and as the Soviet Union's own "sphere of influence" withdrew from Africa. (Washington Post, 6FEB85: A1 as quoted in Hufbauer, et al, 1990: 9).

In 1988 and 1989, Cuba seemed to have wanted to renew talks with the US about improving the two countries' bilateral relationship. In 1988, Cuba, Angola and South Africa reached an agreement under which Cuban troops were to leave Angola, and South Africa was to withdraw troops from Namibia and implement a UN plan for a transition to an independent Namibian nation. (US Dept. of State, 1998: 16). Then, in 1989, Castro offered to cooperate in slowing drug trafficking in an apparent attempt to improve relations with the US. That same year, as President George Bush campaigned for a Cuban-American congressional candidate in Miami, Florida, he stated that he would like to normalize relations with Cuba also, but not until, "it reforms its political system and ends its history of human rights abuses." (Washington Post, 22JAN90: A1 as quoted in Hufbauer, et al, 1990: 10). However, political upheaval, and the failure of attempted economic reforms disrupted Soviet trade with Cuba and the US decided to take a "wait and see approach" to the events in the USSR before pursuing Bush's comments any further.

Then, in 1990, President Bush threatened to veto a bill that contained a provision to ban foreign subsidiaries of American companies from doing any business with Cuba, potentially affecting almost $320 million in annual trade for the US. Rumor had it that Canada and the United Kingdom had expressed strong opposition to the extraterritorial nature of the proposed measure. (International Trade Reporter, 21NOV1990: 1770). Following this action from President Bush, Castro completely withdrew his Cuban troops from Angola and Soviet president Mikhail Gorbachev announced that he would withdraw all Soviet troops from Cuba. (Washington Post, 24MAY91: A39 as quoted in Hufbauer, et al, 1990: 10).

Then, after the collapse of the Soviet Union in December of 1991, Russia ended its economic assistance to Cuba, including subsidized oil sales. (Christian Science Monitor, 9JAN92: 1). Prior to which action, Castro almost prophetically stated that:

> "For decades our (Cuban) plans were based on the existence of several socialist countries in Eastern Europe in addition to the Soviet Union, with whom we have signed agreements and established extensive economic relations. We do not know what kind of governments these countries will install. We have no security as to what trade will be like for us in the future, and we have complete uncertainty for the period of 1991-95 (After the current 'five-year plan' runs out)." (Financial Times, 03MAR90: 6).

The Cuban economy did suffer a dramatic drop following the Soviet collapse and Cuba's economic security remained extremely vulnerable as Castro predicted. And yet, Castro was able to remain in power even after the Cuban economy's collapse. He remained in power in spite of the negative effects caused by the US economic sanctions by repressing any opposition mounted against him as a result of frustration caused by the lagging Cuban economy.

Next, in 1992, presidential candidate Bill Clinton pledged to support the Cuban Democracy Act while on a Florida campaign stop. In response to this pledge, George Bush issued an executive order restricting access to US ports of third-country ships that have carried cargo to and from Cuba. Further, in order to limit Cuba's hard currency earnings, President Bush permitted direct air charters to resume service between Cuba and the US. These air charters, used for humanitarian shipments, prevented the Cuban government from charging high fees for packages of US origin routed through Mexico. (International Trade, 22APR92: 717).

Representative Robert Torricelli (D-N.J.) followed Bush's executive order regarding air charter flights to Cuba in September of 1992 with the introduction of the Cuban Democracy Act (CDA). The bill passed both the House (276-135) and the Senate (61-24) and forbade foreign subsidiaries of US companies from dealing with Cuba. The bill also prohibited any ship that had docked in Cuban harbors from entering any US ports for at least 180 days and called for a termination of aid to any country that provided economic assistance to Cuba. However, the legislation *encouraged* reaching out to the Cuban people and permitted reducing certain sanctions (namely telecommunications) "in carefully calibrated ways in response to positive developments in Cuba." (Inside US Trade, 9OCT92: 8) But the CDA faced immediate opposition from the UK and Canada when those two countries barred any US subsidiaries within their borders from complying with the CDA requirements. (Inside US Trade 16OCT92: 11; Journal of Commerce, 22OCT92: 4A).

Later that same year, Russia signed a series of new trade agreements with Cuba, including a new oil-for-sugar agreement, under which Russia was expected to deliver 2.3 million tons of oil in exchange for 1.5 million tons of sugar in 1993. This is down from 13 million tons of oil in 1990 and 10 million tons in 1991. (Christian Science Monitor, 9JAN92: 1). This newer agreement altered severely the previous deal that Cuba had held with the former Soviet Union.

As part of the Cuban trade agreement with the former Soviet Union, Russia was supposed to buy Cuban sugar at a price well above that of the world standard while simultaneously selling oil to Cuba at a greatly discounted price. Cuba was reeling from the American move to cut off all sugar purchases and was lucky that the Soviet Union stepped in to take up the slack that the US left. However, Cuba was not the grateful customer that the Soviet Union might have otherwise hoped.

On average, Cuba needed at least 10 million tons of Soviet crude oil annually to fuel its inefficient industrial complex throughout the 1970s and 1980s. And yet, in addition to the required 10 million tons, Cuba would regularly purchase another three or four million tons of extra discounted Soviet crude oil. This discounted crude oil, in turn, would then be resold on the world market in order to increase Cuba's hard currency reserves. Then, in order to insulate himself from the negative effects of the US economic sanctions, Castro hoarded the hard currency reserves in "protected" accounts outside of normal Cuban economic channels. (Hufbauer, et al, 1990: 6).

However, by the end of 1992, international tolerance of the American economic sanctions against Cuba waned. One example of this took place in November of 1992 when the UN General Assembly voted 59 to 3, with 79 abstentions, to urge the lifting of the economic sanctions against Cuba. Only Romania and Israel joined the US in opposing the UN condemnation of the sanctions. And, as mentioned earlier in this paper, by 1997 only Israel consistently voted with the US in favor of the sanctions. (Washington Post, 29NOV92: C6 as quoted in Hufbauer, et al, 1990: 12).

After recognizing the increased international opposition to the sanctions, the Clinton administration announced that it was going to allow American phone companies to improve phone service between Cuba and the US. Clinton initially approved the installation of advanced telecommunication lines since the US sanctions had not been able to prevent contact between Cuban-Americans and their relatives in Cuba with the old phone system in place. In addition to having been able to maintain contact with relatives back in Cuba, thousands of exiles have been able to go to Cuba to visit relatives over the years along with scholars and academics that were allowed to travel to maintain contacts with their Cuban counterparts. Consequently, the frequency of Cuban-American contacts has increased only after the Cuban Democracy Act legally "pushed" for the improvement of the phone system between the two countries. A move that was made in order to improve and foster personal contacts between the citizens of the two nations.

However, President Clinton's move to improve the phone services was criticized by Fidel's younger brother and vice-president, Raul Castro. Raul denounced the US telephone policy as a "rotten carrot" and exhorted Cubans to resist it. Referring to Clinton's move to improve telecommunications links between Cuba and the US, Raul stated that, "we are not sitting with our arms crossed, we are ready and prepared to reply in this politico-ideological area, to confront it in every dimension." (Reuters News Service, 18NOV95:17 as quoted in Hufbauer, et al, 1990: 12). Then, following Raul's policy announcement, foreigners that had met with dissidents in Cuba were expelled from that country and the Cubans whom they had contacted were harassed. The Castro regime also used a new tactic to inhibit contacts between dissidents and foreign visitors and relatives. This new tactic is to banish dissidents to the provinces, and away from Havana. (Lopez, 1997: 242).

