

EVALUATING THE IMPACT OF US IMPOSED UNILATERAL SANCTIONS

The word count of this paper is 11,487 words (including the abstract and substantive footnotes) excluding the title page and table of content

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Abstract

Unilateral sanctions are usually meant to isolate a targeted nation and put its economy under adequate pressure to compel its government to amend its policy. Though unilateral sanctions may be attractive policy instruments for governments seeking to demonstrate their unhappiness with a country's behaviour, it is questionable whether they bring about the change that is typically anticipated through the punitive actions implemented. In this research paper, I examine the impact of the USA's unilateral sanctions on the economies of Venezuela, Cuba, and Iran. I make the case that these pressures do not result in a policy change, but rather only bring change in the techniques employed by the individual governments. Additionally, I would demonstrate in this paper that, the US-led unilateral sanctions have harmed the population of the target nations and even led to transgressions of several international and humanitarian laws.

Keywords:- “Unilateral Sanctions”, “Economic”, “Human”, “policy”, “people”.

1 Introduction

"Unilateral sanctions" are often actions implemented by one state against another state to express their dissatisfaction. These sanctions are the “*withdrawal of normal economic or financial contacts with the target nation that is intentional, government-inspired, or the threat thereto*”¹. Trade sanctions in the form of embargos and the cessation of capital & investment flows between sender and target nations are two examples of such actions.

Imposing unilateral economic sanctions on other countries has become a popular policy instrument across the world. This pattern is due to two reasons, first, the application of multilateral sanctions authorised by the United Nations (UN) Security Council under Article 41 of the UN Charter has become uncommon due to significant disputes among the five permanent members when determining whether a certain scenario represents a threat to peace.²

¹ G. C. Hufbauer, J. Schott, K.A. Elliott, & B. Oegg, *Economic Sanctions Reconsidered*, (3rd edition, Peterson Institute for International Economics, Washington DC, 2007) at 3.

² Sebastian von einsiedel et al., *The UN Security Council in an Age of Great Power Rivalry*, (Working Paper No. 04, United Nations University, 2015).

Second, it pursues both modest and major policy changes in target nations by discouraging military expeditions, limiting military capabilities, destabilising foreign regimes.³

As globalisation advanced, the globe saw the growth of numerous major economic powers, including China, the European Union, and especially the USA⁴ which accounts for almost a quarter of global GDP (at 2015 market exchange rates), one-fifth of global FDI⁵. Unilateral Sanctions have been employed as an instrument of foreign policy in the past by almost all major economies, however, the USA has issued more sanctions than all other nations or entities combined, as evidenced by the fact that more than half of the global population in 75 nations is impacted by unilateral coercive economic measures /sanctions by just a single nation alone - the United States of America as per a UN report.⁶

The United States has been especially inclined to follow this strategy and has commonly used it to compel target countries to modify their policies because unilateral sanctions largely restrict access to the US dollar, which is still the most regularly used currency for international commerce, and they provide a visible and less expensive alternative to military action which helps in attaining its foreign policy objectives with whom they have been at odds.⁷

However, over the past few decades, it has been evident that the US has used unilateral sanctions to apply unfair pressure on governments and, more importantly, the general public of countries such as Cuba, Iran, and others, to undermine the target nation's government and economy to the point where it would be forced to submit to US policy objectives. As a result of these sanctions, poverty has worsened, economic growth has halted, and afflicted nations lack necessities for human survival.

³ Jacob J. Lew & Richard Nephew, *The Use and Misuse of Economic Statecraft: How Washington Is Abusing Its Financial Might* (97, Foreign Affairs, 2018) at 139.

⁴ Peter S. Goodman, "Globalization is Moving Past the U.S. and Its Vision of World Order", (June 19, 2019) N.Y. Times < <https://www.nytimes.com/2019/06/19/business/globalization-us-world-order.html> >.

⁵ Ayhan Kose and Csilla Lakatos, Franziska Lieselotte Ohnsorge, Marc Stocker, "The Global Role of the U.S. Economy: Linkages, Policies and Spillovers" (CAMA Working Paper No. 13/2017, World Bank 2017) at 2.

⁶ Someshwar Singh, "Half The World Hit By Us Unilateral Sanctions", TWN < <https://www.twm.my/title/half-cn.htm> >.

⁷ Michael P. Malloy, "Où est votre chapeau? Economic Sanctions and Trade Regulation" (4, CHI. J. INT'L L. , 2003) at 371.

Therefore, in this research, we will look at three instances of unilateral sanctions placed by the United States on target nations, namely Venezuela, Cuba, and Iran. The author would attempt to assess the most significant impact of the sanctions placed on these nations' economies. Furthermore, the author would also attempt to assess the humanitarian impact of these sanctions, namely how people in these target nations are dealing with the crushing impacts of food scarcity, inflation, reduction in education, and a lack of medical services.

Lastly, the author of this paper will attempt to ascertain if the unilateral sanctions imposed by the United States had made any difference in the nations impacted, whether these unilateral sanctions violated any international or humanitarian law and what should be done going forward to prevent violations of economic and human rights in target nations.

2 Analysing Instances Of Unilateral Sanctions Imposed By The U.S.

2.1 Venezuela

2.1.1 A Summary of Sanctions on Venezuela

The greatest proven oil reserves in the world are found in Venezuela, one of South America's most affluent nations for a long time⁸. Although Venezuela has historically been an important source of foreign oil for the United States, tensions in the bilateral relationship grew throughout the Chávez administration (1999–2013) and worsened under the Maduro administration. The Maduro administration's actions against the opposition, media, and civil society, along with its involvement in drug trafficking, corruption, holding of rigged elections, and obstruction of the provision of humanitarian relief, had caused the United States to become more concerned.

The US administration then attempted to press the Maduro administration until he agreed to step down so that a transitional government could come and call for free and fair elections by putting increasingly severe sanctions on the Venezuelan government and people.⁹ Even though the Obama Administration had previously sanctioned seven people in connection with the suppression of protests in 2014.¹⁰ The Trump Administration significantly increased sanctions on Venezuela, relying on both existing regulations and new executive orders, in response to President Nicolás Maduro's (in power since 2013) growing authoritarianism and to support the interim administration led by then-National Assembly President Juan Guaidó.

On August 24, 2017, President Trump signed an executive order banning the purchase of newly issued debt by the Government of Venezuela or PdVSA or previously issued debt held by the government or entities under its control. This was the first step the United States took towards placing unilateral economic sanctions as opposed to individual ones. Additionally, it prohibited dividend payments to Venezuela, preventing the government from utilising the earnings from its overseas companies to pay for its operating expenses.¹¹ Due to this, two lending avenues that were available to the oil industry of Venezuelans were shut down by executive order in

⁸ British Petroleum, “BP Statistical Review of World Energy” (68th edition, 2019) at 15. According to the report, Venezuela has 17.5% of proven reserves globally.

⁹ Clare Ribando Seelke, Rhoda Margesson, Rebecca M. Nelson, Phillip Brown, “Venezuela: Background and US relations” (Congressional Research Service (CRS), R44841, December 2022) at 13.

¹⁰ Clare Ribando Seelke, “Venezuela: an overview of U.S. Sanctions” (CRS, IF 10715, November 2022) at 1.

¹¹ Exec. Order No. 13,808, 82 Federal. Register. 41,155 (Aug. 24, 2017).

August 2017: First, loans to global corporations and PdVSA joint ventures. Second, New York law promissory notes to service providers to refinance a sizeable portion of PdVSA's arrears¹².

The U.S. government also issued several subsequent executive orders in 2018 that forbade the use of digital money or digital coins or tokens created by or on behalf of the Venezuelan government (E.O. 13827 in March 2018)¹³ and blocked assets and restricted illegal transactions with PdVSA, Venezuela's national bank, and the state gold mining firm, among others (E.O. 13850 in November 2018).¹⁴

Further, a unilateral order allowing the Secretary of the Treasury to identify specific economic sectors for restrictions was issued on January 28, 2019, allowing him to determine, in consultation with the State Department, which actors in the economy were responsible for the national emergency brought on by the Venezuelan situation. In the end, the Trump administration concluded that the national emergency was being caused by four major economic sectors: gold (November 2018), oil (January 2019), finance (March 2019), and defence and security (May 2019). The classifications were sufficiently inclusive to virtually bar U.S. players from conducting business with anyone in these Venezuelan economic sectors.

As a result, it could be seen, the most pertinent industry among those targeted was the oil industry, which at the time of the sanctions accounted for 99% of export income and a fourth of Venezuelan GDP¹⁵. The primary reason for this imposition of oil sanctions was intended to "cut off sources of financial income and prevent the oil industry from being exploited for patronage,"¹⁶ and most essentially, to put more strain on the Venezuelan government when the US opted to accept Juan Guaidó as the country's interim leader. Petróleos de Venezuela, S.A. (PDVSA), the state-owned monopoly for oil production and distribution, was even given the special designation by the United States to achieve that goal.

¹² Francisco Rodriguez, "Sanctions and Oil Production: Evidence from Venezuela's Orinoco Basin" (31:6 Lat Am Econ Rev, 2022) at 6.

