

Policy Brief

THE HUMAN COST OF ECONOMIC COERCION

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Cuba has faced severe power outages since President Donald Trump imposed a de facto oil blockade on the Caribbean island earlier this year. With his executive order on January 29, 2026, he declared Cuba “an unusual and extraordinary threat” to the US and authorized extensive tariffs against any country that directly or indirectly provides Cuba with oil. On May 1, 2026, another executive order further tightened sanctions against the country. Cuba has faced a US trade embargo for more than six decades that has significantly constrained the country’s economic development and restricted its access to international markets, capital, goods, and services. The recent blockade has exacerbated economic conditions, further worsening the humanitarian crisis. In March, the Cuban government reported that around 96,400 patients were awaiting surgery, 30,000 children had their vaccinations delayed, and the blackouts have led to further complications affecting thousands of patients. In mid-May, Cuba’s energy minister declared the country had run out of diesel and oil fuel. While the focus of debates around sanctions is usually on their imposition and success, this recent crisis underscores an aspect that receives relatively little attention, namely, their humanitarian consequences.

RETHINKING THE HUMANITARIAN IMPACT OF SANCTIONS

Economic sanctions have become a leading tool for responding to issues of peace and security.¹ They are imposed to address issues ranging from human rights and democracy to nuclear non-proliferation and armed conflicts. Sanctions can pursue three objectives.² First, they can signal opposition to the target’s policies or norm violations. Second, they seek to constrain the target’s military or economic capabilities. Third, they aim to coerce the target into changing its policies. To achieve one or several of these goals, sanctioning states use a wide range of coercive measures, ranging from targeted ones (such as asset freezes and travel bans), over sectoral measures that partially block trade or access to financial institutions, to comprehensive measures that completely suspend trade with the targeted country.

The more comprehensive the sanctions instruments are, the higher the humanitarian impact on the population in the targeted country.³ These humanitarian consequences are often framed as the “unintended consequences” of sanctions.⁴ This terminology, however, is debatable, as the logic of imposing comprehensive sanctions is to constrain the economy of targeted states in order to pressure their governments to acquiesce to sanctions demands. Therefore, the impact of these measures should not be framed as accidental. The most prominent case exemplifying the humanitarian consequences of sanctions is Iraq, where the United Nations (UN) embargo, imposed in August 1990 after the Iraqi invasion of Kuwait, significantly contributed to the collapse of state

infrastructure and was linked to increased child mortality rates,⁵ as well as shortages of food, medicine, and medical equipment.

LESSONS (NOT) LEARNED FROM IRAQ

The case of Iraq led to widespread criticism that mainly addressed two issues: the humanitarian crisis in the country and the ineffectiveness of the sanctions, which not only failed to achieve the (implicit) goal of regime change but even generated domestic gains for Saddam Hussein's government.⁶ This put pressure on the sanctioning states and ultimately prompted a series of reform initiatives. Against the backdrop of increasing concern over the humanitarian impact of the Iraq sanctions, the Interlaken, Bonn–Berlin, and Stockholm processes sought to reform UN sanctions policy.^{7,8} These three initiatives sought to make sanctions more targeted in an effort to increase the effectiveness of these coercive instruments while minimizing harm to the general population.

Indeed, a notable shift in UN sanctions policy is visible in the post-Iraq period, particularly regarding the inclusion of sunset clauses to avoid open-ended sanctions, as well as review provisions, and monitoring bodies, the importance of which were repeatedly emphasized during the reform processes in the context of Iraq.⁹ Most importantly, there has been a move away from the imposition of comprehensive embargoes toward more targeted measures directed at specific sectors of the economy, particular commodities, or specific individuals and entities.