Then, in 1994, food shortages in Cuba led to political unrest, which in turn resulted in large numbers of refugees attempting to emigrate to the US. In response, reversing previous favorable treatment policies regarding the entry of Cuban immigrants into the US, the US Immigration and Naturalization Service (INS) barred the entry of Cuban refugees fleeing the island by sea and began to intern them at Guantanamo Bay Naval Base in southeastern Cuba. Eventually, the US government detained more than 27,000 Cubans at Guantanamo and nearly 10,000 Cubans in Panama. Furthermore, in response to Cuba's refusal to limit the number of refugees fleeing Cuba, Clinton tightened controls on travel to Cuba and banned the disbursement of money from the US by Cuban-Americans to their relatives living in Cuba. (Washington Post, 9SEP94: A17; 10OCT94: A13; 8MAR95: A18 as quoted in Hufbauer, et al: 1990: 12-13).

In September of 1994, Cuba and the US signed an immigration agreement to limit the number of refugees allowed to leave Cuba for the US. The US decided that it would not accept refugees who came to the US by sea, but agreed to grant at least 20,000 immigrant visas at its diplomatic offices in Havana each year, up from an average of 11,000 issued annually over the previous decade. (Financial Times, 26SEP95: 2).

The Cuban National assembly, in turn, passed a foreign investment law that allows foreign companies and individuals, including Cuban exiles, to own 100 percent in Cuban investments. This removed the previous restriction requiring that all foreign investments in Cuba be joint venture investments. All sectors, except for health, education, and defense were opened up to foreign investment by this new policy.

However, foreign employers were still required to hire employees through the Cuban government and to pay employees in dollars through the government, which in turn pays the employees in pesos. (Economist, 9SEP95: 45). Usually, the salary paid by the foreign firm equals approximately $450 each month for each employee. And yet, the employee still only receives the equivalent of $10 per month in Cuban pesos. As a result, by keeping the salaries paid by the foreign investors in American dollars, the Cuban government has been able to find still another source of hard currency to build up its reserves. (Economist, 9SEP95: 45).

Introduction to the Helms-Burton Act of 1996 (also known as the Cuban Liberty and Democratic Solidarity Act or the Libertad Act of 1996)

In October of 1995, President Clinton eased restrictions on travel to Cuba for educational, religious, and human rights purposes. But the move was strongly criticized by anti-Castro members of Congress, who testified that travel agencies were scheduling "humanitarian" hunting trips to get around legal restrictions barring tourist travel to Cuba. As a result of such attempts to circumvent the legal restrictions placed on travel between the US and Cuba, these same members of Congress pledged to redouble their efforts to tighten sanctions on Cuba. (Ross-Lehtinen, House, 5MAR95: 5-7). In fact, Senator Jesse Helms stated in May of 1995 that the Helms-Burton Act would do just that. According to Helms, the Helms-Burton Act would tighten the sanctions against Cuba if the American Congress would pass it and President Clinton would sign it into law. Later, Helms also state that, "Fidel Castro is a tyrant. What keeps him in power is money (hard currency) from the outside. The LIBERTAD Act will choke off that Castro bonanza…the life support system that has kept him in power all these years, and force him out of power." (United States Information Service [USIS] 22MAY95).

However, the "tit for tat" restrictions, measures and attacks exchanged by the US and Cuban governments escalated on February 24, 1996 when a Cuban MiG-29 fighter plane shot down two American civilian aircraft in international airspace. The two planes that were shot down were owned by a Cuban-American exile group called "Brothers-to-the-Rescue" and no one on board either of the two airplanes survived. In reaction, President Clinton condemned the action, suspended charter travel to and from Cuba, and pledged to reach a rapid agreement on the Helms-Burton Act. (New York Times 27FEB96: A1; Washington Post, 27FEB96: A8 as quoted in Hufbauer, et al, 1990: 13).

Then, in March of 1996, President Clinton and the American Congress held true to their words and the Senate passed a compromise version of the Helms-Burton or Cuban Liberty and Democratic Solidarity Act (LIBERTAD) by a vote of 74 to 22. A similar measure had passed the House the previous September, but had stalled in the Senate because of opposition from the US State Department as well as major US allies (Canada, Mexico, United Kingdom, and Japan). (New York Times, 6MAR96: A7). But on March 6, 1996, the House of Representatives passed the revised legislation 336 to 86 and President Clinton signed the bill into law on March 12. (Washington Post, 7MAR96: A30 as quoted in Hufbauer, et al, 1990: 14).

The main reason behind the establishment and passing of the Helms-Burton Act was that it was supposed to promote a transition to democracy in Cuba. As Assistant Secretary of State, Alan Larson put it in 1999:

> "Our policy is to promote a peaceful transition to democracy and respect for human rights in Cuba in four ways: first, pressure on the government through economic sanctions and measures delineated in the 1996 Libertad Act; Second, reaching out to and supporting Cuban people to encourage the development of a civil society; third, cooperation with the Cuban government on interests of direct concern, particularly to maintain migration in safe, orderly and legal channels; and forth, forging a multilateral alliance with the nations of the rest of the world to press for democratic change in Cuba, respect for human rights, and development of independent civil society." (United States Information Service [USIS], 11MAR99: 119).

A key mechanism by which the Helms-Burton Act is supposed to contribute to a transition to democracy is by tightening the economic sanctions and thereby reducing the hard currency left available to the Castro government. This reasoning was given by President Clinton when he signed the Helms-Burton bill into law as well as by congressional supporters of the Act. And the same justification has been repeated time and again by officials of the Clinton Administration throughout the years since the Helms-Burton Act was passed. (Lopez, 1997: 238).

Details of the Helms-Burton Act

The Helms-Burton Act has four titles. Title I codifies (makes into law) existing federal regulations and reaffirms the sanctions under the Trading With the Enemy Act as well as the Cuban Democracy Act of 1992. Importantly, Title I and II have provisions for presidential waivers, while Title IV does not.

Title I seeks to strengthen international sanctions against Cuba and the Castro government the most. Among the various sections of Title I is the instruction to the heads of US financial institutions to oppose loans to Cuba and Cuban members until the country successfully transitioned to a democratic form of government. Title II states mainly that the US government must prepare a financial aid plan for a transitional Cuban government that is democratically elected in Cuba after Castro either dies or is removed from power.

Next, Title III of the bill permits Americans with claims to property expropriated by the Cuban government between 1959 and 1961 to sue foreign companies or individuals that traffic in such property for damages in American courts. Trafficking is defined in the legislation as the buying, selling, leasing, marketing or otherwise benefiting from the use of expropriated American properties. President Clinton allowed

Title III to become law, but has the authority to waive its enforcement as a law for periods of six months. With this in mind, Clinton applied the national interest waiver and suspended the enforcement of Title III for six months on July 16, 1996. (Financial Times, 17JUL96: 1). Since that time, Title III has never been enforced. (Lopez, 1997: 239).

Under Title IV, the US must deny entry to the executives and major shareholders of foreign companies, as well as their immediate families that are found to be trafficking in expropriated property. The legislation also seeks to restrict US aid to independent states of the former Soviet Union if they provide assistance for intelligence collection facilities in Lourdes, Cuba. In addition, the Helms - Burton Act not only restricts aid to any country that helps with the completion of the Cuban-Juragua nuclear power plant, but also provides for presidential waivers for humanitarian aid or aid to promote market reforms and democratization in Cuba. Foreign companies subjected to the effects of Title IV can gain a reprieve by, "divesting from expropriated American properties." (Lopez, 1997: 239). And so far, Title IV has only been applied to the two largest foreign investors in Cuba. These two investors include Mexico's telephone powerhouse, Grupo Domos and Sherritt International from Canada. (Lopez, 1997: 239).