¹³ Exec. Order No. 13827, "Taking Additional Steps to Address the Situation in Venezuela," 83 Federal Register 12469-12470 (March 19, 2019).

¹⁴ Exec. Order No 13850, "Blocking Property of Additional Persons Contributing to the Situation in Venezuela," 83 Federal Register (November 1, 2018) at 55243-55245 .

¹⁵ DeYoung, K., Mufson, S. and Faiola, A. , "Trump administration announces sanctions targeting Venezuela's oil industry", The Washington Post, (29th January 2019) < https://www.washingtonpost.com/national/health-science/trump-administration-announces-sanctions-targeting-venezuelas-oil-industry/2019/01/28/4f4470c2-233a-11e9-90cd-dedb0c92dc17_story.html >.

¹⁶ Carrie Filippetti "Illicit Mining: Threats to U.S. National Security and International Human Rights" (S. HRD 116-190, Senate Foreign Relations, 2019) at 6.

Consequently, the U.S. started out concentrating on some of PDVSA's other customers by preventing Venezuela from exporting the oil it could not to the U.S. to other countries. As a result, the United States began putting more pressure on non-American businesses to reduce (rather than merely maintain) their imports from Venezuela.¹⁷ In August 2019, it provided a strong indication in that regard by issuing a new executive order giving the executive branch the authority to prosecute non-US citizens who have "materially assisted" the Venezuelan government or its state-owned companies¹⁸.

Moving on to the present, it is evident that the Biden Administration has maintained the majority of the one-sided economic sanctions placed on the Maduro administration. In November 2022, it did ease some of the oil sanctions to support the recently restarted talks between President Nicolas Maduro's government and its opposition by authorising Chevron to resume some activities in Venezuela for a period of six months.

2.1.2 Economic Impact Of US-Led Unilateral Sanctions On Venezuela

Venezuela's economy is primarily dependent on oil, therefore the US was aware of the fact that any restrictions on the oil trade in Venezuela, would have a severe effect on its economy. Hence when the oil sanctions were imposed, it was predicted by the USA that "*Venezuela would lose \$11 billion in yearly revenue from oil exports*"¹⁹ and this prediction almost came to pass.

Executive Order 13808, signed by President Trump on August 24, 2017, forbade the sale of Venezuelan bonds as well as the national governments' and oil companies' build-up of new debt, which had devastating impacts on the economy (The White House, 2017)²⁰. The country's oil production was negatively impacted due to the imposition of the August 2017 sanctions because it became much more difficult for the government-owned PDVSA and its partners to access credit²¹. In the 18 months before the deployment of the 2017 sanctions, the average

¹⁷ Philip Brown, "Oil Market Effects from U.S. Economic Sanctions: Iran, Russia, Venezuela" (CRS, R46213, 2020) at 20-21.

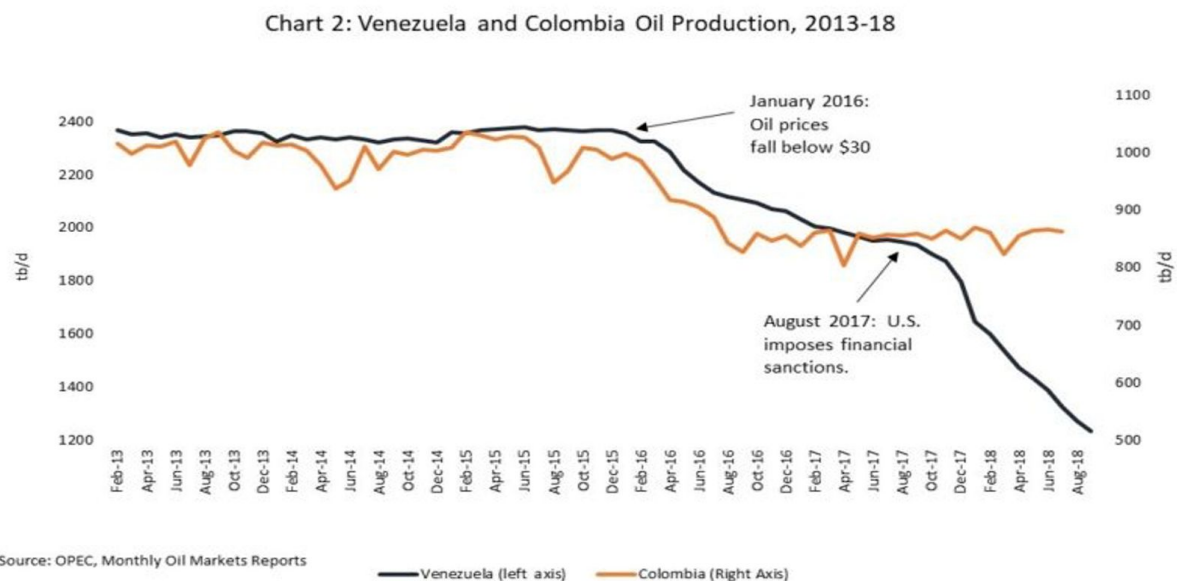
¹⁸ *Ibid.*

¹⁹ The White House, "Statement from National Security Advisor Ambassador John Bolton on Venezuela," (press release, January 11, 2019).

²⁰ Joel Alexander Lopez Escobar, "Venezuelan Refugee Crisis: A Consequence of U.S. Economic Sanctions" (495, Latin American, Caribbean, and U.S. Latino Studies Honors Program, 2019) at 6.

²¹ Clare Ribandu Rhoda, Margesson Rebecca M. Nelson, Phillip Brown above n 10 at 17.

monthly loss in oil output was 1%; however, after the August 2017 sanctions, this reduction occurred roughly 5 times more quickly than it did in the pre-sanctions period.²²



The graph above shows how oil production in Venezuela and Colombia historically followed each other closely and followed a similar pattern. However, after new economic sanctions were implemented in August 2017, Venezuela's oil output abruptly and sharply decreased, while Colombia's oil production continued on its previous trajectory. Depicting how the August 2017 U.S. economic sanctions had a major impact on Venezuelan oil production²³.

Additionally, the January 2019 sanctions imposed by the Trump administration on Venezuela's economy led to a decline in Venezuelan oil imports to the United States, which used to be the country's largest oil market and purchased 35.6% of its exports in 2018, or on average 586,000 barrels per day. Venezuelan oil imports to the United States reached zero for the first time in March 2019 as a consequence of the sanctions stayed there for a few weeks before increasing to 71,000 barrels per day.²⁴

The Venezuelan assets worth many billions of dollars that could have been sold to continue necessary and life-saving imports or to stabilise the economy were also frozen as a result of the January 2019 sanctions. Among these was the majority of the 1.2 billion held in gold by the

²² Luis Oliveros, "The Impact of Financial and Oil Sanctions on the Venezuelan Economy ",(WOLA, 2020) at 4.

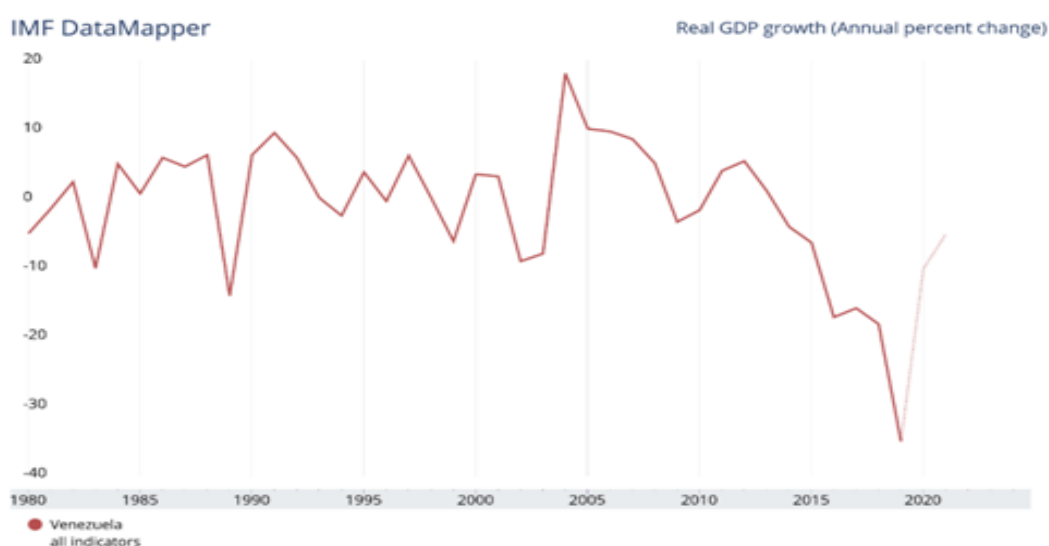
²³ Organization of the Petroleum Exporting Countries (OPEC), "Venezuela Facts and Figures", <https://www.opec.org/opec_web/en/publications/4814.htm >.

