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International sanctions: coercion without victory

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Introduction

The proliferation of sanctions is one of the most visible features of contemporary international conflict. Asset freezes, inadmissibilities, embargoes, trade restrictions, price caps, export controls, financial exclusions or prohibitions on the provision of certain services: the instruments have diversified as economies have become more integrated.

This evolution is easily explained. The use of force remains costly, risky and politically difficult to sustain. Inaction, on the other hand, exposes governments to the accusation of weakness or complicity. The sanction makes it possible to occupy the intermediary space. It materializes disapproval, imposes a cost and signals that a violation will not remain without consequences, without immediately committing military means.

The United Nations (UN) currently maintains several sanctions regimes that pursue, inter alia, conflict resolution, non-proliferation and the fight against terrorism. These regimes are administered by committees of the Security Council and may be supported by expert groups or monitoring teams[1]. The European Union (EU), for its part, applies the measures decided by the United Nations, can strengthen them and can also adopt its own "restrictive measures". These are aimed at states, organizations, companies or individuals and take different forms depending on the objective pursued[2]. In the United States, the Office of Foreign Assets Control (OFAC) administers programs that are sometimes general and sometimes targeted, including asset freezes and trade restrictions[3].
However, this densification of the system does not prove that sanctions obtain the desired results more easily. Above all, it shows that they have become an ordinary practice of demonstrating power.

However, their use suffers from a constant ambiguity. Governments often present several different purposes in the same discourse: to punish a violation of the law, to deter other actors, to weaken a military capacity, to isolate a regime, to change its behaviour or to demonstrate the unity of a coalition. These objectives are not necessarily compatible. An effective measure to signal a conviction may not be sufficient to produce a concession. A sanction designed to disrupt an industry can make further negotiation more difficult. A policy aimed at weakening an adversary in the long term does not necessarily offer him a reason to change his conduct.

The main disadvantage of sanctions is therefore not primarily moral. It is strategic. It consists of determining what economic pressure can actually achieve, over what time frame and at what cost for those who exert it.

[1] United Nations Security Council. (n.d.). *Sanctions*. United Nations. https://main.un.org/securitycouncil/en/sanctions/information

[2] Council of the European Union. (2026, July 27). *Types of sanctions the EU adopts*. https://www.consilium.europa.eu/en/policies/sanctions-different-types/

[3] U.S. Department of the Treasury, Office of Foreign Assets Control. (n.d.). *Sanctions programs and country information*. https://ofac.treasury.gov/sanctions-programs-and-country-information

I. Punishment must be seen not as an end, but as an instrument of constraint

An international sanction does not produce its effect in absolute terms. It acts in a relationship between an issuer, a target and a set of third parties that may apply, circumvent or offset the restrictions. This relationship distinguishes punishment from a simple economic loss.

A price shock, a banking crisis or a natural disaster can impoverish a state. They are not trying to get a decision from him. The sanction, on the other hand, explicitly associates a deprivation with a political demand. It is based on the idea that the target will prefer to change his or her behaviour rather than continue to bear the costs imposed on him.

This logic presupposes first of all that the goal pursued is identifiable. A sanction cannot exert a coherent constraint if its objective remains undetermined or expands over time. Demanding the withdrawal of force, the cessation of a programme, the release of detainees or the opening of negotiations corresponds to distinct ends. Each requires a specific pressure level, temporality and lifting conditions.

Coercion can only have its full effect if the target sees the possibility of relief. When a regime believes that sanctions will be maintained regardless of its concessions, it no longer has a direct incentive to change the policy. Instead, it will seek to adapt, shift costs onto the population and develop new partners.

This difficulty is particularly visible today in relations between States, where the use of sanctions has become frequent. Sanctions are often easier to adopt than to lift. Their repeal can be interpreted as a weakness, arouse opposition from groups that demand their continuation or come up against complex legal and political procedures. As the motives accumulate (security, human rights, proliferation, corruption) the target may no longer know which concession would be enough to restore a relationship of understanding.

