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On the futility of the economic sanctions on Russia over the crisis in Ukraine

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On the 31st of July, the European Union, by way of the Decision 2014/5127PESC and the Ruling (EU) 83372014, imposed a series of economic sanctions upon Russia motivated by its alleged role in the destabilization of Ukraine. It has also been announced that they may be the prelude to further, even harsher restrictions, and the European authorities have committed to encouraging third-party nations to follow their example and adopt similar restrictive measures.

There are many highly authoritative voices that have highlighted the fact that sanctions on Russia could significantly harm the European economy, which would see economic growth diminish by approximately 50%. This is extremely worrying when the majority of countries in the European Union are hard-pressed to escape a grave economic crisis, which could find itself deeply affected by the sanctions against the Russian Federation.

However, we in this article do not wish to focus on the ever-important economic inconveniences posed by these restrictions, rather we want to highlight their inadequate practical utility and how in fact they really only endanger social sectors tenuously linked to the political power of the sanctioned State.

Firstly we must note that many writers, especially American ones – which is no less significant due to the role traditionally played by their country in these situations, and we are forced to refer to the indisputable book by Hufbauer, Schott, Elliot y Oegg (*Economic Sanctions Reconsidered*, 3 ed., Washington, 2007) – have demonstrated, by sustaining a rigorous economic and statistical analysis, how such sanctions lack efficacy and have only perverse effects. It has been pointed out that they have insufficient political consequences, as they only strengthen the sanctioned government, especially their most radical and extremist sectors, who believe they are justified as victims of overseas bullying and feel compelled to adopt stances which are even more extreme. In this situation, the toughening of the United States' oil embargo on Japan in the Autumn of 1941 is always used as an example case, because all it did was engineer the fall of Prince Konoye's moderate cabinet and allow the warmongers to seize power, the consequences of which we all know. In this respect there have already been people from many different sectors, including from the political world, who have established parallels between the current situation and that which was experienced in Europe one hundred

years ago in the days prior to the outbreak of the First World War.

New alliances with China or Iran

Economic sanctions, especially when they are given extraterritorial projection, can also endanger countries allied with the State or Supranational Entity that imposes them, countries who in many cases find themselves obliged to comply with policies they do not necessarily share. For example, Turkey will end up with the difficult task of having to choose between the European Union, which it aspires to be a part of, and the Russian Federation, with which it has important economic ties. Likewise, it endangers businesses - including its own - who lose markets, suppliers, etc., since the sanctioned State usually forges new alliances and finds other suppliers and clients. Therefore the current sanctions will take effect, and undesirably so for Europe, as Russia will mend bonds with countries like China, Iran, etc., who will fill the economic gaps abandoned because of the disciplinary measures. Finally, it must be considered that economic sanctions manifest their impact more negatively upon the middle classes and the weakest sectors of the sanctioned country. In conclusion, the only thing that is

achieved is the creation of further tension upon already strained international relations.

Indirect effects

Moreover, economic sanctions can have some extremely perverse indirect effects, as they certainly do extend to sectors which in principle are not affected, jurisdictionally speaking. A clear example of this reality lies in the indirect impact that the European Union sanctions are having on the exportation of food and medical and pharmaceutical products to Iran. Of course there are areas which are not affected by the prohibitions; however the exportation of such goods from Europe is tremendously complicated in practice and almost impossible due to the scope of these limitations which exist with regards to financial operations, transport, insurance, etc. Hence international commerce which is indispensable for the survival and the most elemental wellbeing of societies is prevented, influencing fundamental rights inherent to human dignity.

The considerations we have made here, and others which might have been made in more thorough manner, must be kept in mind by the European authorities when the times comes to put sanctions on Russia.

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