²⁴ M. Weisbrot & J. Sachs, "Economic Sanctions As Collective Punishment: The Case Of Venezuela", (CEPR, Washington, 2019) at 10.

government at the Bank of England.²⁵ trade credits with a potential value of \$3.4 billion, and CITGO with a projected net asset value of \$5.2 billion.²⁶

Other detrimental repercussions of the sanctions included the closure of bank accounts, delays and challenges in money transfers, difficulties in accepting donations and remittances, and impediments in obtaining money. Thousands of Venezuelans, as well as NGOs working to solve the humanitarian situation, had also suffered the consequences, in addition to private businesses. For individuals who travel to and from Venezuela, the sanctions have also increased expenses and caused logistical issues.²⁷

Therefore, If we consider the cumulative effects of all of these sanctions, the real GDP baseline prediction for Venezuela reveals a startling and historic decrease of 37.4% in 2019, as compared to 16.7 % in 2018.²⁸ The number of products imported had too decreased by 39.4%, from \$10 billion to \$6.1 billion.



The Venezuelan economy had ultimately gone into hyperinflation²⁹ as a result of these unilateral economic sanctions imposed by the US government, which substantially decreased

²⁵ Laya, Patricia, Ethan Bronner, and Tim Ross, “Maduro Stymied in Bid to Pull \$1.2 Billion of Gold From U.K.”, Bloomberg, (25th January 2019) < <https://www.bloomberg.com/news/articles/2019-01-25/u-k-said-to-deny-maduro-s-bid-to-pull-1-2-billion-of-gold#xj4y7vzkg>>.

²⁶ Luc Cohen and Roslan Khasawneh, “Exclusiva-Cómo perdió Venezuela tres superpetrole-ros frente a su socio chino,” Reuters, (11 August , 2020) < <https://www.reuters.com/article/venezuela-petroleo-china-tanqueros-idESKCN25722R>> .

²⁷ Maryhen Jiménez, “The Weakening of Civil Society in Venezuela – An Unintended Consequence of Economic Sanctions?”,(Vol 3 No. 23, Foro Cubano, 2020).

²⁸ Francisco Rodríguez above n 13.

²⁹ Iyer,Lakshmi and Rodríguez, Francisco. Hyperinflation in Venezuela (University of Notre Dame,2021) at 9.

the likelihood of economic recovery by fostering the growth of illegal actors, the informalization of the economy and the expansion of illicit mining, among other things.³⁰

2.1.3 Humanitarian Impact Of US-Led Unilateral Sanctions On Venezuela

The Trump administration's broad-based economic sanctions on Venezuela have been referred to as a method for exerting pressure on the target countries' government by several commentators. However, it quickly became apparent that the sanctions handed down by the executive orders as well as other actions taken by the Trump administration had a significant negative impact on human life and health rather than the government as a whole.³¹

Prior to the blockade, Venezuela spent 76% of its oil income on social programmes but after the deployment of sanctions, it was completely unable to do so. Additionally, food imports had drastically fallen along with all other imports; in 2018, they were projected to be worth only \$2.46 billion, down from \$11.2 billion in 2013³², which resulted in rising living expenses and people being unable to afford to buy items.

Due to these shortages, several people had also been slain, which led to riots, demonstrations, and instances of looting around the country. Despite the government's several hikes to the minimum wage, it no longer qualified as a living wage due to the decline in buying power. The predicted minimum wage in April 2019 was seven dollars per month, which only provided 4.7 per cent of the cost of a basic food basket.³³ This, to some extent, substantiated abuses of the right to food, including the State's responsibility to guarantee that the people don't remain hungry.

Venezuela's status concerning the right to health too became severe. Budget cuts due to U.S sanctions also had a significant impact on Venezuela's healthcare sector, resulting in a lack of personnel such as physicians, nurses, and lab technicians as well as essential supplies like drugs. In certain hospitals, there are severe shortages of food, IV fluids, and antibiotics. In public hospitals, only 9% of the intensive care unit were operational.³⁴ A 2018 nationwide

³⁰ B. Bull and A. Rosales, "Into the Shadows: Sanctions, Rentierism, and Economic Informalization in Venezuela," (109, European Review of Latin American and Caribbean Studies, 2020) at 128.

³¹ M. Weisbrot and J. Sachs above n 26 at 4.

³² Ibid

³³ UN High Commissioner for Human Rights, Human Rights in the Bolivarian Republic of Venezuela (A/HRC/41/18, October 2019) at 3.

³⁴ Medina HU, "Problematic of Intensive Care Units in Venezuela" (Vol. 5 Issue 1, Journal Of Quality In Health Care And Economic, 2022) at 5.

hospital assessment by the Venezuelan Programme of Education-Action in Human Rights (PROVEA) found that 79% of hospitals lacked essential surgical supplies, while 88% of hospitals lacked basic medications.³⁵ Additionally, according to a Pan-American Health Organisation (PAHO) study from June 2018, almost 22,000 doctors (33% of the total number of doctors present in 2014) and at least 3,000 nurses had left the country.³⁶

People had died from HIV/AIDS at a higher rate in Venezuela than in many other African nations, owing to the paucity of medications needed to treat the illness³⁷. The overall mortality rate also rose by 31% between 2017 and 2018, according to the National Survey on Living Conditions (ENCOVI, as it is known in Spanish)³⁸. Which has been regarded as a significant loss of civilian life, maybe even greater than in a war, and it is almost probable that US economic sanctions had a significant role in these fatalities.

Further, a migratory issue has too started to affect Venezuela. The economic chaos caused by the US-led sanctions has led to a large exodus of Venezuelans. According to UNHCR and other experts, over 3 million Venezuelan migrants and refugees had fled the nation by November 2018³⁹Thousands of Venezuelans who had temporarily migrated to Brazil and Colombia's border regions to acquire food and medicine and have decided to stay outside of Venezuela and never return.⁴⁰

Hence, we can deduce from the above facts that one of the biggest effects of the US-led unilateral sanctions was to trap Venezuela in an economic downward cycle. The increasing collapse of the oil industry and decline in export revenue due to the sanctions has created massive problems in the areas of health, electricity, food and water impacting the public in general⁴¹. It is critical to keep in mind that the alternative scenario in the absence of sanctions would have not just only been zero excess fatalities but rather a reduction in migration and

³⁵ Resumen Ejecutivo, "Report on the situation of the Right to Health of the Venezuelan population in the framework of a Complex Humanitarian Emergency", (Codevida and Provea ,2018) at 4.

³⁶ PAHO/WHO, "PAHO's Response to Maintaining an Effective Technical Cooperation Agenda in Venezuela and Neighbouring Member States" (CE162/INF/22. Rev. 1, June 2018).

³⁷ Stephanie Nolen, "In Venezuela, a once-leading AIDS program lies in ruins," The Globe and Mail, June 21, 2017. <<https://www.theglobeandmail.com/news/world/in-venezuela-a-once-leading-aids-program-lies-inruins/article35417359/> >

³⁸ The mortality data referenced here is from the UN Report 2019. Venezuela: Overview of Priority Humanitarian Needs. March.; the ENCOVI 2018 survey has not been made public.

³⁹ UNHCR, "Number of Refugees and Migrants from Venezuela Reaches 3 Million," (8th November 2018<<https://www.unhcr.org/news/news-releases/number-refugees-and-migrants-venezuela-reaches-3-million>> .

⁴⁰ Clare Ribandu Seelke, Rhoda Margesson, Rebecca M. Nelson, Phillip Brown, above n 10 at 19.

⁴¹ Kathleen R Page, Shannon Doocy, Feliciano Reyna Ganteaume, Julio S Castro, Paul Spiegel, Chris Beyrer, "Venezuela's public health crisis: a regional emergency", (393, The Lancet, 2019) at 1256.

other improvements in health and various sectors. All this would have been possible because, in the absence of economic sanctions, the Venezuelan economy would have begun to revive.

2.2 Cuba

2.2.1 A Summary of Sanctions on Cuba

Despite having a modest economy, Cuba was an important commercial partner for the United States in the 1950s. Cuba was the second-largest provider of agricultural imports into the United States and the ninth-largest destination for agricultural exports from the country⁴². However a year after Fidel Castro's rebel army's ascent to power, U.S.-Cuban commercial ties substantially worsened, when the Cuban government agreed to trade goods with the Soviet Union in 1960, exchanging sugar for oil.⁴³

President Eisenhower of the United States issued the first-ever unilateral economic restriction in response to this move on Cuba, lowering Cuba's sugar quota by 700,000 tonnes and forbidding loans to the country while offering \$500 million in loans and financial aid to all other Latin American nations.⁴⁴ He subsequently prohibited all exports to Cuba, except for food and medicine, when the Cuban government kept seizing and nationalising US businesses and properties.

Furthermore, Castro had not yet declared Cuba to be a Marxist nation at this point; nevertheless, after the Bay of Pigs invasion in April 1961, that all changed⁴⁵. On May 1, 1961, Castro declared Cuba to be a communist nation⁴⁶. As a result, Cuba became the only communist nation in the western part of the globe⁴⁷. Which the United States found concerning as Castro would serve as a vehicle for the spreading of communism, particularly to nearby Latin American nations.

⁴² USDA, "U.S.-Cuba Agricultural Trade: Past, Present, and Possible Future" (AES-87, June 2015) at 3.

⁴³ W.M. Leo Grande, "A Policy Long Past Its Expiration Date: US Economic Sanctions Against Cuba", (Vol. 82, No. 4, Social Research, 2015) at. 940–942.