The sanction then ceases to be a conditional instrument. It becomes a permanent regime of economic hostility.
However, permanent pressure can contain, weaken or insulate. It is more difficult to constrain, since constraint implies the possibility of an exit.

II. The extent of the damage inflicted does not necessarily translate into a change in political behaviour

A common strategic mistake is to equate economic efficiency with political efficiency. A sanction can reduce exports, complicate access to credit, cause capital flight, slow down investment, or increase the cost of imports. These effects are measurable. They do not say, on their own, whether the political decision sought will be taken.

The transmission between economy and politics depends on the structure of the targeted regime. In a pluralistic system, economic deterioration can result in electoral, parliamentary or social pressure on the government. In an authoritarian regime, leaders can control information more, suppress dissent, and distribute scarce resources to the groups needed to maintain them.

And the costs are never evenly distributed. Households are suffering from inflation and the scarcity of products. Small businesses are facing financing difficulties. Some elites lose access to their external assets. But other groups can benefit from economic closure: companies protected from competition, intermediaries specializing in circumvention, security institutions responsible for administering shortages or actors benefiting from exceptional licenses.

The sanction can thus create a new political economy. The government distributes access, designates priority sectors and transforms the ability to import or convert foreign currency into a patronage resource. Economic isolation does not necessarily reduce the control of the regime; it can increase the dependence of economic actors on it.

This adaptability explains why sanctions often have their strongest effects at the beginning. Companies are caught off guard, financial circuits are closed and the possibilities of substitution remain limited. Over time, the target changes its suppliers, redirects its exports, turns to new intermediaries and accepts less efficient but politically viable transactions. Studies published under the aegis of the International Monetary Fund (IMF) underline precisely that sanctions and trade barriers tend to be difficult to enforce over time: their initial shock can be significant, before economies develop alternative mechanisms[4].

Success should therefore not be confused with the existence of a cost. The central question is therefore to determine whether this cost affects the actors in a position to influence the targeted policy, whether it affects the interests to which they attach value and whether it remains high enough to make the concession preferable to the maintenance of the initial policy.

[4] Aiyar, S., Presbitero, A. F., & Ruta, M. (2023). What's next for economic research on geoeconomic fragmentation? In S. Aiyar, A. F. Presbitero, & M. Ruta (Eds.), *Geoeconomic fragmentation: The economic risks from a fractured world economy*. Center for Economic Policy Research. https://doi.org/10.5089/GFERFWEEA.072.CH015

III. The use of targeted sanctions has replaced general sanctions, without eliminating their collective effects

The history of sanctions has been profoundly marked by criticism of general embargoes. By targeting a country's economy, sanctions expose people to shortages and deteriorating living conditions without ensuring that leaders are further constrained.

This criticism has encouraged the development of so-called targeted or smart sanctions: asset freezes, travel bans, restrictions on certain companies, products, technologies, people or sectors. UN regimes against terrorist organisations combine, for example, asset freezes, travel bans and arms embargoes on listed individuals or entities[5].

Targeting has a dual ambition. It aims to concentrate pressure on those responsible and reduce the humanitarian consequences for the rest of the population. This ambition is legitimate, but its implementation remains imperfect. Modern economies are made up of interdependencies. A restriction on a bank, transportation company or energy producer does not stop at its owner. It affects its employees, suppliers, customers and institutions who fear being sanctioned in turn.

The private sector often adopts a more prudent approach than is required by law. A bank can refuse a transaction that is nevertheless authorised if it considers the legal or reputational risk to be too high. A carrier can cease all activity in a country when only certain goods are prohibited. This phenomenon of over-compliance broadens the real impact of officially targeted sanctions.

However, humanitarian exemptions are not always sufficient to address these challenges. The legal authorisation to supply medicines or foodstuffs does not guarantee, in practice, that the actors essential to their delivery (banks, insurers or economic operators) agree to intervene and assume the risks. The targeting of sanctions thus makes it possible to refine their legal scope without neutralising their indirect effects. It improves the distinction between targeted and non-targeted actors and activities, but does not eliminate the systemic consequences that may result from financial or commercial exclusion.