DRAWING INTERNATIONAL FIRE

Since the 1996 passing of the Helms-Burton Act, Titles III and IV have drawn the most international attention and criticism, especially from Mexico, Canada and the European Union. These countries claim that the Helms-Burton Act, "violates trade accords and is an infringement on the sovereignty of other countries by its "extraterritorial" attempt to apply US laws to foreign-based companies." (Lopez, 1997 239). In fact, Canadian Trade Minister Art Eggleton announced that Canada planned to seek consultations with the US under Chapter 12 of the North American Free Trade Agreement (NAFTA) regarding the legality of the Helms-Burton Act as it is applied to sovereign nations. Then, joined by Mexican officials, Canadian officials also say that they will try to include provisions in the Multilateral Agreement on Investment (MAI) that would prevent the US from imposing its secondary sanctions on countries that trade with Cuba. (Inside US Trade, 10MAY96: 20-21; 15MAY96: 8).

Following the Canadian and Mexican objections, the Helms-Burton Act was condemned by members of the UN, the OAS, and other international organizations. The 34 members of the OAS passed a resolution without the US that declared the Helms-Burton Act illegal in that it, "does not conform to international law." (Financial Times, 29AUG96: 4). Then, after the OAS vote, the Mexican Congress overwhelmingly passed a law that imposes fines of over $300,000 dollars on any Mexican companies that comply with the law. (New York Times, 2OCT96: A9 as quoted in Hufbauer, et al, 1990: 15). That action is followed by the European Union's Council of Ministers approval of anti-sanction legislation that forbids compliance with the Helms-Burton Act. EU-based companies are prohibited from complying with the provisions of the Helms-Burton Act unless they receive a waiver based on the grounds that refusing to comply with the Helms-Burton Act will hurt either the company's or the EU's economic interests.

In addition, the EU stated that US court awards awarded under the provisions of the Helms-Burton Act will not be recognized, and can be recovered by the EU if a successful American plaintiff has property within EU boundaries. (European Union News, 29OCT96). And finally, the Canadian Parliament followed up its previous protests with legislation that penalizes Canada-based companies for obeying the American "Act". The Canadian legislation also allows Canada's Attorney General to issue blocking orders of US court judgments, as well as allowing Canadians to recover penalties lost. (International Trade Reporter, 4DEC96: 1865).

Consequently, it should be easy to see that the American government has gotten into trouble with its main allies and trading partners because of the Helms-Burton Act. Further, it should also be easy to see how the US, "has risked undermining the authority of the World Trade Organization over the "Act" by maintaining that the law is conducive to encouraging a democratic transition in Cuba." (Lopez, 1997: 239). Moreover, the claims that the Helms-Burton Act helps to encourage Cuba to transition to a democratic form of government have been harshly criticized by academics, government officials from various governments as well as by Castro's own daughter. Criticisms that seem justified since, according to Jimmy Carter, "the Helms-Burton Act is an obstacle to a transition to democracy in Cuba," - a hindrance rather than a help. (Lopez, 1997: 239).

FINDINGS

The purpose of economic trade sanctions: The Cuban Case

Following the historical background of economic sanctions in general and US economic sanctions against Cuba, this paper will next analyze how the US economic sanctions imposed against Cuba have affected the Cuban economy. This is relatively important to understand since authors like Losman have suggested that the political purposes of economic sanctions (their foreign policy goals) can not be attained without the sanctions first negatively impacting the economy of the target regime. Therefore, by finding out how much the US economic sanctions imposed against Cuba negatively affected the Cuban economy, we should be able to see that the economic damage was insufficient to translate into the desired regime changes, political policy alterations or an ideological reorientation. And finally, after looking at the economic impact of the US sanctions against Cuba, we will summarize the key points of this paper as well as state the conclusions that the author has drawn from the evidence presented herein.

The Cuba taken over by Fidel Castro was not incredibly poor if compared to Latin America in general. In fact, according to Donna Kaplowitz, Cuba had been among the top three Latin American countries categorized by living standards in 1950. (Kaplowitz, 1998: 27). However, the problem with Cuba was that its society had begun to stagnate. It had stopped its relative economic progression. In fact, Cuba's GNP was close to the same in 1950 that it had been in 1925. A situation caused in large part to the dramatic increase in the Cuba population without an accompanying increase in sugar production. As a result, the flat economy led to widespread frustration among the Cuban people as well as a desire for change. A desire for change that helped Fidel Castro come to power in Cuba as well as fueled his attempts to transform the Cuban economy. (Kaplowitz, 1998: 27).

Unfortunately for Castro, the stagnate Cuban economy not only helped him come into power in Cuba, but it also made Cuba highly vulnerable to US economic (trade) sanctions. Trade sanctions can be applied by the country imposing them to restrict the target nation's access to either import markets or export markets. Early on in the US-Cuban economic conflict, policy makers like presidents Dwight D. Eisenhower and John F. Kennedy focused on the use of economic sanctions as a tool to give the US control over the economic and political processes of Cuba by denying that target nation access to key international trade markets. (Kaempfer, 1992: 65).

Obviously, knowing the vulnerabilities of the Cuban economy in 1961, it would have seemed perfectly reasonable to assume that the American economic sanctions imposed against Cuban imports and exports would have worked. It was the level of American trade with Cuba that the US policy makers had the most control over and the loss of which should have severely impacted the Cuban economy.

Before the Castro-led revolution in Cuba in 1959, between 20 and 25 percent of all Cuban land was owned by American sugar companies, half the arable land was used for sugar crops, and the Cuban sugar industry employed more than 50,000 Cubans. (Doxey, 1980: 38). Also, at that time, Cuba had an established road and railway system, and domestic mineral resources like nickel, tin, and iron ore, but no domestic supply of petroleum. Consequently, Cuban dependence on imported oil as well as on exported sugar made Cuba potentially vulnerable to the negative effects of American economic sanctions. (Doxey, 1980: 38).

Moreover, with sugar as the main export crop of Cuban domestic industry, the Cuban economy lived and died by the fluctuations of the global sugar market. Thus, following the embargo of Cuban sugar exports by the US in 1960, Cuba was forced to both reevaluate, and dramatically change its foreign trade policy. Without the exportation of sugar to the US, imports, "which accounted for approximately 35 percent of Cuba's gross national product (GNP) in 1959, could not be financed." (Doxey, 1980: 38).

As a result, the Cuban government instituted import controls and the importation of consumer goods declined by more than 44 percent in value between 1959 and 1962. (Doxey, 1980: 38). This decline in imports was bad news not only for Cuban industrial development, but also for the re-supply of intermediate parts and goods necessary for the repair and maintenance of a Cuban industrial infrastructure that was largely of US origin. The factories could not be repaired without the American parts and could not run without American refined oil. In other words, even though Cuban trade with the rest of Latin America declined following the imposition of US/OAS-backed economic sanctions, it was the loss of the trade with the US that had the greatest potential to damage the Cuban economy.

However, according to Donna Kaplowitz, the central economic factor that made Cuba potentially vulnerable to the negative effects of US sanctions was neither Cuba's dependence on the production and exportation of sugar, nor the monopoly of 75 percent of all Cuban land by the Sugar companies. Additionally, the lack of diversification of the domestic industrial complex was also not a great threat. On the contrary, the key vulnerability that had the greatest potential to cause economic harm to Cuba was the overwhelming domination of the Cuban economy and Cuban trade by the US. (Kaplowitz, 1998:29).