⁴⁴ Francisa López Civeira, Lyse Hebert "The Eisenhower-Castro Years: The United States, Cuba and the Challenges of Change." (University of Florida Press, 2012) at 180.

⁴⁵ Zion Mercado, "Analyzing the US Embargo of Cuba: A Search for a Better Solution", (HON 490- Senior Honors Seminar, 2021) at 3.

⁴⁶ Diaz-Verson, Salvador, "When Castro Became a Communist: The Impact on U.S.-Cuba Policy", (Vol 1. No.1, Institute for U.S. Cuba Relations Occasional paper, Washington D.C, 1997)

⁴⁷ Riccardo Mantovani, "The US-Cuba relations in the early sixties, the nineties and the recent reconciliation process" (Linköping University, 2016) at 25.

As a response, in 1962, newly-elected American President Kennedy expanded the sanctions towards Cuba by not only enforcing an export ban but also an import restriction by Presidential Order 3447 issued under the Foreign Aid Act (FAA) of 1961⁴⁸. The Kennedy Administration decided to adopt this course of action because they were " *convinced that Castro was quickly establishing a totalitarian dictatorship in cooperation with the Soviet Union.*"⁴⁹ By 1964, unilateral sanctions had become severe to such an extent that the US had even ceased supplying food and medicines to Cuba.

The US-Cuba relationship did change, nevertheless, under Jimmy Carter's presidency (1977–1981). Carter planned to eliminate the US embargo on Cuba, easing travel restrictions. Additionally, Carter organised talks to re-establish diplomatic and economic connections with Cuba to assure the correct management of any properties that had been blocked. He also made an effort to lift Cuba's extraterritorial sanctions⁵⁰. However, once Reagan took office in 1980, he undid Carter's efforts to normalise relations with Cuba.⁵¹ The Treasury Department published a list of 32 Cuban enterprises in November 1988 with which US corporations were not allowed to do business.

Ultimately, In October 1992, the Cuban Democracy Act was signed into law by President George Bush, as a result of Castro's not wanting to adopt democracy and the island's increasing incidence of human rights violations. It was made crystal clear in the legislation that the embargo would end immediately if the Cuban government staged free elections for its top positions.⁵² Additionally, this legislation was made to "encourage recipients of U.S. foreign aid to forgo supporting the Cuban regime."⁵³ In essence, the legislation compelled foreign companies to decide between doing business with Cuba or the United States.⁵⁴

⁴⁸ GATT Council, "Trade Policy Review Mechanism, Statement by the Delegation of Cuba", (Spec(90) 4, 5th February 1990) at 2.

⁴⁹ Adolfo Leyva De Varona, "Propaganda and Reality: A Look at the U.S. Embargo Against Castro's Cuba", (The Cuban American National Foundation Miami, FL, 1994) at 7.

⁵⁰ Christy M. Demelfi, "Nothing but the Facts: An In-Depth Analysis of the Effects of Economic Sanctions Against Cuba" (Vol 5 Issue 1, Journal of International Business and law, 2006) at 147.

⁵¹ Alberto R. Coll, "Harming Human Rights in the Name of Promoting Them: The Case of the Cuban Embargo", (12 UCLA J. INT'L L. & FOREIGN AFF ,2007) at 199.

⁵² Torricelli, R. Cuban Democracy act of 1992(H.R.5323 - 102nd Congress, October 1,1992).

⁵³ Kaplowitz, Donna Rich. "Anatomy of a Failed Embargo: U.S. Sanctions Against Cuba" (Lynne Rienner Publishers, Colorado,1998).

⁵⁴D. Burton, "Cuban Liberty And Democratic Solidarity (Libertad) Act Of 1996" (H.R.927 - 104th Congress 1996, March 12).

Nonetheless, under the Barack Obama administration, the US made some earnest efforts to normalise ties with Cuba. For example, in 2015–2016, the US delinked Cuba's designation as a state sponsor of terrorism, restored diplomatic relations with Cuba, and loosened restrictions on trade, travel, telecommunications, banking, etc. President Trump, however, reversed Obama's decision and designated Cuba as a “*state sponsor of terrorism*” again in January 2021. Imposing further severe restrictions, such as those about travel, group educational exchanges and sending remittances from the United States to Cuba.

Currently, the Biden administration has eased some travel and remittance restrictions to Cuba, including the reinstatement of the Cuban Family Reunification Parole Programme, the restoration of U.S. flights to airports other than Havana, and the removal of the \$1,000 quarterly cap on family remittances, pointing to future improvements in relations and uplifting of the long-imposed embargo.

2.2.2 Economic Impact Of Us-Led Unilateral Sanctions On Cuba

The United States has maintained an embargo against Cuba for many years. The purpose of the economic restrictions was to sever relations between Cuba and the Soviet Union. The U.S. thought that the growing cost of this connection would lead to its demise.

Instead, the modest country fared extremely well with it, Cuba conducted between 70% to 90% of its foreign commerce with the former Soviet Union over the subsequent three decades of the embargo enforced by the USA, a period in which the country's health and other socioeconomic indicators significantly improved. The economy expanded at a pace of roughly 4% each year between 1975 and 1989.⁵⁵

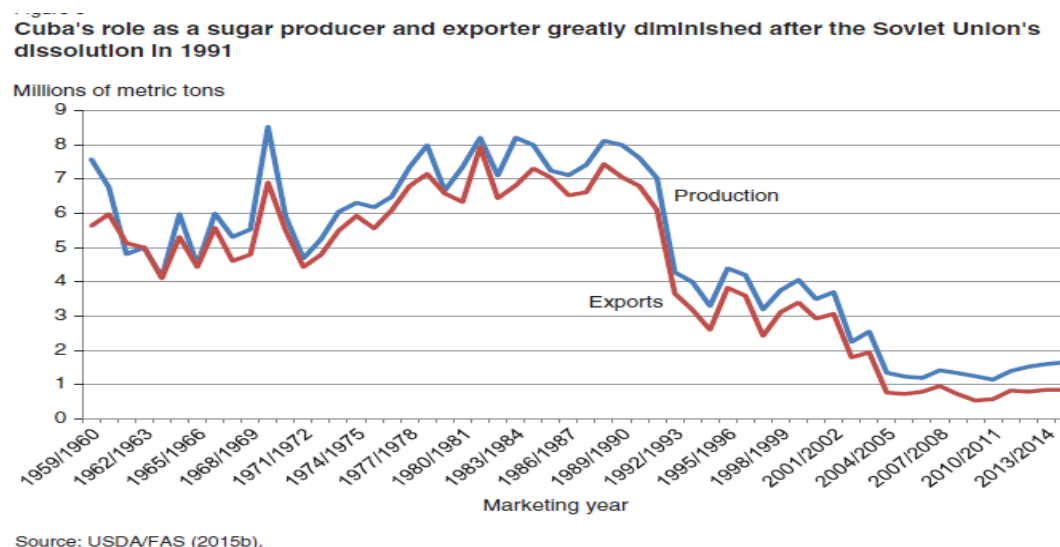
However, the downfall of the USSR in the early years of the 1990s halted the financial assistance and economic backing on which Cuba relied. In the immediate aftermath of the collapse, Cuba experienced what it called a “special period” of economic suffering⁵⁶ during which the full impact of the U.S. embargo was seen in several industries. The value of imports

⁵⁵ Pérez-Cristià, R & Fleites-Mestre, P “Toxic–Nutritional Factors In The Epidemic Neuropathy”(International Workshop on the Epidemic Neuropathy occurring in Cuba,1994).

⁵⁶ Schwab. Peter. “Cuba: Confronting The U.S. Embargo” (St Martin's Griffin, New York, 1999) at 39.

from all sources decreased from \$8 billion to \$1.7 billion, the GNP decreased by 35%, and the exports to Cuba by the Soviet Union decreased by nearly 70% between 1989 and 1993⁵⁷.

Over 80 per cent of all export revenues and 25% of Cuba's national GDP were formerly derived from the sale of sugar ⁵⁸, due to the United States imposed unilateral economic sanctions in 1960 and the fall of the USSR in 1991, the production decreased significantly to 3.2 million metric tonnes annually⁵⁹. In 1999, when the global average cost of production for sugar was \$144 per metric tonne, but the cost of production increased to \$200 per metric tonne in Cuba, eventually leading to a decline of 34% in yield⁶⁰.



The establishment of the embargo also made it challenging for Cuba's textile and garment industry to operate since it blocked significant raw material and intermediate production equipment sources. As a result, many owners and managers of the Cuban textile firms were compelled to transfer to Miami, which ultimately caused a significant loss in output.⁶¹

Additionally, The adoption of the Cuba Democracy Act 1992, which forbade U.S. flag boats from bringing products or passengers to or from Cuba, had a detrimental impact on Cuba's

⁵⁷ Sandor Halebsky, John M. Kirk, Rafael Hernandez "Transformation and Struggle, Cuba Faces the 1990's", (Praeger, New York, 1990) at 251-270.