This difficulty requires that a sanction be judged on its concrete chain of application, not on its text alone. A measure may appear specific at the time of its adoption and have a much broader effect.

5 United Nations Security Council. (n.d.). *ISIL (Da'esh) and Al-Qaida sanctions list*. United Nations. https://main.un.org/securitycouncil/en/sanctions/1267/aq_sanctions_list

IV. The power of sanctions is that of networks

The most effective sanctions are not based solely on the economic weight of the state that adopts them. They use its position in networks on which world trade depends.

The financial system, invoicing currencies, clearing houses, insurance, technology, software, payment infrastructure and maritime services form gateways. The actor who controls these points can impose constraints on companies that have no direct political link with him.

American power in this area is largely due to the centrality of the dollar, financial institutions and certain technologies. A foreign company can comply with U.S. sanctions not because its government imposes it on it, but because it wants to maintain its access to the U.S. market, banks or suppliers.

This extraterritorial scope gives the sanction considerable effectiveness. It also gives it a contested political dimension. Partners may consider that they are forced to apply a policy that they have not chosen. Companies then bear the cost of a foreign decision, while governments see their commercial autonomy limited by the organization of international networks.

The European Union has sought to strengthen the uniformity and effectiveness of its own measures. European sanctions apply to persons present on its territory, its nationals wherever they may be, entities constituted under the law of a Member State and aircraft and vessels under its jurisdiction[6]. The adoption of common rules criminalising the violation of restrictive measures also responds to the observation that national differences in application weaken the whole system[7].

This development reveals a central fact: the sanction is as strong as the administrative, judicial and financial capacity responsible for enforcing it. Adopting a list or a ban is relatively simple. Identifying the beneficial owners, monitoring transfers, controlling exports, investigating legal arrangements and sanctioning intermediaries require considerable resources.

The constraint therefore does not lie in the initial decision, but in the long-term control of the networks through which it is exercised.

6 ouncil of the European Union. (2024). *How the EU adopts and reviews sanctions.* https://www.consilium.europa.eu/en/policies/sanctions-adoption-review-procedure/

7 Council of the European Union. (n.d.). *Why the EU adopts sanctions.* https://www.consilium.europa.eu/en/policies/why-sanctions/

V. Circumvention is not an anomaly: it is part of the very logic of the sanction

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Any sanction creates a difference between an authorized transaction and a prohibited transaction. This difference produces economic value. The scarcer the product and the stricter the control, the more the potential remuneration of intermediaries increases.

The bypass is therefore not an accidental defect. It is a predictable response. It can take simple forms: change of declared destination, re-export by a third country, change in the ownership of a vessel or splitting of payments. It can also be based on complex architectures: shell companies, nominees, transfers between jurisdictions, document falsification, opaque transport chains and the use of alternative financial systems.

The target is not the only one to adapt. Third countries, companies and criminal networks may find it in their interest to become the new intermediaries of previously direct flows. This dynamic is gradually transforming the geography of trade. Products sometimes continue to circulate, but by longer, more expensive and less transparent routes. The sanction does not always interrupt trade; it degrades it.

This shift can nevertheless have a strategic effect. Importing is becoming more expensive, slower and less reliable. Access to some advanced technologies remains difficult to replace. The proliferation of intermediaries reduces margins and exposes players to more uncertainty. But the evaluation must take into account the difference between a nominal ban and an actual restriction. A decline in direct trade may mask its continuation through third countries.

Export controls are a particular example of this problem. A technology can incorporate many components, be sold to a distributor, and then re-exported or incorporated into another good. End-user verification then becomes central. It requires not only rules, but cooperation with companies, customs and foreign partners.

The increase in sanctions and controls also increases international trade. The IMF notes that the proliferation of trade restrictions, export controls and financial measures makes the economic environment more costly and more legal, including for actors who do not seek to circumvent the rules[8].