In fact, during the decade prior to Castro's take over of Cuba, almost two-thirds of all Cuban trade was with the U.S. This should have been very troubling to Castro and his newly appointed leadership since the chances for the success of economic sanctions increase proportionately with the level of total trade done between the target country and the nation imposing the sanctions. (Kaplowitz, 1998: 30). In fact, according to Cole Blasier and Carmelo Mesa Lago, Cuba imported between 60 and 65 percent of its total imports from the US. And, by 1959, the US bought more than 69 percent of Cuba's exports. (Blasier & Mesa-Lago, 1979: 184). "Moreover, in that same year, US interests in Cuba produced more than 40 percent of Cuba's total raw sugar crop…controlled over 90 percent of Cuban public utilities…. 50 percent of Cuba's railways…and held more than 25 percent of Cuba's bank deposits." (Kaplowitz, 1998: 30).

Consequently, at the time the embargo was originally imposed against Cuba, the US accounted for a significant level of Cuba's international trade. A level considered to be significant since Cuba imported between 60 and 65 percent of its imports from the US, while America bought more than 69 percent of Cuba's total exports (Blasier & Mesa-Lago, 1979: 184). And this was especially difficult for both the Cuban economy and the Cuban dictator as he tried to institute economic reforms friendly to his newly found socialist ideological beliefs. For, as illustrated by Graph # 2 (See Appendix 2, Graphs), international trade in general brought in more than $1500 million pesos each year to the Cuban economy.

However, the weakness of unilateral economic sanctions (like the US embargo imposed against Cuba) is that they fail to take into account the complexities of trade in the international economic arena. On both the import and export sides of the target nation's trade, there are likely to be substitutes available to replace the trade inhibited by the sender's sanctions. This is true since, for virtually all traded goods, there are several countries that can produce a certain good and can serve as an alternate trading partner for the target nation. "Furthermore, the laws of comparative advantage suggest that even if an alternative supply source is currently not available to the target nation among its remaining trading partners, at least one of these partners is likely to be able to begin the production and exportation of the good in question, if at a slightly higher cost to the target." (Kaempfer, 1992: 65).

The availability of alternate supply sources is evident in the Graph entitled *Cuba's total imports by country of origin* presented below. Albeit, the Graph covers a four-year period of trade that took place almost 36 years after the sanctions were originally imposed against Cuba, but that is not important. What *is* important, is the fact that the Graph shows an *increase* in Cuba's level of imports from a variety of countries of origin (including the United Kingdom, Romania, Singapore, Belgium/Luxembourg and Japan). In addition, the Graph also shows an increase in the millions ($US) of dollars of trade being carried out by Cuba *while* under the effects of an American trade embargo. In other words, even though the period of time covered in the Graph took place *long* after the US sanctions were imposed against Cuba, it more importantly illustrates the increased ability of Cuba to import the goods that it needs from abroad *in spite of* the American embargo.

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percent of Cuban exports, by 1962 Cuban trade with the US was negligible. This level of trade was not only replaced by the countries of the former Soviet Union, but it was also surpassed as the Communist countries came to account for almost 82 percent of Cuba's export trade and 85 percent of Cuba's import trade. (Doxey, 1980:39).

In addition, as we can also see from Graph # 4 (see Appendix 2), the main trading partners from the Communist countries included: the USSR, China, Czechoslovakia, Bulgaria, Romania, Yugoslavia and other smaller communist nations. To stimulate this increasing trade relationship, the Soviet Union signed an agreement early in 1960 to buy 2.7 million tons of sugar initially and to increase purchases after the US placed a total ban on the importation of Cuban sugar to the US. (Doxey, 1980: 39). As a result, relations between the Soviet Union and Cuba became very close and a long-term trade agreement signed in 1963 increased the amount of Soviet sugar imports from Cuba by a million tons each year to a maximum of 5 million tons imported from Cuba in 1968. (Doxey, 1980: 39).

As a typical developing nation, Cuba has always been highly dependent on foreign trade. This dependence, though, was increasingly evident in Cuba since so much of Cuba's land was devoted to the planting and growing of an inexpensive export crop like sugar. And, unfortunately, Cuba still has to import much of the food, oil, and intermediate industrial products that it needs. (Kaplowitz, 1998: 31).

Next, between the mid-1950s and the mid-1960s, annual imports equaled between 22 percent and 32 percent of the Cuban GNP (as illustrated by Graph # 5), while exports accounted for 8 to 12 percent. "In 1958, for example, more than 57 percent of Cuba's GNP went to foreign trade. In comparison, in other small Latin American countries, imports made up approximately only 25 percent." (Kaplowitz, 1998: 31). Furthermore, to place Cuban trade into a better perspective, US imports and exports account for less than 10 percent of America's GNP. (Kaplowitz, 1998: 31). Highly dependent on foreign trade, the level of importance of foreign trade to the Cuban economy (as also shown by graph # 5) shows further just how vulnerable Cuba should have been to the negative influences of US economic sanctions.

And yet, as Graphs # 1 - 5 show, high dependence does not guarantee the success of economic sanctions. According to Peter Wallensteen, target nations had an average level of 32 percent dependence in cases where economic sanctions were successful, whereas ineffective sanctions were applied against countries with 27 percent dependence. (Wallensteen, 1983: 104). However, some highly dependent states like Cuba, successfully withstood the pressure of US imposed economic sanctions.

As a result, we need to take the analysis a step further and look at the *actual reduction* of trade caused by the application of economic sanctions. "Calculating this reduction during the first year of sanctions (which in some cases is the only year of sanctions) we find an average reduction of approximately 13 percent." (Wallensteen, 1983: 105).

The picture illustrated by Wallensteen's following table is quite clear – economic sanctions have not achieved a complete reduction of trade in any single case. Consequently, it would be foolish to believe that sanctions could completely reduce trade since few states are so dependent on certain trading partners that they can not find alternate suppliers to meet their trading needs. Even Cuba, a country that was *overly* dependent on the US for trade, was able to find alternative trading partners shortly after the economic sanctions were put in place against it.

The first explanation for Cuba's ability to find alternative-trading partners is that the US was unable to cut off all trade. In the case of Cuba, this happened because all transactions between Cuba and the Soviet Union could not be stopped without resorting to the use of a military blockade of the island. The second and more important explanation is not based on the inability of the US to halt Cuba's international trading. Rather, the second reason is that Cuba had been able to find new trading partners willing to both support and trade with it either as an available market or as an ideological brother.

In the Cuban case, Cuban exports to the US were almost entirely replaced by sales to the Soviet Union. However, this can be seen, as a particularly peculiar fact when we realize that one of the reasons for American sanctions imposed against Cuba was the already increasing trade with the Soviet Union. At the time, US policy makers claimed that an increase in the level of Soviet-Cuban trade might result in lost sales for American companies to Cuba. However, unfortunately for the American policy makers, what happened after the imposition of sanctions was a dramatic intensification of an already intense situation. (Wallensteen, 1983: 106).

Actual Reduction of Target Nations' Total Trade	
Reduction of total trade at end of first year of sanctions, calculated as percentage of total trade the year before sanctions were imposed	
Receiver	***Total Reduction in Percent***
Soviet Union	7
Italy	32
Israel	N/A.
Yugoslavia	13
Cuba	5
Dominican Republic	21
South Africa	0
Albania	7
Portugal	+2
Rhodesia	31
Source: Wallensteen, 1983: 105	

Following Cuba's increased trade with the former Soviet Union and the collapse of trade with the US, a government like Castro's should have been politically vulnerable to the negative effects of the economic sanctions. Granted, it could be said that the full effects of sanctions are not usually felt during the first year. And further stated that, if only the sanctions were applied for a long time, the impact would be greater. The information presented in the previous table would suggest just the opposite. In fact, Wallensteen's table suggests that, the longer economic sanctions were imposed against Cuba, the weaker their economic impact. And the weaker the economic impact, the less likely that the negative economic effects of the sanctions will translate directly into desired political changes made by the target regime.