⁵⁸ Lázaro JM, "La Bolsa De La Habana, El Mercado Mundial De Azúcar Y Las Fluctuaciones De La Economía Cubana, 1910-1959", (31, Revista de Historia Económica - Journal of Iberian and Latin American Economic History, 2013)

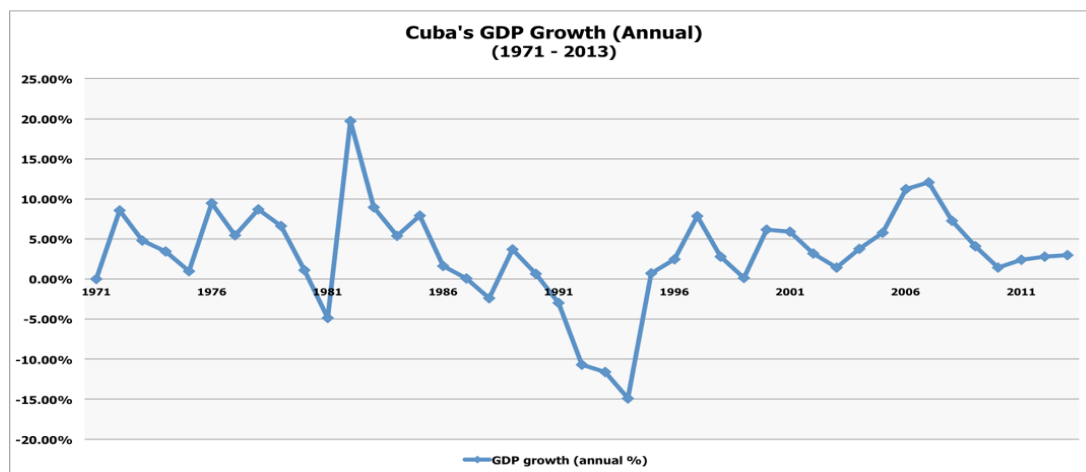
⁵⁹ Monreal, Pedro. "Sea changes: the new Cuban economy ", (Vol. 32, No. 5, NACLA Report on the Americas Mar.-Apr. 1999) at 21.

⁶⁰ F.O. Licht's, "Third Estimate of the world Sugar Balance 1999-2000", (Vol. 132, International Sugar and Sweetener Report, August 2000) at 23.

⁶¹ USITC, The Economic Impact Of Us. Sanctions With Respect to Cuba (investigation no. 332-413, February 2001) at 6-12.

marine service sector. As per the legislation, the ships that visited a port in Cuba were prohibited from docking in the United States for at least six months.⁶², due to this, the cost of shipping to Cuba jumped by 23%, which discouraged many international shipping boats from landing in Cuban ports.

However, it's fascinating to note that, in the middle of 1990, the Cuban government began implementing several measures aimed at lessening the effects of the embargo imposed by the United States and liberalising its economy through enacting laws (50 and 77), which were seen as significant steps towards easing Cuba's investment regulations⁶³. Due to these actions, the Cuban economy started to recover and flourish again by the middle of the 1990s, when its GDP increased by 6.2%⁶⁴. (Shown below)



This expansion was possible by the new trade policies, as they were centred on boosting productivity in traditional exports where Cuba had a comparative advantage, such as sugar, nickel, and tobacco, with a lot of foreign investment⁶⁵.

Nevertheless, even with these measures, the negative effects of the US-imposed embargo were not eliminated. According to a UNCTAD report from 2013, had the embargo not been in place, Cuba could have earned more than \$222 million by shipping food and rum to the US and could

⁶² Nicolas A. Robins and Maria F. Trujillo, "Normalized Trade Relations between United States and Cuba: Economic impact on New Orleans and Louisiana," (Vol 9, Association for The Study of The Cuban Economy, Washington, 1999) at 99.

⁶³ Matias F. Travieso-Diaz & Armando A. Musa, "Cat on a Hot Tin Roof: The Status of Current Foreign Investors in a Post-Transition Cuba," (37, GEO. WASH. INT'L L. REV, 2005) at 888.

⁶⁴ Carlos M. Artundo, MD, Maurice Coenegrachts, MD, "Evaluation of the humanitarian aid in favour of the Cuban population 1999-2000" (ECHO/EVA/210/1999/01013, Quest Consult, 2000) at 13.

⁶⁵ USITC, Above n 64.

have received \$350 million in investment in 2011 from the US.⁶⁶ Therefore, it is accurate to say that the embargo has harmed Cuba's economy and acted as a roadblock to its future growth.

2.2.3 Humanitarian Impact Of Us-Led Unilateral Sanctions On Cuba

The 'embargo' that the United States had officially imposed on Cuba has been regarded as the broadest and longest-lasting set of non-coercive measures ever taken against a nation in modern times, but the fact that the embargo served no purpose to the Cuban people in any manner is one of the main problems with the embargo imposed by the United States.

The impact of the embargo on the economic, social, and cultural rights of the Cuban people has been dubbed "disastrous" by the Personal Representative of the UNHR.⁶⁷ Further, it had a severe impact on Cuba's healthcare system and residents' rights to health, contributing to the country's poor water quality and malnutrition, which disproportionately affected women and children according to the American Association for World Health (AAWH)⁶⁸.

Earlier, Cuba's medical system was ranked at the top of the world⁶⁹ with the assistance of the USSR until 1989. However, Once the Soviet Union fell apart and the Cuban Democracy Act of 1992 was passed, no medical supplies could be shipped to Cuba. To export pharmaceuticals to Cuba, the President of the USA was required personally to verify through on-site inspections that all of the shipment's materials were used for their intended purposes.⁷⁰ As a result, health-related imports decreased from \$227 million in 1989 to \$67 million in 1993, leading to a shortage of drugs in the nation.⁷¹

The embargo even lead to a decrease in the importation of food, which fell by almost 50% from 1989 to 1993⁷². Additionally, there was a decrease in the supplies needed to maintain

⁶⁶UNCTAD, "Necessity of ending the economic, commercial and financial embargo imposed by the United States of America against Cuba" (A/68/116 , Report of the UN Secretary-General,21 May 2013) at 1.

⁶⁷ Christine Chanet, "Situation of Human Rights in Cuba "(A/HRC/4/12, Human Rights Council, 26 January 2007) at para 7.

⁶⁸ American Association for World Health, "Denial of Food and Medicine: The Impact of the U.S. Embargo on Health & Nutrition in Cuba,"(March 1997) at 6-7.

⁶⁹ D. Kuntz, (1994). "The Politics of Suffering: The Impact of the U.S. Embargo on the Health of the Cuban People", (15(1), Journal of Public Health Policy,1993) at 86-107.

⁷⁰ Anthony F. Kirkpatrick, "Role of the USA in shortage of food and medicine in Cuba", (Vol. 348, The Lancet, 1996) at 1489-91.

⁷¹ Richard Garfield and Sarah Sharma, "The impact of the economic crisis and the US embargo on health in Cuba" (Vol 87 No. 1, American Journal Of Public Health,1997) at 18.

⁷² M. Benjamin, "No Free Lunch-Food and Revolution in Cuba Today" (Calif: Institute for Food and Policy Development, San Francisco, 1984).

potable water, which ultimately caused the mortality rate from diarrhoea infections to increase from 2.7 in 1989 to 6.8 in 1993 per 100,000 people and deaths due to influenza and pneumonia to rise from 23% to 40.7% per 100,000 people.⁷³

Furthermore, The US government's use of coercive tactics to convert a unilateral embargo into a multilateral embargo by enacting legislation that "tried to force third-party countries into embargoing Cuba as well" also had an impact on Cuba. For instance, the restrictions restricted Cuba's access to information technology that was essential for creating educational materials. These consisted of access to software like adobe flash and bibliographic resources like Microsystem, Oracle etc.

The licences to use these or the other services had to be purchased from US-based businesses, and the restrictions forbid such transactions ⁷⁴because of this, Cuban institutions increasingly struggled to have access to the most recent resources and data necessary to enhance services, despite having highly competent staff, instructors and researchers. Indicating that this move had the sole purpose of exacerbating the suffering of the Cuban people and increasing the abuse of their basic rights.⁷⁵

In light of this, it can be understood that the embargo had a detrimental effect on the Cuban people's ability to enjoy several essential rights, such as health care, food security, clean water, housing, and education. The unilateral economic sanctions imposed by the USA had flagrantly violated the UN Charter, by limiting the direct import of medications, medical supplies, and other equipment as well as by placing the same limitations on businesses that conduct business overseas and also violated Article 12(1) of the International Covenant on Economic, Social, and Cultural Rights, which acknowledges that the right to health includes several socioeconomic factors that support the creation of favourable conditions for people to lead healthy lives and calls for, among other things, the advancement of the rights protected by the Covenant through international cooperation⁷⁶.

⁷³ Richard Garfield and Sarah Sharma above n 74 at 3.

⁷⁴ United Nations Children's Fund, "Necessity of Ending the Economic, Commercial and Financial Embargo Imposed by the United States of America against Cuba." (A/70/120, Report of the Secretary-General, July 30, 2015) at 123.

⁷⁵ Marc Bossuyt, "The Adverse Consequences of Economic Sanctions on the Enjoyment of Human Rights" (UN Doc. E/CN.4/Sub.2/2000/33, UN Economic and Social Council, Geneva, 2000) at 98-100.