The sanction thus imposes a cost on three levels: on the target, on the actors responsible for applying it and on the economic system which must constantly distinguish between lawful and prohibited transactions.

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8 Gopinath, G. (2024, May 7). *Geopolitics and its impact on global trade and the dollar* [Speech]. International Monetary Fund. https://www.imf.org/en/news/articles/2024/05/07/sp-geopolitics-impact-global-trade-and-dollar-gita-gopinath

VI. Coalitions determine effectiveness as well as severity

A unilateral sanction can be politically significant, but its impact remains limited when the target has partners capable of replacing lost flows. The size of the coalition is therefore decisive. The more the main markets, suppliers, financial centres, insurers and carriers participate in the scheme, the more the possibilities for substitution decrease.

This reality explains the importance of the sanctions decided by the Security Council. When they are adopted under the United Nations Charter, they enjoy an authority and international scope that national or regional measures do not have. However, their adoption remains subject to the balance of power between the permanent members. The more the sanction targets an issue related to the interests of a great power, the more difficult consensus becomes.

Western coalitions can partially compensate for this blockage with their economic weight. However, they do not represent the entire international system. Third States assess sanctions on the basis of their own interests. Some share the political objective without accepting all the restrictions. Others reject what they see as an overextension of Western jurisdiction. Still others benefit commercially from the withdrawal of sanctioning companies.

This situation does not mean that sanctions fail as soon as they are not universal. It means that their effect depends on the control of specific sectors. A small coalition can be decisive if it dominates an irreplaceable technology, a financial service or a specialized insurance. Conversely, a very broad coalition can have little effect if it does not control the essential resource sought by the target.

Effectiveness thus depends less on the number of participating states than on their centrality in the dependencies of the adversary. This centrality is evolving, however. Sanctions provide incentives for exposed actors to diversify their reserves, currencies, payment systems, suppliers, and markets. Today's measures therefore change the conditions for the effectiveness of future measures.

VII. The sanction can accelerate the fragmentation it exploits

Economic coercion is based on interdependence. It assumes that the target has something to lose in the relationship. But the repeated use of this interdependence as a political instrument may lead States to seek protection from it. They develop domestic production, conclude new agreements, strengthen payments in alternative currencies and create infrastructures less exposed to dominant jurisdictions. This adaptation does not necessarily lead to complete decoupling. Such a break would be too costly for most economies. Rather, it produces selective fragmentation.

States distinguish between ordinary sectors, in which economic efficiency remains a priority, and strategic sectors, in which they accept more costs in order to reduce their vulnerability. The IMF notes that sanctions and security considerations contribute to the recomposition of value chains and can promote diversification of currencies used in cross-border transactions[9]. More broadly, it highlights the progression of geo-economic fragmentation, in a context of increasing trade restrictions and financial sanctions[10].

Sanctions therefore present a paradox. They draw their power from the centrality of existing financial, technological and commercial networks. But their intensive use can encourage the construction of competing networks and ultimately reduce the centrality that makes them effective. This does not mean that the instrument should be abandoned. It imposes a hierarchy.

Employing a dominant position against any political divergence risks accelerating circumvention strategies. Reserving it for the most serious violations can preserve the legitimacy and effectiveness of the tool for longer. The sanction does not only consume the target's resources. It consumes part of the trust placed in the neutrality of international networks.

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[9] Aiyar, S., & Ilyina, A. (2023). Geoeconomic fragmentation: An overview. In S. Aiyar, A. F. Presbitero, & M. Ruta (Eds.), *Geoeconomic fragmentation: The economic risks from a fractured world economy* (pp. 9–18). Centre for Economic Policy Research. https://doi.org/10.5089/GFERFWEEA.072

[10] Gopinath, G. (2024, May 7). *Geopolitics and its impact on global trade and the dollar* [Speech]. International Monetary Fund. https://www.imf.org/en/news/articles/2024/05/07/sp-geopolitics-impact-global-trade-and-dollar-gita-gopinath

VIII. Punishing, deterring, containing or negotiating: objectives that must be distinguished

A sanctions policy can pursue at least four objectives. The first is expressive. It is a question of marking that a behaviour is incompatible with the norms or interests defended by the coalition. The sanction then distinguishes conviction from simple verbal protest.