Despite these reforms, research has repeatedly shown that sanctions, especially those that employ financial and trade related measures, significantly increase income inequality and unemployment, while also slowing down GDP growth and weakening national currencies in targeted countries.^{10,11,12} Besides their negative economic effects, sanctions have also been shown to worsen human rights conditions in targeted states.¹³ Thus, researchers have established that sanctions have consequences for the welfare of people in targeted states similar to those of militarized disputes.¹⁴ Most recently, a study published in *The Lancet* estimated that unilateral sanctions were associated with an annual toll of 564,258 deaths.¹⁵

Over the years, sanctions campaigns against countries have emphasized the continued humanitarian consequences of these coercive measures. For example, Venezuela has faced US sanctions since 2005. The sanctions were first imposed during the presidency of Hugo Chávez. Over time, they were intensified by the US and its allies and came to target specific sectors, individuals, and entities. As sanctions pressure increased, so too did the humanitarian harm inflicted on the country. The effects of the sanctions were felt most severely with the launch of the first Trump administration's "maximum pressure" campaign, which targeted the gold, petroleum, and financial

sector, while also invoking secondary sanctions against any foreign entities financially supporting Nicolás Maduro's regime. Although these sanctions were, at least formally, directed at specific sectors, entities, and individuals, the sanctions targeting Petróleos de Venezuela (PdVSA) illustrate the comprehensive nature of the measures, since oil exports are the country's main source of revenue. Indeed, PdVSA accounts for a large share of Venezuela's GDP and even at the height of sanctions, it was the country's largest employer. Consequently, sanctions, in combination with government mismanagement, are estimated to have contributed to a 74.3% contraction in Venezuela's GDP between 2014 and 2021. This example underlines how sanctioning states often find ways to maintain economic pressure campaigns that are comprehensive in practice by targeting the most crucial sectors of the economy, ultimately affecting the broader population.

Iran is another high-profile sanctions case, as the country has been continuously facing US sanctions for more than four decades. The UN joined the sanctions campaign in 2006 over Iran's nuclear program, while the European Union (EU) imposed additional sanctions in response to human rights concerns in 2011. Economic pressure on Iran was further escalated in 2012, with sanctions targeting individuals and entities, but most importantly the country's oil and financial sectors. These measures constituted the harshest sanctions imposed by the EU against Tehran up to that point.¹⁶ Similar to the case of Venezuela, the sanctions, combined with government mismanagement, have led to significant economic decline in the country since 2012. The sanctions have also had negative humanitarian effects, as they have reduced the availability of foodstuffs, medicine, and medical equipment, among other things.¹⁷ While the Joint Comprehensive Plan of Action (JCPOA), also known as the Iran Nuclear Deal, lifted all nuclear-related sanctions against Tehran in 2016, the economic relief was limited and short-lived. After taking office in 2017, Trump launched a "maximum pressure" campaign that restored and strengthened sanctions, further deteriorating economic conditions in the country. The humanitarian costs of the sanctions included, but were not limited to, a shrinking middle class, shortages of pharmaceutical products, and deficiencies in the health sector that constrained the country's response to the COVID-19 crisis.^{18, 19}

A final and more recent example highlighting the humanitarian costs of sanctions is the case of Syria. Syria has been facing US sanctions since 1979, when Washington declared it a state sponsor of terrorism (SST). The country faced several rounds of sanctions over the years, most prominently in 2011, when both the EU and the US targeted Bashar al-Assad's regime over human rights violations, repression, and war crimes. The different rounds of sanctions expanded the coercive measures from targeting individuals and entities to hit Syria's key sectors, such as energy, finance, and transport. The sanctions pressure reached its peak with the US Caesar Syria Civilian

Protection Act of 2019, which expanded the sanctions to any foreign actor supporting the Syrian government, military, or the country's reconstruction efforts more generally. Because of their broad scope, and exacerbated by government policies, the sanctions significantly contributed to the economic crisis in the country during the civil war. The sanctions regimes on Syria have been shown to have contributed to higher unemployment, rising prices of basic commodities, and disrupted remittance flows, thereby affecting the broader population.^{20,21} While the sanctions included exemptions for humanitarian goods, they nevertheless constrained humanitarian operations. For example, the Caesar sanctions impacted public health infrastructure, as health centers and hospitals were severely damaged during the war and the sanctions limited and complicated reconstruction assistance by foreign actors.