⁷⁶ Amnesty International, "The Us Embargo Against Cuba Its Impact On Economic And Social Rights" (Amr 25/007/2009, September 2009) at 20.

2.3 Iran

2.3.1 A Summary of Sanctions on Iran

US economic sanctions have been in place against Iran for over 40 years since the Iranian Shah was overthrown in the Islamic Revolution of 1979, an American ally. These blockades were initially instituted by the US to restrict its support for terrorist groups like Hamas and Hezbollah, and to more generally restrict Iran's strategic influence in the Middle East⁷⁷. But from the middle of the 2000s, it was observed that U.S. and international sanctions mostly concentrated on trying to persuade Iran to agree to limit its nuclear programme⁷⁸.

Therefore, the US pushed its first unilateral economic sanctions on the newly created Islamic Republic of Iran in November 1979 following its abduction of US diplomats in Tehran. As a result, all Iranian assets held by US institutions and their overseas subsidiaries were frozen via executive order 12170⁷⁹. The seizure was justified by President Jimmy Carter, stating that the state of affairs in Iran poses an unprecedented and extreme threat to American national security, international policy, and the economy.⁸⁰

Three years later, the US again imposed unilateral sanctions on Iran for funding terrorist organisations in response to its attack on the U.S. Marines barracks in Lebanon on October 23 1983. The Clinton Administration labelled Iran as a "state sponsor of terrorism" and proclaimed a state of emergency between the two countries.⁸¹ Which resulted in several unilateral economic sanctions, including a ban on direct financial assistance from the United States, an end to arms deliveries to Iran, and a suspension of U.S. foreign aid to nations that support or sell weapons to nations on the terrorist list by passing of the Iran and Libya Sanctions Act 1995.

However, these sanctions led to a significant conflict between the US and its allies, particularly those in Europe,⁸² as many European businesses did major business in Iran or relied on Iran oil

⁷⁷ Carla E. Humud, Clayton Thomas, "Iran: Background and U.S. Policy" (CRS Report, R47321, 23 March 2023).

⁷⁸ Kenneth Katzman, Iran Sanctions (CRS report, RS20871, 2nd February 2022) at 1.

⁷⁹ Akbar E. Torbat, Impacts of the US Trade and Financial Sanctions on Iran, (No. 3, World Economy 28, 2005) 407–434.

⁸⁰ Jimmy Carter, "Executive Order 12170—Blocking Iranian Government Property Online by Gerhard Peters and John T. Woolley, The American Presidency Project <https://www.presidency.ucsb.edu/node/248917>.

⁸¹ International Crisis Group, "Spider Web: The Making and Unmaking of Iran Sanctions," (No. 138, Middle East Report, February 25, 2013) at 6-7.

⁸² Suzanne Maloney and Ray Takeyh, "The Self-Limiting Success of Iran Sanction", Brookings, (November 2011) < <https://www.brookings.edu/articles/the-self-limiting-success-of-iran-sanctions/> > .

supplies, and these sanctions were forcing large European corporations to choose between the enormous American market and the small Iranian market⁸³. In the end, the United States and Europe reached a deal wherein the United States lifted its sanctions against the concerned European firms in exchange for the European Union's pledge to cooperate with the United States in combating Iranian funding of terrorism including the development of Weapons of Mass Destruction.

This commitment was put to the test in 2002 when it came to light that Iran was working on building nuclear weapons without making declarations or granting access to outside inspectors as required by the Nuclear Non-Proliferation Treaty. European nations successfully negotiated nuclear activity suspension with Tehran in 2003 as well as in 2004 but these attempts failed in 2005 when Iranian President Ahmadinejad restored part of the halted nuclear programmes and rejected further European negotiations⁸⁴.

Consequently, the government of the United States, U.K. Germany, Russia, China and France referred to as the p5+1 came together and began collaborating in 2006 to create additional sanctions in the UN Security Council (UNSC)⁸⁵, adopting four resolutions (1737 (2006), 1747 (2007), 1803 (2008), and 1929 (2010)) in total. Which prohibited the transfer of sensitive nuclear materials, blocked the financial assets of parties engaged in the nuclear activity, and restricted Iran's exports of armaments. Additionally, it prompted nations to put national restrictions on Iran in sectors including energy, finance, and transportation.⁸⁶

It turned out that sanctions imposed by the UNSC were also not enough to affect Iranian policy. Thus, to increase pressure, President Obama imposed the strictest and most onerous sanctions via Executive Order 13622 in 2012 which further expanded the ISA's authority to prevent US banks from doing business with the National Iranian Oil Company (NIOC) or the Naftiran Inter-trade Company (NICO)⁸⁷.

⁸³ Agnese Macaluso, "The Apparent Success Of Iran Sanctions", (Working Paper 2, The Hague Institute For Global Justice, 2014) at 6.

⁸⁴ Kelsey Davenport, "Timeline of Nuclear Diplomacy With Iran 1967-2023", Arms Control Association, (January 2023) < <https://www.armscontrol.org/factsheets/Timeline-of-Nuclear-Diplomacy-With-Iran> >.

⁸⁵ Ibid.

⁸⁶ UN Security Council Resolution 1929, S/RES/1929, (9th June 2010), <<https://www.un.org/securitycouncil/s/res/1929-%282010%29> >.

⁸⁷ Gary Samore, "Sanctions Against Iran: A Guide to Targets, Terms, and Timetable", Addendum to Decoding the Iran Nuclear Deal" (Belfer Center for Science and International Affairs, 2015) at 41.

Eventually, under the Obama administration, the US and Iran agreed on the Joint Plan of Action which froze US sanctions on the nuclear programme in exchange for a pause on Iranian nuclear activity. The Joint Comprehensive Plan of Action (JCPOA) agreed upon in 2015, lifted most of the sanctions against Iran⁸⁸, leaving only those relating to Iranian backing of terrorism and human rights breaches. However, the U.S. under the Trump Administration withdrew from JCOPA and changed its attitude towards Iran significantly. The Trump Administration reinstated harsher sanctions than those imposed by the Obama Administration prior to the JCPOA⁸⁹, sanctioning not only the old industries but also the New ones, including Iran's construction, mining, manufacturing, and textile industries, by issuing an executive order (EO 13902) on January 10, 2020. In response, Iran continued to improve its missile capabilities while also arming and supporting a diverse range of armed organisations operating around its area.

Nonetheless, the Biden Administration had attempted to revive the JCPOA by proposing to reopen discussions with Iran to resurrect JCPOA and appoint Robert Malley as Iran's special envoy. However, Iran has refused to have discussions with the US until sanctions were reduced, forcing indirect conversations sponsored by the EU and other JCPOA participants.

2.3.2 Economic Impact Of US-Led Unilateral Sanctions On Iran

Iran's economy suffered tremendously as a result of the US's protracted imposition of harsh unilateral sanctions. The sanctions were put in place in response to Iran's pursuit of nuclear weapons, its activities in the Middle East, and its oppressive attitude towards its people. The sale of American weapons and dual-use technologies was initially prohibited, but restrictions had been steadily widened since 2011 with a more significant impact on the financial/banking sector and oil exports.⁹⁰

Iran has a plethora of natural resources, including gas, oil, and mineral substances, which had historically contributed significantly to its GDP.⁹¹ Before the sanctions, oil exports accounted

⁸⁸Mirko Sossai, "The dynamic of action and reaction' and the implementation of the Iran nuclear deal "(66, QIL , 2020) at 1.

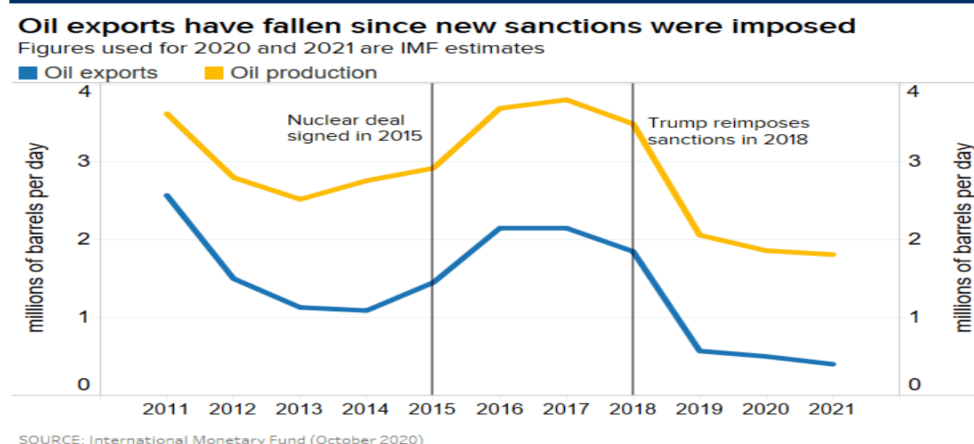
⁸⁹ Achim Vogt and David Jalilvand (eds.) "One Year After The Re-Imposition Of Sanctions" (Friedrich-Eert-Stiftung, 2019) at 3.

⁹⁰Maarten Smeets, "Can Economic Sanctions Be Effective?"(Ersd-2018-03,World Trade Organization,2018) at 13.

