

## Effect of sanctions on government performance

Sanctions have large effects on government performance, wherein the effects are mediated by the type of regime.

Geographical region: Global

Effect size: Large effect ( $g=0.288$ )

Confidence in study findings: Low (5 studies with 9 effect sizes)

### Short summary

Sanctions, including financial penalties, trade restrictions, and asset freezes, target authoritarian regimes to pressure political reform and improve governance. While sanctions often weaken fiscal and administrative capacities, their impact varies by regime type. Personalist regimes experience destabilization and reduced public spending, whereas single-party and military regimes reallocate resources to maintain support, highlighting mixed governance outcomes. We have low confidence in the findings due to the findings across the studies tend to be inconsistent.

### Long summary

#### *The intervention*

Sanctions include comprehensive and targeted measures such as financial penalties, trade restrictions, and asset freezes. These sanctions often aim to pressure authoritarian regimes into political reforms, improve governance, or address human rights abuses. They target key regime actors and institutions, including governments, ruling elites, and state apparatuses. The studies span different timeframes and contexts, with data covering sanctions from the 1950s to the 2010s. Examples include U.S. and U.N. sanctions, democratic sanctions, and post-9/11 targeted sanctions, which vary in their scope and duration.

#### *How the intervention is expected to affect this outcome*

Sanctions are designed to influence access to justice, rights, and public services by constraining the resources and behavior of targeted regimes. Resource constraints, such as financial penalties, trade restrictions, and asset freezes, reduce a regime's fiscal and administrative capacity, weakening judicial systems, public service delivery, and legal protections. The rationale is that by limiting resources, sanctions will pressure regimes to prioritize reforms over repression. However, the impact varies across regime types: personalist regimes often cut public expenditures to maintain elite loyalty, while single-party and military regimes reallocate resources toward subsidies or military priorities, thereby mitigating the intended effects of sanctions.

#### *The evidence base*

This cell includes: 5 impact evaluations and 2 qualitative studies. All of the studies used global datasets, spanning various timeframes and regions, with some studies assessing the impact of democratic sanctions and post-9/11 targeted sanctions.

### *Evidence findings*

Sanctions impact government performance differently across regime types and contexts. In personalist regimes, they reduce public spending, and destabilize leadership, increasing the likelihood of irregular transitions. Single-party and military regimes reallocate resources toward subsidies and military spending, demonstrating greater resilience. Sanctions weaken fiscal and administrative capacity. While democratic sanctions modestly improve governance by increasing democracy scores, their effectiveness depends on context. Post-9/11 targeted sanctions exacerbate governance challenges like corruption but do not significantly destabilize government structures overall.

### *Included studies*

**Escribà-Folch (2010)** investigates the effects of economic sanctions on the stability of authoritarian regimes, with a focus on how different regime types—personalist, single-party, and military—mediate these impacts. The study examines how sanctions influence the likelihood of leadership changes and regime durability, distinguishing between regular and irregular (such as coup-driven) transitions. Using panel data from authoritarian regimes between 1950 and 2002, the authors employ logistic regression to assess the relationship between sanctions and leadership stability across regime types. The study controls for factors such as economic growth, regime duration, and conflict involvement to isolate the effects of sanctions on authoritarian rule. A Cox proportional hazards model and a fixed-effects model were further employed to check for robustness. Findings suggest that in personalist regimes, sanctions significantly increase the likelihood of ruler exit by depleting resources and weakening the ruler's ability to maintain loyalty. In contrast, single-party regimes are more resilient, with sanctions decreasing the likelihood of exit as these regimes bolster support through increased public expenditures on subsidies and transfers. Military regimes show mixed effects, reallocating resources to maintain elite loyalty but with no clear pattern of increased ruler exit. This study is rated medium confidence as it is a non-experimental study.

**Escribà-Folch (2011)** investigates how economic sanctions affect authoritarian regimes' strategies regarding repression and public spending, focusing on how different regime types respond to external pressure. The study suggests that the impact of sanctions on a regime's stability and policy choices is closely tied to its type, with sanctions influencing authoritarian leaders' reliance on repression or loyalty through public expenditures. The analysis covers 1970 to 2000, using data on regime types, public expenditures, and repression levels across authoritarian states. The study categorizes regimes into personalist, single-party, and military types, each with different support structures and governing strategies. To analyze the impact of sanctions, the study employs fixed-effects panel regression, instrumental variable Generalized Method of Moments estimator, and an ordered logistic regression. The findings reveal that sanctions lead personalist regimes to significantly reduce public expenditures across all categories, weakening their capacity to support key constituencies. In contrast, single-party and military regimes increase targeted spending to benefit their support groups, mitigating the destabilizing effects of sanctions on regime stability. The study is rated low confidence due to the absence of detailed information on power calculation. The description of the intervention was also rather little.

**Liou (2020)** examines how economic sanctions affect human rights conditions in target countries, focusing on the pathways through which sanctions may lead to increased repression. The study analyzes both direct effects of sanctions on repression and two indirect mechanisms: increased domestic dissent and reduced government capacity. Using a time-series, cross-national dataset covering 152 countries from 1990 to 2005, the study applies causal mediation analysis to identify whether and how dissent and government capacity mediate the impact of sanctions on human rights abuses. The analysis relies on measures from the Physical Integrity Rights Index, sanctions data from the Threat and Imposition of

Economic Sanctions (TIES) dataset, and additional variables capturing dissent intensity and government capacity. The analysis also shows that sanctions weaken government fiscal and administrative capacity. The study is rated low confidence due to little description of the intervention

**von Soest (2014)** examines the effects of “democratic sanctions” (those that explicitly aim to promote democracy), on authoritarian regimes (which have become the most common type of sanction issued against authoritarian states). It introduces a data set that categorizes sanctions by their explicit objectives, distinguishing those aimed at democratization from other types of imposed sanctions from 1990–2010. This cross-sectional time-series study includes a sample of 2,079 country-years, with 532 country-years during which sanctions were imposed. All included cases were considered authoritarian at the start of the sanction episode. The main outcome of interest was the change in the level of democracy, measured using a combined Freedom House and Polity IV score. The study found that Democratic sanctions were associated with an increase of 0.160 points per year in the democracy score of targeted authoritarian countries. This result was statistically significant ( $p < 0.05$ ). The positive effect of democratic sanctions remained significant after controlling for comprehensive sanctions, with the coefficient slightly larger at 0.197 in additional analyses. The study is rated as medium confidence as it is a non- experimental study design.

#### *Confidence assessment*

Overall low: While most of the studies are rated medium, the findings across the studies tend to be inconsistent.

#### **Other outcomes in the study:**

Violence and atrocity prevention / Nature and scale of violence or atrocities

Human security / Economic security

Human security / political security

Violence and atrocity prevention / nature and scale of violence and atrocities