Conclusion

From this brief look into the condition of the Cuban economy both prior to and during the US imposed economic sanctions, it is evident that Cuba *should* have *been* vulnerable to the negative effects of the American sanctions. For, as we saw earlier, the US provided more than 60 percent of Cuba's imports prior to the sanctions, thereby controlling the supply of many important raw materials as well as intermediate goods necessary for the maintenance of Cuba's industrial sector. Meanwhile, during that same period, the US imported more than 68 percent of Cuba's exports, making Cuba dependent on the American purchase of Cuban-produced goods. Additionally, we also saw that the US purchased more than half of Cuba's main product: sugar.

The "overwhelming" domination of Cuban trade by the US discussed earlier was increased significantly by Congressionally set import quotas used to increase Cuba's dependence on the US as its main trading partner. And yet, time and again, Cuba has been able to overcome the negative effects of the American sanctions as well as maintain its ability to defy the cries of US policy makers. The same policy makers that we see periodically on the news demanding the ouster of Fidel Castro from his seat of power in Cuba, the democratization of the Cuban political system, and the improvement of Cuba's human rights record.

The American policy makers and political leadership from Eisenhower to Clinton may very well have been disappointed by the fact that Castro has been able to withstand the negative effects of the US sanctions imposed against Cuba. Furthermore, in spite of the continuous efforts of politicians like Representative Dan Burton and Senator Jesse Helms, Castro has been able to prevent the US from reclaiming Cuba as its economic and political "protectorate". Moreover, Castro's very survival in the face of such staunch political opposition and lengthy economic sanctions, gives him a level of *gravitates* on the world stage as an actor who has stood up to the class bully (the world's only remaining superpower) and refused to give in to its demands (Schwab, 1998: 169).

As Margaret Doxey has stated, " sanctions have regularly been used as a supplement to the use of force in war and have also been used to influence the foreign and domestic policies of target states," (Doxey, 1980: 3), in the place of military aggression. But it is only since the increased economic interdependence in the global marketplace that economic sanctions have become a foreign policy tool to be used alone, separated from the use of military force. Realizing the fact that sanctions were preferable to the use of force since they do not involve a risk to the lives of the citizens of the country imposing the sanctions (especially after the bungled Bay of Pigs invasion), US policy makers felt that the application of economic sanctions against Cuba was their best option. And yet, since global economic interdependence undermines unilaterally imposed sanctions, this development seems rather odd.

However, as many contemporary experts agree, American economic sanctions have been ineffective at attaining their stated foreign policy goals. According to sanctions scholar, James Blessing, "it can be argued that …neither the suspension of aid nor the use of economic sanctions have been effective mechanisms of inducing behavior change," in the target nations. (Blessing, 1981: 533). Perhaps, they have been ineffective because the policy makers imposing them have failed to follow the advice of Hufbauer, Schott and Elliott when they stated that, "If it (sanctions) were done, when 'tis done, then 'twere well it were done quickly." (Hufbauer, et al, 1990: 6).

This statement concisely presents the main problem with the case of the American economic sanctions imposed against Cuba. That the heavy and slow hand of the close to four decades old sanctions have invited both the evasion of Cuba's international trading partners and the mobilization of domestic and international Third World opinion in support of Castro. For, as we have already learned, Castro's Cuban government has been able to find both alternate suppliers for the goods that it needs as well as alternate buyers of the goods that it produces domestically almost since day one of the American embargo. Meanwhile, the slow and drawn out imposition of the American sanctions against Cuba has allowed Castro to strengthen his domestic and international support base as he marshals the citizens of Cuba as well as the leaders of the world to his side. (Hufbauer, et al, 1990: 6).

Castro, has become a political role model for sultanistic/ authoritarian dictators around the world as well as for Cuban citizens at home. He has become a role model of such international stature that the US has been unable to either understand or stop. To the American political leadership, Castro is an puzzle, but to the other nations targeted by US economic sanctions (Iraq, Iran, Libya) and their citizens whom resent, " America's post-cold war imperialism and intrusive policies, he stands alone as a beacon, though in many ways an overshadowed one." (Schwab, 1998: 169).

In any event, the inverse relationship between the effectiveness and the duration of the economic sanctions argues against a strategy of slowly applying more and more economic restrictions through the application of economic sanctions over time until the target caves in. Time afforded Cuba the opportunity to find alternative suppliers and buyers, to build new economic relationships with the countries of the former Soviet Union, and to mobilize domestic support for its policies. For, sanctions that are long and drawn out like the American sanctions imposed against Cuba allow the target nation to overcome the "key vulnerabilities" that made it an attractive target in the first place. (Hufbauer et al, 1990: 1). Therefore, based on the previous information, it should be easy to see why the American sanction imposed against Cuba are ineffective and no longer stand a chance of successfully attaining their stated foreign policy goals.

Initially, Cuba was able to overcome its lack of diversification of domestic production by retooling its industrial complex with non-US intermediate parts. This action removed the Cuban reliance on the US for those parts while simultaneously allowing it to begin to produce a variety of new products (like the production of refrigerators shown in Graph # 6). Secondly, Cuba was able to replace the loss of trade with the US immediately following the application of sanctions against it. Furthermore, with the level of trade with the US making up more than 60 percent of Cuba's total imports and more than 68 percent of its total exports, it speaks well of Castro's Cuban government that Cuba was able to make up for the lost trade so soon after the sanctions were imposed. This ability of Cuba to find alternate trade partners is also significant since foreign trade made up more than 40 percent of Cuba's total GNP.

And finally, the ability of Cuba to increase its annual economic growth rates following the application of the American sanctions suggests further that the sanctions failed to effectively harm the Cuban economy (see Graphs # 7 & 8). For, if the sanctions had *effectively influenced* the Cuban economy, the economic harm incurred, would have, "translated through the target state's (Cuba's) political system and into either policy changes, regime changes," or ideological alterations. (Losman, 1979: 41). And, since the economic harm incurred by the sanctions failed to force the ouster of Castro, the

