**sanctions…and counter-sanctions**

**Key Findings**

Over the last few decades, we have witnessed the shift from the United Nations (UN)-led multilateral sanctions to unilateral/autonomous sanctions imposed by the West, Russia, China and countries in West Asia and Africa to fulfil their foreign policy objectives.

* **Sanctions and statecraft**
	+ Sanctions are defined as restrictive measures that fall in between diplomacy and military action. They are primarily tools of coercion to change the behaviour of individuals, organisations, or states.
	+ Conceptualising sanctions has been challenging as countries often term purely restrictive trade measures like non-tariff barriers, selective purchases, state led consumer boycotts, etc., as sanctions. Nonetheless, in measuring the efficacy of sanctions, the cumulative impact of these trade measures must also be considered.
	+ Sanctions can prove successful vis-à-vis smaller countries with limited abilities. like Libya. In the case of larger countries like Russia and China, it merely delays or slows down their economic development.
	+ Questions over their efficacy notwithstanding, sanctions are a preferable alternative to war. They can work better when combined with other tools like mediation and peacekeeping.
* **Shift from multilateral to unilateral/autonomous sanctions**
	+ This shift is paradigmatic and has happened for various reasons:
		- Sanctions imposed to supplement UN measures. For instances, sanctions against North Korean nuclear proliferation;
		- Sanctions adopted in the complete absence of measures taken by the UN. For instance, unilateral sanctions on Syria;
		- Restrictive measures to tackle issues outside of the UN framework like corruption, drug trafficking, the illicit use of crypto-currencies, public health, misinformation etc.
	+ The U.S. is the most prolific imposer and user of unilateral sanctions. It has imposed around 150 sanctions regimes between 1990 and 2015. The European Union (EU) is second with 75 sanctions regimes, having aligned with the U.S. on this score. The EU has used sanctions for new purposes outside the UN Framework, such as upholding the territorial integrity of Ukraine in the case of Russia, against Turkey’s drilling activities in the eastern Mediterranean Sea and China’s human rights violations against the Uighurs.
* **Russian and Chinese attitude to sanctions**
	+ Russia and China have imposed counter-sanctions in response to Western sanctions.
	+ Russia’s attitude towards Western unilateral sanctions has shifted from being critical to tolerant. They have not altered Russia’s foreign or domestic policies and have had little impact on its economy, impacting annual economic growth to the tune of 0.2%. But when combined with other factors like a slump in the oil market, Western sanctions have caused consistent economic pain to Russia.
	+ China’s counter-sanctions seek to coerce other countries into accepting its demands. They complicate Western commercial interests, particularly for those companies operating in China. How China will seek to enforce these sanctions remains to be seen.
* **Impact of Western sanctions on businesses**
	+ U.S. sanctions capitalise on the centrality of the U.S. dollar in the global financial system. Therefore, many countries adhere to them – even those which oppose the sanctions. For instance, Chinese companies have complied with the American sanctions framework while doing business with Russia. Likewise, notwithstanding the negative attitude of the Russian government towards American sanctions, Russian companies have complied with them.
* **Sanctions for cyberattacks**

Responding to the multiple cyberattacks on its critical infrastructure, the U.S. has imposed sanctions on Russian officials and private hacking groups based in Russia. Russia has denied its involvement, but its digital sector has suffered. For cyberattacks, it is difficult to pinpoint the exact perpetrator due to challenges of direct attribution.

* **India and sanctions**
	+ India has been impacted by the Western sanctions in the 1970s and 90s. It adapted to them and achieved self-reliance, for example, in the nuclear and space domains.
	+ A current concern is whether the U.S. will impose sanctions on India for the latter’s purchase of the S-400 missile defence system from Russia under the Countering America’s Adversaries Through Sanctions Act (CAATSA). It seems unlikely, as India has demonstrated a strong political will to satisfy its security interests, despite the U.S. threat.
	+ Sanctions and the measures taken by the Financial Action Task Force have worked in case of Pakistan, constraining its financial abilities. It has mounted global efforts to keep itself at least in the grey list, and not slide into the blacklist.
	+ India can play an important role in advocating reforms to the UN multilateral sanctions process to make them relevant for changing global geopolitical realities.