The second is a deterrent. The measure is less about changing the target's current behaviour than about convincing other actors that similar acts would entail a cost.

The third is capacity-based. The sanction seeks to reduce the financial, industrial, military or technological means available to the adversary. An immediate change in its policy is not essential; it is sufficient that its possibilities of action are gradually limited.

The fourth is coercive in the strict sense. It aims to obtain a specific concession in exchange for relief.

These objectives may coexist, but they should not be confused. A sanction can fail to coerce while succeeding in slowing down a program or preserving the unity of a coalition. Conversely, it can impose considerable damage without deterring other actors if they consider the case to be exceptional or that their own economy is less vulnerable.

The clarity of the assessment therefore depends on the clarity of the objective. To present any lack of concession as a failure ignores the functions of signaling or degradation of capabilities. Presenting any economic damage as a success masks the possible absence of a political outcome.

Ambiguity sometimes serves governments. It allows them to proclaim the effectiveness of the instrument regardless of the target's behavior. However, it weakens the strategy, as the measures are neither calibrated nor evaluated according to a precise purpose. A serious policy must say what it seeks to achieve, within what time frame, by what mechanism and according to what criteria it could be modified or interrupted.

IX. Sanctions also transform those who impose them

Economic coercion is never gratuitous. Companies are losing markets. Consumers may experience higher prices. Administrations must finance control mechanisms. Tensions between allies increase when costs are unevenly distributed.

This distribution is a major element of cohesion. A state that is less dependent on a product or a market can support a sanction more easily than a partner whose industry, energy or exports are directly exposed. The coalition must then organise compensation, exemptions or transition periods.

Without a sharing mechanism, the most affected members develop an incentive to circumvent or relax. The private sector plays a decisive role here. It is the banks, manufacturers, insurers, platforms and carriers who translate the political decision into an effective interruption of trade. They have to identify the entities involved, verify beneficial ownership, adapt their software, and interpret sometimes complex standards.

The increasing sophistication of sanctions therefore increases the power of compliance departments. It favours large companies capable of absorbing these costs and penalises small structures more. It can also lead operators to abandon certain areas or customers entirely to avoid any risk.

The sanction thus modifies the economic organization of the countries that impose it. It strengthens certain sectors, encourages the relocation of certain productions and places more commercial decisions under a national security logic. Its repeated use contributes to the gradual blurring of the boundary between economic and foreign policy.

X. The law protects the legitimacy of the instrument, but limits its flexibility

Targeted sanctions directly affect the rights and property of individuals or companies. Their legitimacy therefore depends on procedures that make it possible to precisely identify the persons concerned, to justify registrations and to provide for mechanisms for contesting or withdrawing.

This requirement is not a secondary formism. A poorly drawn up list exposes people who are not sufficiently linked to the targeted behaviour, weakens the sanctions before the courts and reduces the confidence of the actors responsible for applying them. International regimes have gradually developed revision and de-listing procedures. The consolidated list of the Security Council includes the individuals and entities covered by the different regimes, without meaning that the criteria for listing are identical from one regime to another[11]. The regular changes to certain lists show that the system is not intended to be definitively fixed[12].

The revision is also a strategic imperative. A sanction that has become unrelated to its objective loses its coercive function. The removal of an obsolete designation does not necessarily constitute a weakening; it can restore the accuracy and credibility of the whole. The US authorities themselves have embarked on an operation to modernise certain lists in 2026, including the removal of targets considered to be outdated[13].

The law sometimes slows down the decision. It requires evidence, procedures and possibilities of appeal. But this constraint protects the instrument from being transformed into discretionary power. A credible sanction must not only be severe. It must be well-founded enough to withstand time, judicial review and political change.