More strikingly, even after Western sanctioning states decided to lift most of the sanctions against the country after the fall of Assad in December 2024, both the humanitarian and private sector still reported constraints on engaging with Syria. The country continues to face a complex web of regulations, in which Western actors have suspended some sanctions and exempted certain sectors, while some measures, such as the longstanding SST designation, remain in place.²² For private sector actors, the risks associated with engaging with the Syrian market remain high. This has led private companies to overcomply with the remaining sanctions. Banks in particular are reluctant to risk violating sanctions laws and instead employ de-risking strategies by avoiding engagement with Syria altogether. Naturally, this has affected humanitarian work in the country as well.²³

This lingering effect of sanctions, or in other words the "sanctions hangover", is not a Syria-specific phenomenon. It was also the case in Iran after the JCPOA, where private actors remained reluctant to engage with the country after the Nuclear Deal was enforced and all nuclear-related sanctions had been removed. This highlights a dangerous pattern, namely that the humanitarian cost of sanctions can remain even when the measures have been formally terminated.

CONCLUSION: LIMITS OF SANCTIONS REFORM & THE NEED FOR ACCOUNTABILITY

The recent high-profile sanctions case against Cuba indicates a return to more comprehensive sanctions measures. This suggests that previous attempts to reform sanctions practices from comprehensive to targeted at the UN level do not successfully shield populations in targeted countries from unilateral 'maximum pressure' sanctions campaigns. Similarly, more recent initiatives, such as the UNSC resolution passed in December 2022, which established a humanitarian carve-out that allows the "timely delivery of humanitarian assistance" within sanctions programs, have not mitigated

the operational constraints and the increased costs facing humanitarian organizations and non-profits in targeted countries. It has also not addressed the broader disruptions to global trade and financial flows that are often caused by sanctions.

Currently, there is no code of conduct governing sanctions practices, nor anything comparable to the Geneva Conventions for armed conflict.²⁴ This raises the question of whether a more just framework for regulating economic coercion is even possible. Several obstacles stand in the way of establishing such a framework. First, asymmetrical economic power structures allow some parties to “weaponize interdependence”²⁵ to a much greater extent and impose significant harm on weaker actors. As a result, the use of economic coercion is biased in favor of powerful states, which can decide when to employ sanctions, when to turn a blind eye, and whom and how to punish. Second, recent high profile cases signal a return to the logic held by sanctions’ senders that the greater the economic pain inflicted on the targeted country, the higher the chances of achieving policy gains.²⁶ Third and relatedly, despite the aforementioned reforms and humanitarian carve-outs, the humanitarian consequences of economic sanctions persist. Moreover, the employed sanctions measures, despite being more targeted, not only inflict harm on those in power but also affect the general population in the sanctioned state. This, in turn, raises the question whether the humanitarian consequences of sanctions are indeed unintended or accidental.²⁷

Sanctions are an economic tool that is likely here to stay, as states increasingly rely on them to respond to contemporary crises. Therefore, the international community should agree on principles that govern sanctions conduct and aim to mitigate the negative consequences of sanctions on broader populations. Greater accountability is needed, including mechanisms to monitor those employing these tools of economic coercion and to systematically assess their humanitarian impact whenever such measures are deployed. Finally, sanctioning states should bear an obligation to ensure that, once an economic pressure campaign is ended, sanctions termination translates into tangible economic recovery for those who were targeted.

While a just framework may be difficult to envision, stronger monitoring and accountability mechanisms could help minimize the humanitarian consequences of sanctions. At the same time, such measures could make sanctions more effective in targeting the individuals and entities that fail to uphold international norms and threaten international peace and security, thereby strengthening the utility of sanctions as an instrument of international politics.

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