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APPENDIX 1

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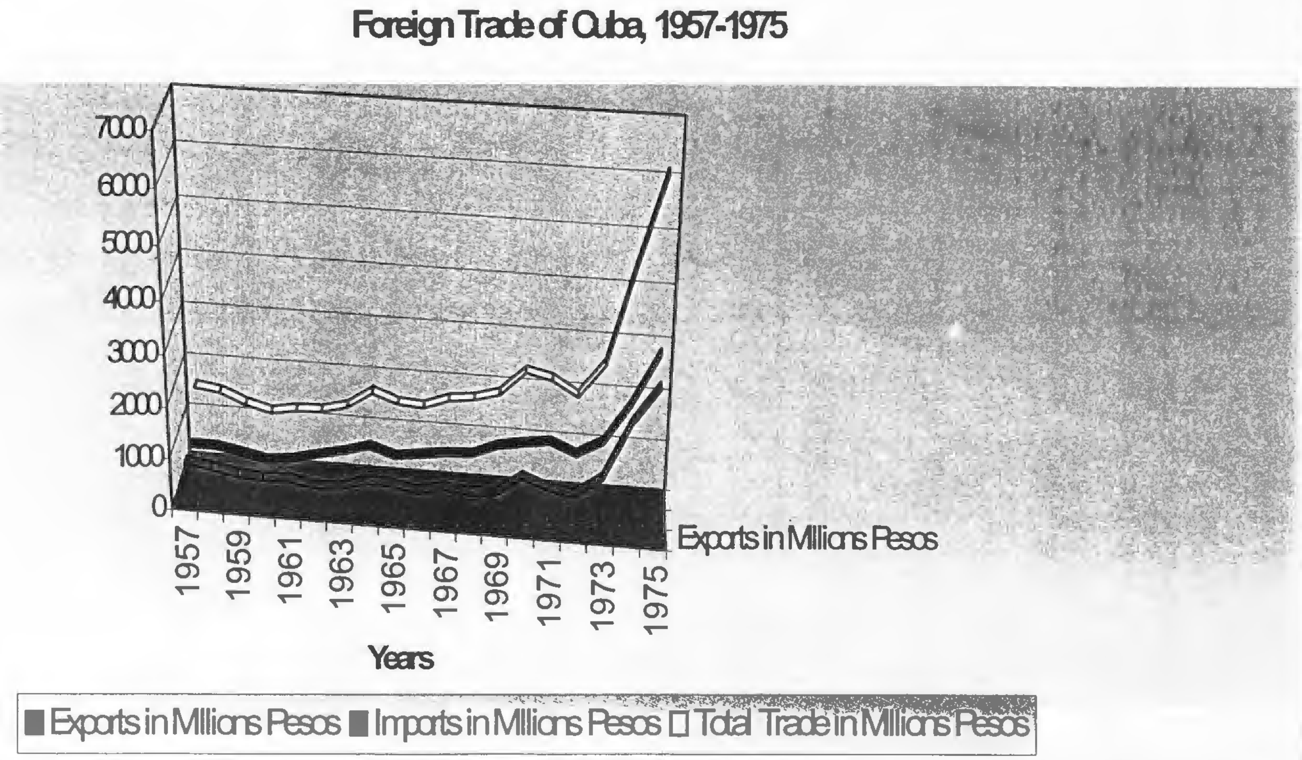
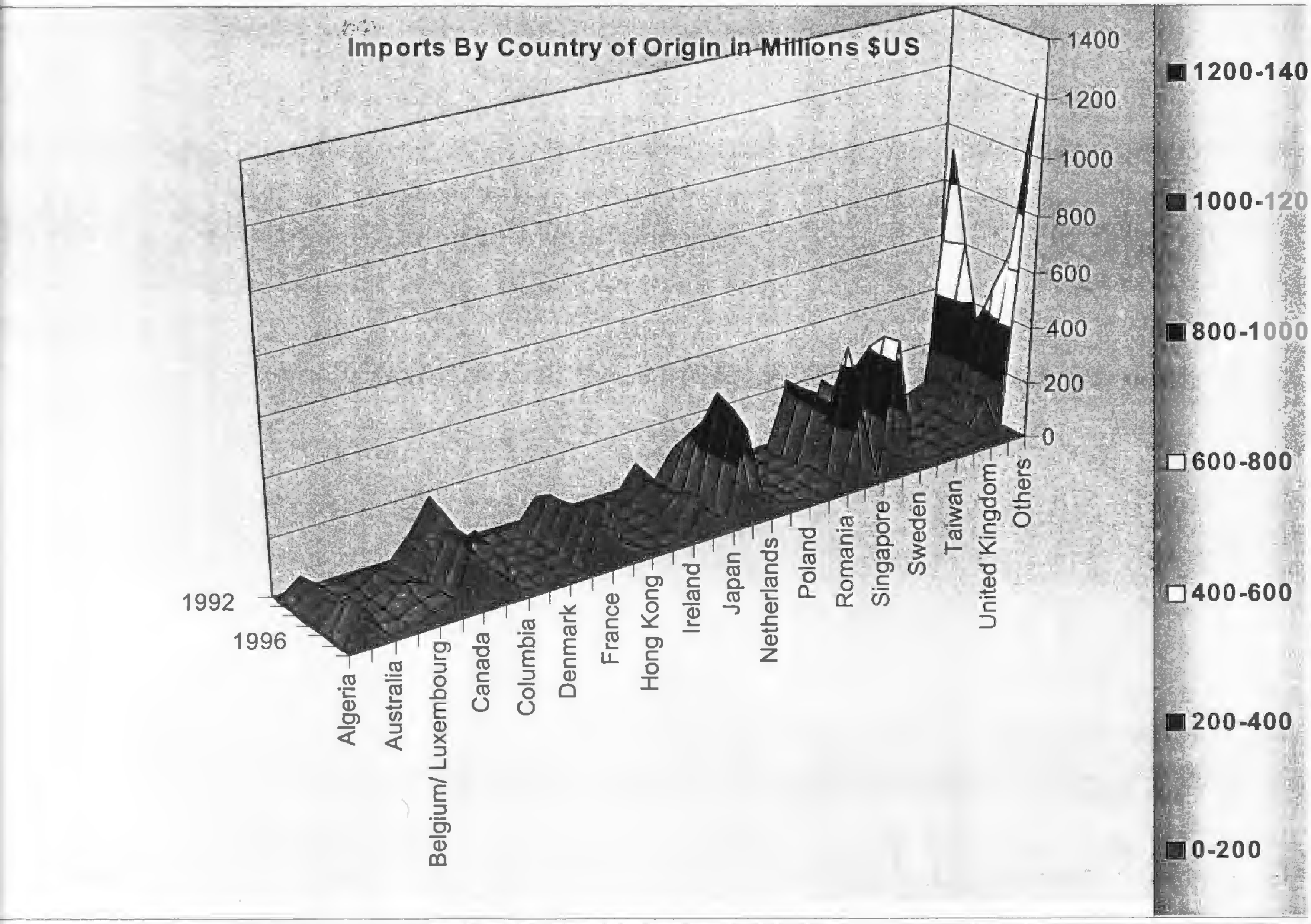
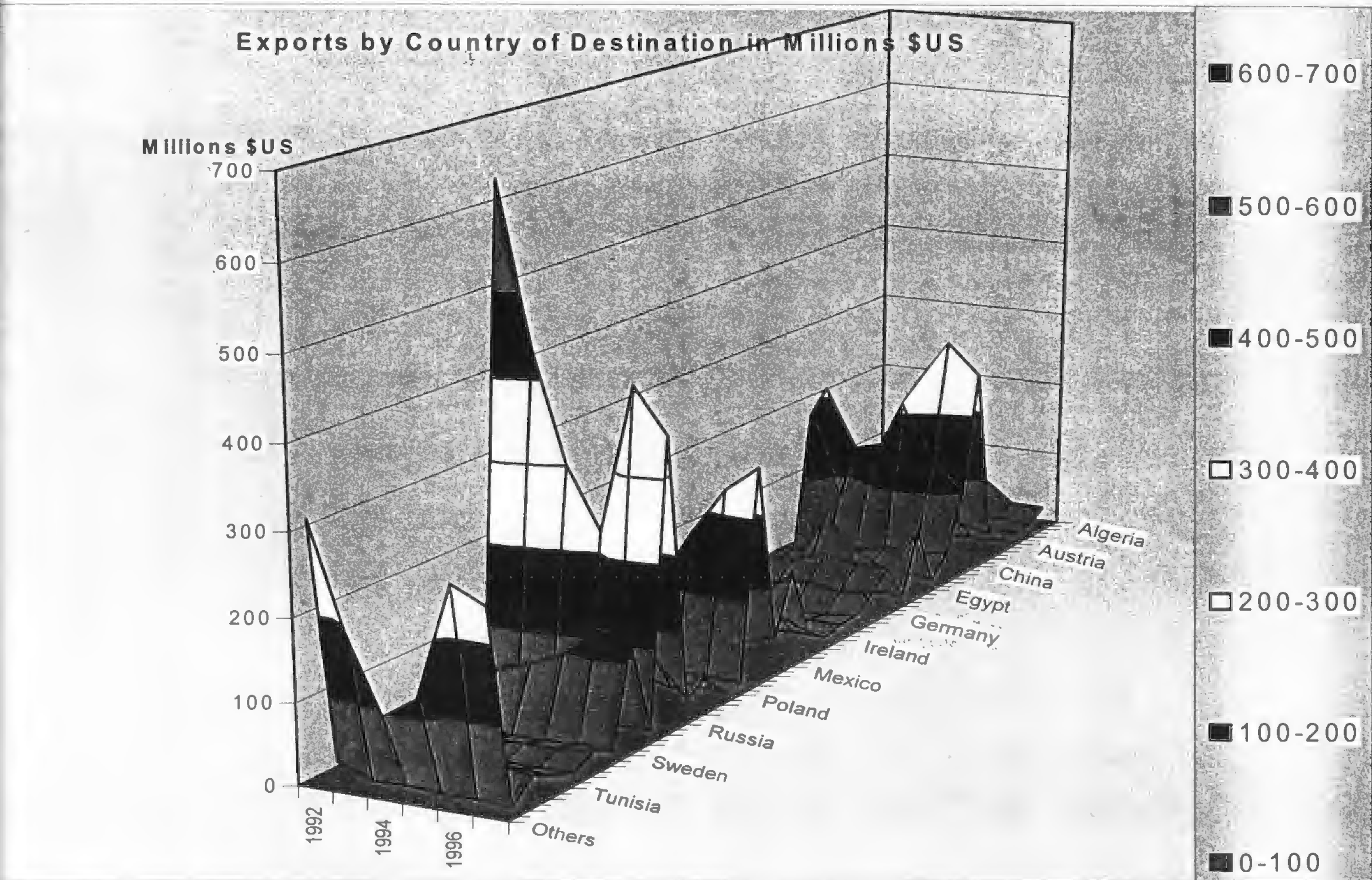
APPENDIX 2