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[11] United Nations Security Council. (2026, August 18). *United Nations Security Council consolidated list*. Retrieved August 20, 2026, from https://main.un.org/securitycouncil/en/content/un-sc-consolidated-list

[12] United Nations Security Council. (n.d.). *Press releases: ISIL (Da'esh) and Al-Qaida Sanctions Committee*. Retrieved August 20, 2026, from https://main.un.org/securitycouncil/en/sanctions/1267/press-releases

[13] U.S. Department of the Treasury. (2026, May 28). *Treasury begins sanctions modernization effort by removing outdated entries*. https://home.treasury.gov/news/press-releases/sb0509

XI. Limitations of the device

Sanctions are particularly ill-suited when the objective requires a decision that the regime considers existential. A government can accept a considerable economic loss rather than give up territory, its political survival, a program presented as essential to its security, or a principle that has become central to its domestic legitimacy.

In such cases, increasing the pressure does not necessarily produce a concession. This can reinforce the belief that the conflict is between the survival of the regime and that of its opponents. Sanctions also meet a limit when the population has no institutional means to translate their suffering into political change. The impoverishment can then become lasting without directly affecting the ruling circle.

Finally, they are not a substitute for a diplomatic strategy. Pressure can create a balance of power that is favourable to negotiation. It defines neither the acceptable compromise, nor the guarantees, nor the political order that must follow.

When they are not articulated with a proposal to leave, sanctions tend to become a default policy. They make it possible to maintain a hostile posture without having to choose between escalation, negotiation and acceptance of the status quo. This waiting function partly explains their longevity. It should not be confused with a strategy.

XII. Strategic implications

The design of a sanctions regime should begin with an explicit theory of coercion. It is necessary to identify the decision sought, the actors capable of making it, the resources to which they are sensitive and the possibilities of substitution available to them. The next step is to determine how the costs will be passed on to them, rather than simply assuming that the general deterioration of the economy will change their behaviour.

The coalition must also be thought of on the basis of the targeted dependencies. Broad diplomatic support is useful, but control of technologies, financing, markets or services that are really essential is more useful. The measures must be regularly evaluated. This assessment cannot be limited to the number of entities listed, the volume of assets frozen or the decline in direct trade. It must examine circumvention flows, humanitarian effects, adaptations to the target and the consequences on the participating economies.

Finally, it is necessary to preserve a gradation. Not all sanctions should be imposed immediately. A gradual increase in pressure retains levers and makes it possible to respond to an escalation. Conversely, non-hierarchical accumulation can quickly reach a ceiling beyond which the coalition has only the choice between inaction and force. A sanction strategy must therefore provide for the conditions for its intensification, but also those for its relief.

The levy must not be improvised after the concession. It must be precise enough to become an element in the calculation of the target. Without this credibility, the pressure remains punitive; it ceases to be truly coercive.

Conclusion

International sanctions occupy an increasing place because they respond to a structural difficulty of contemporary power: acting against an adversary without immediately assuming the cost and risk of war. They make it possible to condemn, isolate, slow down and sometimes coerce. Their flexibility explains their political success. It also explains their excessive use.

A sanction easily gives the impression that a decision has been made. Its actual effectiveness is much more difficult to establish. The economic losses are visible; The relationship between these losses and political behaviour remains unclear.

The main misunderstanding is to believe that the intensification of the damage necessarily brings the concession closer. It can also strengthen the control apparatus, consolidate a circumvention economy, distance partners and convince the target that standardization no longer depends on its conduct.

The power of a sanctions regime therefore does not lie in the length of its lists or in the formal scope of its prohibitions. It is due to the precision of its objective, the centrality of the dependencies it mobilises, the cohesion of the coalition and the credibility of the way out it proposes.

The sanction is effective when it modifies a calculation. When it is content to express lasting hostility, it can weaken the adversary, but it no longer constrains him. It administers the rupture.