⁹¹ Islam Abdelbary and Rashsa Elshawa," Economic Sanctions as a Foreign Policy Tool: A Case Study of the Iran-West Conflict" (Research Square, 2023) at 8.

for 80 % of Iran's overall export revenues,⁹² whereas the EU used to buy 600,000 barrels of Iranian oil each day, accounting for 18 % of Iran's overall exports at that point.⁹³

Oil production and exports hurt



However, with the imposition of sanctions, Iranian oil output fell from 2.8 million barrels per day in 2011 to around 2.6 million barrels in 2012, indicating a 60% drop in oil export income in less than a year⁹⁴ as depicted in the above graph. The major reason for the fall was the United State's passage of the Iran Sanctions Act and Executive Order 13622, which authorised the US to impose sanctions on any foreign firm that purchased oil or other petroleum-related goods from Iran.

The United States had also targeted the automobile industry, another key component of the Iranian economy through its economic sanctions. Barring the international financial institutions from entering the US market if they financed transactions with Iran's auto industry. As a result, Iran's automotive output fell by almost 40% between 2011 and 2013.⁹⁵

Such coercive economic tactics by the United States unilaterally, undoubtedly played a significant effect in bringing recession to Iran. The Iranian real GDP dropped by 5.6 % in 2012

⁹² US Department of State, "Regarding Significant Reductions of Iranian Crude Oil Purchases," (Press Statement by US Foreign Secretary Hillary Rodham Clinton, December 7, 2012) < <https://2009-2017.state.gov/secretary/20092013clinton/rm/2012/12/201683.htm> >.

⁹³ International crisis group above n 83 at 4.

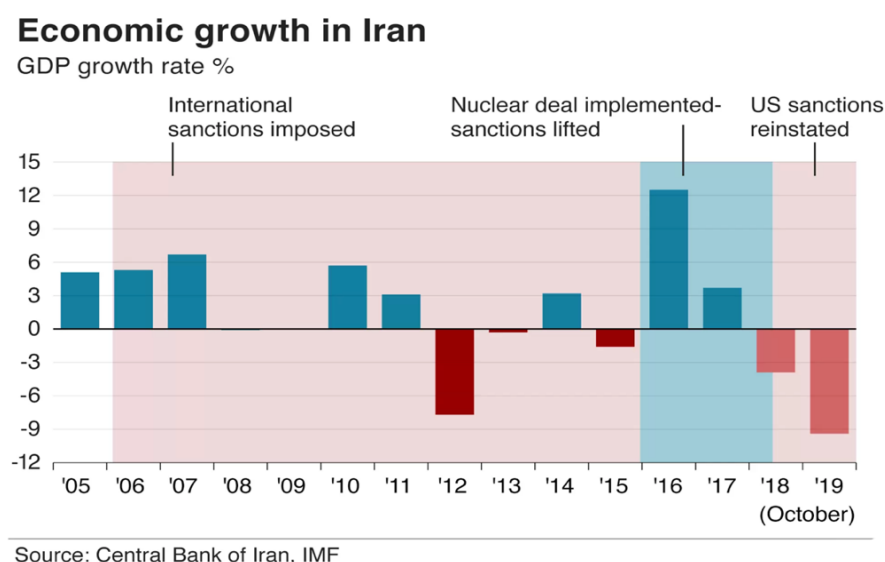
⁹⁴ Rick Gladstone, "Data on Iran Dims Outlook for Economy," The New York Times, (October 2012) < <http://www.nytimes.com/2012/10/13/world/middleeast/data-on-iran-dims-outlook-for-economy.htm> >

⁹⁵ International Crisis Group Above 82 at 52.

and 4.9 %in the first quarter of 2013, according to the World Bank, the lowest level in more than two decades.⁹⁶

In addition to the immediate economic damage, sanctions had too resulted in a loss of investment prospects for Iran. Foreign investors were hesitant to invest in Iran because of the danger of violating sanctions, resulting in a drop in foreign investment. Furthermore, Iranian banks' capacity to deal with international banks was severely curtailed, creating major interruptions in Iran's commerce and foreign exchange operations. This was evidenced by the fact that, while having reserves estimated to be worth approximately \$100 billion, a total of US \$60 to \$80 billion was unavailable owing to banking constraints.⁹⁷

However, in 2015, Iran and the West signed a breakthrough nuclear deal, which led to the easing of sanctions as part of the JCPOA, resulting in more international investment and oil exports, both of which boosted the country's real GDP growth. Evidenced by the fact that real per capita GDP growth improved to 4.6% in 2016, exceeding the previous year's growth of - 2.61%.⁹⁸ but eventually the Trump Administration reintroduced more severe sanctions in 2018, notably placed on the energy, shipping, and banking sectors, which again led the foreign investment to dry and caused growth to fall back to 3.7%. (as indicated in the graph)



⁹⁶ Economist Intelligence Unit, Oil sanctions on Iran: Cracking under pressure? (Economist Intelligence United Ltd., London, 2012)<<http://svbenergy.com/files/files/Oil%20Sanctions%20on%20Iran,%20EIU.pdf>>

⁹⁷ Kenneth Katzman above n 80 at 51.

⁹⁸ Islam Abdelbary and Rashsa Elshawa above 93 at 9.

As a result, there is no denying that sanctions had negatively impacted the Iranian economy. Even if sanctions were withdrawn immediately, it is doubtful that Iran's oil sector would entirely rebound to its prior production pace because the government has lost income and influence over the economy to such a great level⁹⁹. This is because the country's progress and development have eventually stalled as a result of the unilateral economic restrictions imposed by the US.

2.3.3 Humanitarian Impact Of Us-Led Unilateral Sanctions On Iran

The Iranian population has seen considerable humanitarian impacts as a result of the extensive unilateral sanctions imposed by the US before the Joint Comprehensive Plan of Action (JCPOA) and, more specifically, after its withdrawal from the deal under the Trump Administration¹⁰⁰. It should not come as a surprise that US sanctions have harmed Iranians' access to food, health, and other necessities given that sanctions in other countries have had a similar negative impact.

First and foremost, the tough unilateral sanctions hurt Iranians' right to health since they prevented the delivery of medical supplies to hospitals and essential supplies for Iranian drug companies.¹⁰¹ In 2012 imports of cutting-edge medical equipment and medications from the US and Europe fell by 30%, resulting in an unexpected 50% increase in drug prices¹⁰², which was detrimental to the care of patients, especially those battling chronic and uncommon disorders.

Secondly, the US sanctions on Iran affected its citizens' right to a safe, wholesome environment. The main reason behind this was that with the installation of sanctions, automobile manufacturers were unwilling to conduct business in Iran, leaving Iran to rely on locally built automobile machinery and equipment¹⁰³. The locally built equipment burned the fuel less effectively (due to a lack of the most recent innovations), leading to a greater rate of

⁹⁹ M.R. Farzanegan, & B. Hayo, “Sanctions And The Shadow Economy: Empirical Evidence From Iranian Provinces”(26, Applied Economics Letters, 2019) at 501-505.

¹⁰⁰ Salehi-Isfahani, Djavad, “The Impact of Sanctions on Household Welfare and Employment in Iran” (Virginia Polytechnic Institute and State University, 2022) at 6.

¹⁰¹ Declan Butler, “Iran hit by drug shortage”,(Vol. 504, Nature, 2013) at 16.

¹⁰² Ali Gorji, “Health Care: Medical Supplies In Iran Hit By Sanctions” (Vol 495,Nature, March 2013) at 314.

¹⁰³ OHCHR, “US Sanctions Violate Iranian People’s Rights To Clean Environment, Health And Life” (Press release, 20 December 2022)< <https://www.ohchr.org/en/press-releases/2022/12/us-sanctions-violate-iranian-peoples-rights-clean-environment-health-and>> .

respiratory ailments, which caused 4,000 premature deaths yearly in Tehran and 40,000 annually throughout the country¹⁰⁴.

Thirdly, The US government's exit from the Iran nuclear agreement and the reinstatement of US sanctions on Iran in 2018 caused Iran's currency, the rial, to crash and lose half of its value¹⁰⁵, leading to significant food price inflation. The rate of inflation for food rose from "only" 6.5% in 2016 (the year the JCPOA was implemented), when it ranked 39th globally, to 41% in 2019, making it the 5th-highest inflation rate throughout the world, following Venezuela, Zimbabwe, Sudan, and Argentina¹⁰⁶.

The graph below shows that up until 2018, the cost of essential foods remained relatively stable (time until JCPOA was in place). However, following the 2018 high-pressure sanction, the price of eggs and lentils soared dramatically and continued its significant price fluctuation up until 2020.