GRAPH 1: Foreign Trade of Cuba, 1957-1975
Source: (1) Mesa-Lago, C. (1979). The economy and international economic relations. In Blasier, C. & Mesa-Lago, C. (Eds.), Cuba in the World. Pittsburgh: University of Pittsburgh Press. Pp. 169-198.



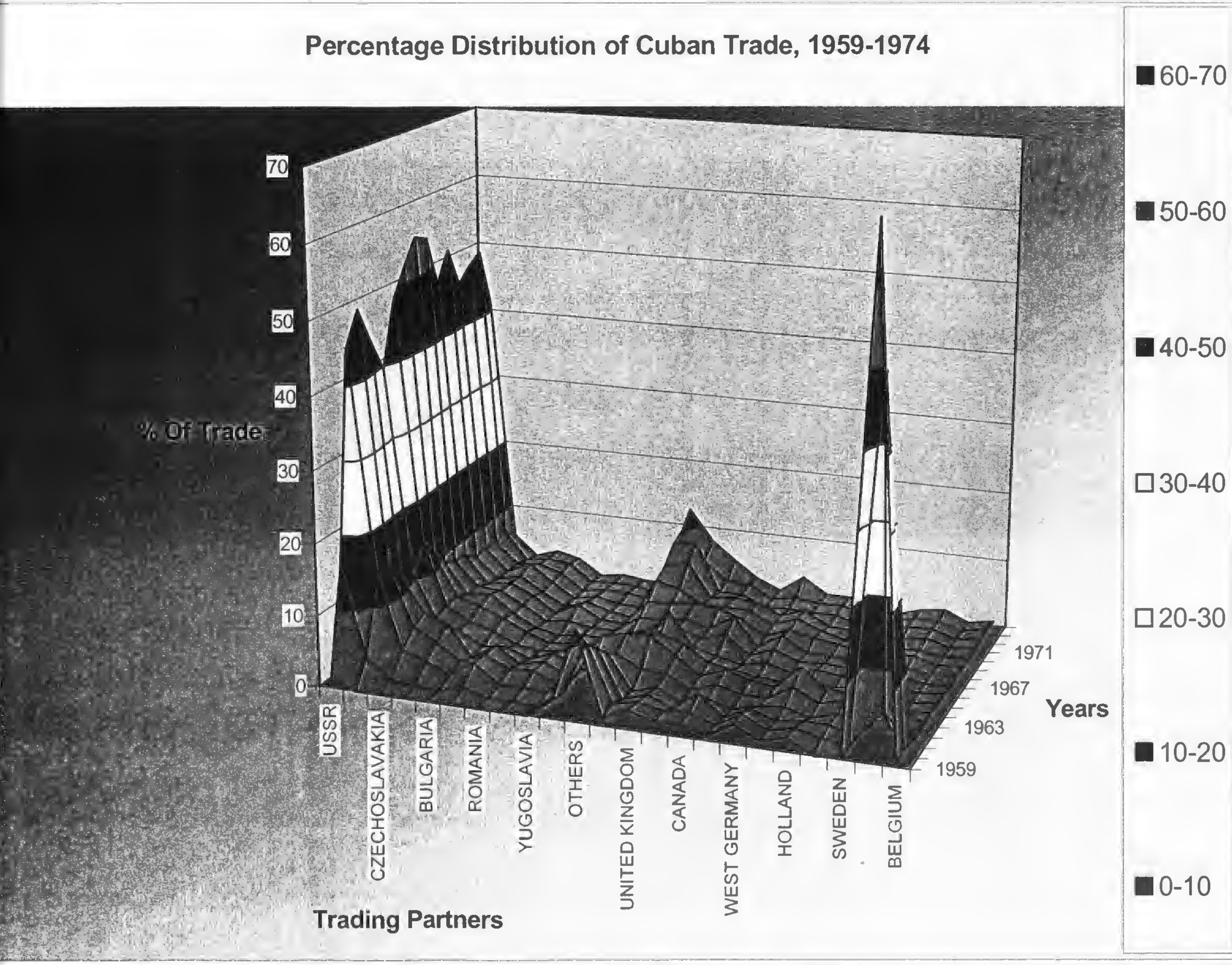
GRAPH 2: IMPORTS BY COUNTRY OF ORIGIN IN MILLIONS $US
Sources: (1) US Central Intelligence Agency, (1998). The World Fact Book.
(2) Central Intelligence Agency, (1998). Cuba: Handbook of Trade Statistics, 1998.



GRAPH 3: EXPORTS BY COUNTRY OF ORIGIN IN MILLIONS $US

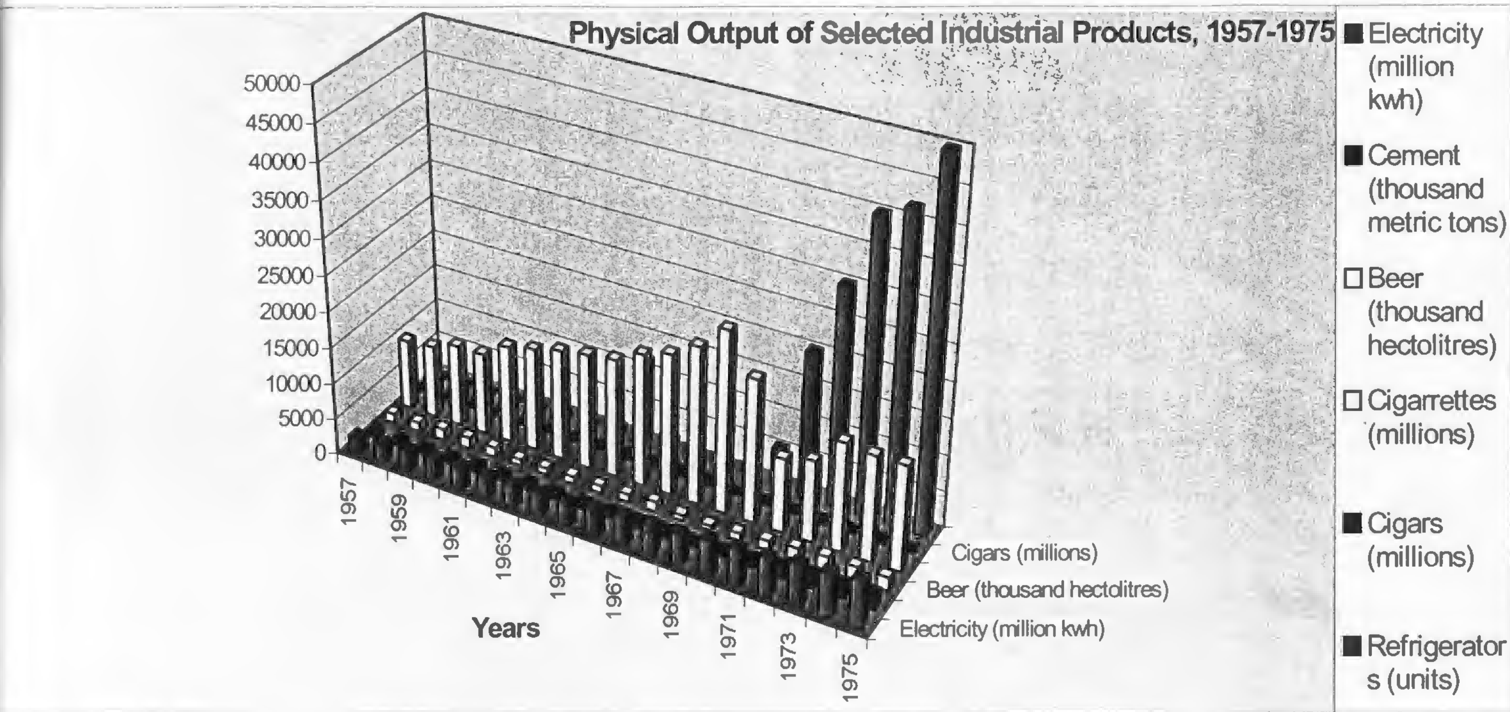
Sources: (1) US Central Intelligence Agency. (1998). The World Fact Book

(2) Central Intelligence Agency. (1998). Cuba: Handbook of Trade Statistics, 1998

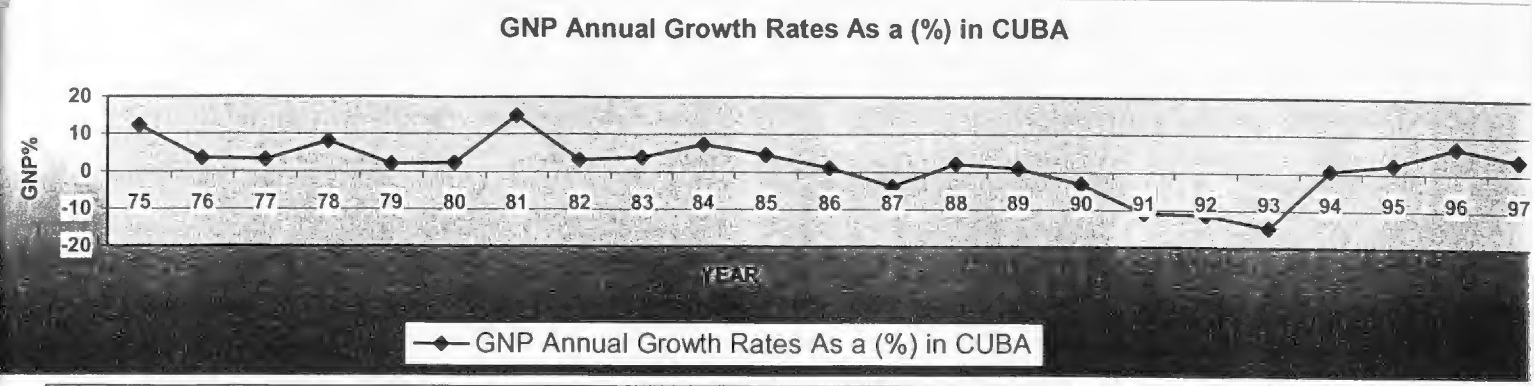


GRAPH 4: PERCENTAGE DISTRIBUTION OF CUBAN TRADE, 1959-1974
Source: (1) Mesa-Lago, C. (1979). The economy and international economic relations. In Blasier, C. & Mesa-Lago, C. (Eds.), Cuba in the World. Pittsburgh: University of Pittsburgh Press. Pp. 184-185.

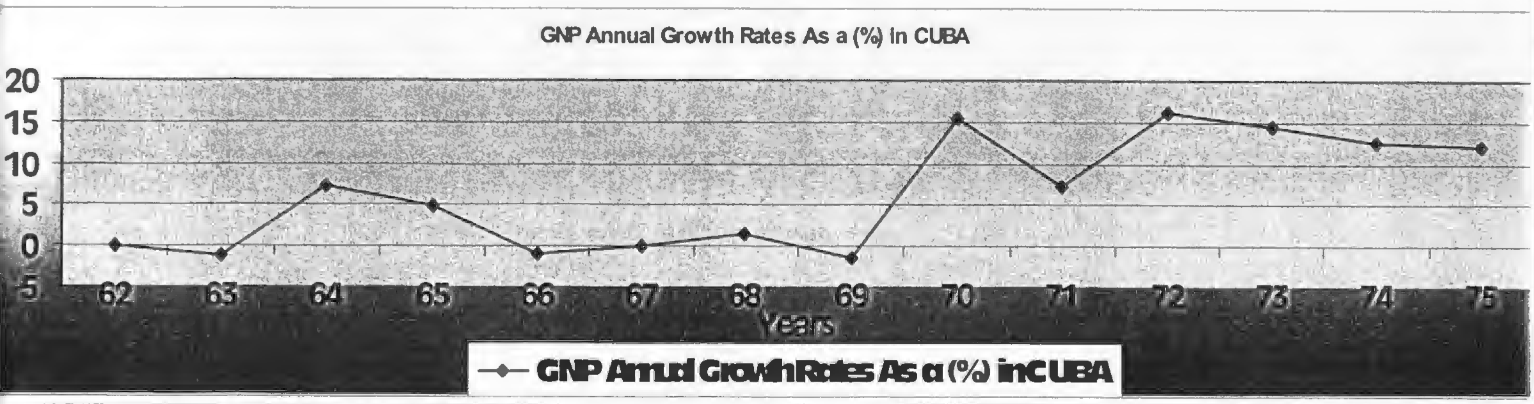
GRAPH 5: IMPORTANCE OF FOREIGN TRADE TO THE CUBAN ECONOMY, 1957-1974
Source: (1) Mesa-Lago, C. (1979). The economy and international economic relations. In Blasier, C. & Mesa-Lago, C. (Eds.), Cuba in the World. Pittsburgh: University of Pittsburgh Press. Pp. 181



GRAPH 6: PHYSICAL OUTPUT OF SELECTED INDUSTRIAL PRODUCT, 1957-1975
Source: (1) Mesa-Lago, C. (1979). The economy and international economic relations. In Blasier, C. & Mesa-Lago, C. (Eds.), Cuba in the World. Pittsburgh: University of Pittsburgh Press. Pp. 177



GRAPH 7: GNP ANNUAL GROWTH RATES AS A (%) IN CUBA, 1975-1997
Source: (1) <http://www.eclac.cl/English/Publications/survey98/table2.gif>



GRAPH 8: GNP ANNUAL GROWTH RATES AS A (%) IN CUBA, 1959-1975
Source: (1) Mesa-Lago, C. (1979). The economy and international economic relations. In Blasier, C. & Mesa-Lago, C. (Eds.), Cuba in the World. Pittsburgh: University of Pittsburgh Press. Pp. 170.