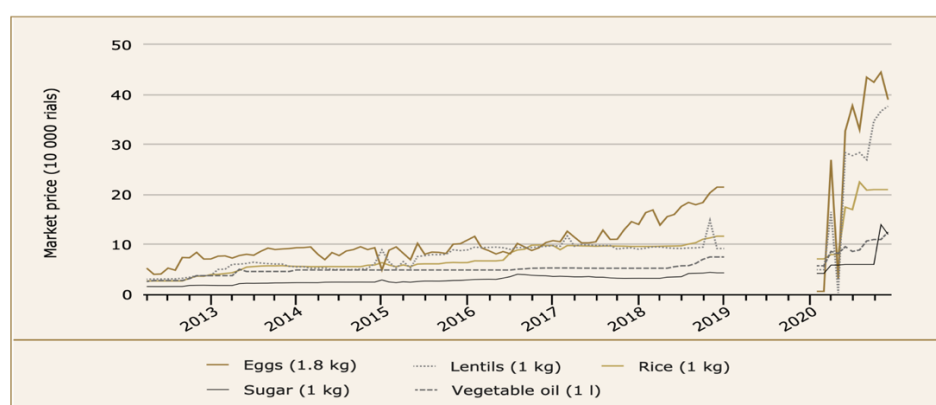


Figure 3.3. Tehran market price of key food commodities, 2012–21

Note: Iran did not report food price data to the United Nations World Food Programme for the Tehran market between Feb. 2019 and Jan. 2020.

Source: United Nations, World Food Programme, 'Food prices: Iran (Islamic Republic of)', 10 May 2021.

Furthermore, the United States sanctions resulted in the sudden loss of thousands of jobs due to which in 2019 the unemployment rate rose to 16.8% from 14.5% in 2018 ¹⁰⁷.

¹⁰⁴ Ibid.

¹⁰⁵ Hamed Goharipour and Seyyed Soroosh Fioozabadi , “Assessing the Impacts of Changes in the Currency Exchange Rate on Air Pollution in Tehran: A Sectoral Review” (Vol 7 issue 3,European Journal Of Business And Management Research, May 2022) at 14.

¹⁰⁶ Bertelsmann Stiftung, BTI 2022 Country Report — Iran. (2022) at 22.

¹⁰⁷IMF, “World Economic Outlook: Global Manufacturing Downturn, Rising Trade Barriers” (October 2019) at 60.

Ultimately both the high cost of food and Iranians' low income drove a sizable portion of the population into poverty.¹⁰⁸ which may be shown by the fact that the number of persons living in extreme poverty defined as making less than \$2.15 per day had risen to 27% in 2019—an increase of nearly 5% from the preceding year.¹⁰⁹ As poverty has continued to rise, inequality had progressively gotten worse as well. The lowest 40% of the population's per capita spending decreased more sharply between 2014 and 2019 than the rest of the population.¹¹⁰

Thus, it can be understood that while the US-led unilateral sanctions had persisted, the average Iranian has suffered the most since economic tremors made living in Iran more difficult on a daily basis. It is important to recognise that the US-led unilateral has failed as a result of the decreased well-being and livelihood of common Iranians. Even though Iran is not directly facing a food crisis, the loss of financial resources, work possibilities, and access to healthcare services have significantly contributed to creating a humanitarian catastrophe.

¹⁰⁸Salehi-Isfahani, Djavad above n 101.

¹⁰⁹ World Bank Group, “Poverty & Equity Brief Middle East & North Africa Islamic Republic of Iran” (April 2023) at 1.

¹¹⁰ Ibid.

3 Did The Us-Led Unilateral Sanctions Achieve Their Objective In The Target Countries?

3.1 How Effective Were US Sanctions Against Venezuela??

The United States had enforced several sanctions against Maduro's authoritarian regime in an effort to depose it, but the unilateral measures had not been able to achieve the desired effect.¹¹¹. Despite the oppression caused to the populace by the sanctions, Nicolas Maduro's hold on power has only grown stronger thanks to China, a potent ally that has continued to assist his government politically and economically. It has spent around \$67 billion since 2007, maintaining its support for its government, and has grown to be a significant participant in its oil-based economy.¹¹² As a result, Maduro is still in office today and is even more securely seated than before since the US sanctions have become a convenient excuse for the economic disaster, according to Maduro.

3.2 How Effective Were US Sanctions Against Cuba?

The US sanctions were imposed as a means to support and establish a humanitarian and democratic system in Cuba, but the real goal was to topple the Castro government and stop the spread of communism. As Castro's regime still holds sway and counts the EU as its primary export and trading partner, the US sanctions have utterly failed to carry out these objectives. One-third of all visitors to the island come from the EU, which is also the largest foreign investor in the nation (mostly in the tourism, building, light industrial, and agro-industry sectors¹¹³). As a result, the impact of sanctions on Cuba had only gotten worse for the country's citizens who constantly struggle to meet their fundamental needs. Former President Obama's comment in 2014 that "50 years have shown that isolation has not worked."¹¹⁴ concerning Cuba, which clearly indicates the underlying problems and failure of US sanctions against Cuba.

¹¹¹ Ippei Kato, "Venezuela: The Impact of US Sanctions", United Nations Association of Australia (October 2021) < <https://www.unaa.org.au/2021/10/01/us-sanctions-in-venezuela/>>.

¹¹² Cristina Guevara, "China's Support for the Maduro Regime: Enduring or fleeting?", Atlantic Council (January 2020) < <https://www.atlanticcouncil.org/blogs/new-atlanticist/chinas-support-for-the-maduro-regime-enduring-or-fleeting/>> .

¹¹³ Susanne Gratius, "The European Union and Cuba: A Low Profile Strategic Partnership, Columbia Law School" (April, 2023) < <https://horizontecubano.law.columbia.edu/news/european-union-and-cuba-low-profile-strategic-partnership#!#text-2708>>.

¹¹⁴ Mergen Doraev, "The Memory Effect of Economic Sanctions against Russia: Opposing Approaches to the Legality of Unilateral Sanctions Clash Again", (Vol 37 Issue 1, U. PA. J. Intl L, 2015).

3.3 How Effective Were US Sanctions Against Iran?

The United States had placed sanctions on Iran for several reasons, including the proliferation of weapons, violations of human rights, and state support of terrorism, but the sanctions have so far failed to achieve the claimed goals, as shown by the fact that Firstly, Iran's nuclear programme has not been stopped by these sanctions. Iran has managed to assemble commodities, services, and other support from the US's traditional enemies like Russia and China to maintain the momentum of its nuclear programmes despite the US's strident demands that other governments deny economic and financial support to Iran.¹¹⁵ Secondly, none of the varied sanctions over time has changed Iran's initiatives in its region as a whole. For instance, Iran has kept supplying military equipment and instructors to the struggling governments of Syria and Iraq, as well as has kept selling weapons to the extreme Shiite forces in Bahrain and the Shiite Houthi movement in Yemen.¹¹⁶ However the sanctions had only caused suffering to the Iranian citizens as sanctions had significantly reduced the government's capacity to provide basic necessities, build medical centres and provide employment.

Therefore the analysis of the aforementioned three cases (Iran, Cuba, and Venezuela) reveals that the US has undoubtedly utilised unilateral economic sanctions as a principal weapon or as a key tool of its foreign policy to address any geopolitical situation, including efforts to halt terrorism, establish democracy and halt nuclear programmes.¹¹⁷ These sanctions have been used by the US politically rather than legally to convey its disapproval and discourage other nations from committing similar offences in the future.

Fundamentally the entire rationale behind the economic sanctions imposed by the US has been incorrect, as it was assumed by the US that rising public /global pressure would eventually raise pressure on governments to make changes¹¹⁸ but the fact that globalisation made it easier for target countries to access international trade and finance markets and find alternative sources of commodities /capital has eventually made imposing unilateral sanctions by the US pointless.

¹¹⁵ Sanctions in Iran: How Effective are they? (DRT) <<https://diazreus.com/sanctions-in-iran-how-effective-are-they/>>.

¹¹⁶ Islam Abdelbary and Rashsa Elshawa above n 92 at 23.

¹¹⁷ Seyed Amir Sina Nourani. "An Analysis of Unilateral Economic Sanctions in International Law: A Case Study of the United States"(Vol. 18 Issue 3, International Studies Journal (ISJ), 2021).

¹¹⁸ Marc Bossuyt, above n 76.

4 Did The US-Led Unilateral Sanctions Violate Any International Law?

The "unilateral sanctions" were primarily utilised by the United States as a foreign policy tool due to its high economic power and other nations' reliance on its economic system. The United States pursued a strategy that involved using economic statecraft tools, such as trade embargos etc. to stifle the economic and financial flows of the target state¹¹⁹. However, many policymakers believed that the United States had used economic sanctions as a trade weapon to advance its interests in several nations, including Iran, Venezuela, and Cuba¹²⁰ without considering or even trying to prevent serious civilian or economic impacts, demonstrating that the US's use of unilateral sanctions was primarily motivated by political considerations rather than legal ones.

As a result, Unilateral sanctions imposed by the US have typically been viewed by the international community as acting outside the bounds of what is permissible under international law for several reasons under the UN Charter, UN resolutions (For instance, the 2018 UNGA resolution slamming US sanctions against Cuba¹²¹), and human rights legislation.

First and foremost, the unilateral sanctions imposed by the US lead to a violation of Article 2(3) of The UN Charter, which requires member states to resolve their problems peacefully. This might be shown by the fact that the US's harsh sanctions against Iran in response to that nation's nuclear programme or against Venezuela in response to Maduro's authoritarian regime had no positive outcomes, and the two sides remain at odds. illustrating that the sanctions that were applied unilaterally across the board did not aid in the peaceful resolution of disputes and eventually assisted to make the suffering of the people of the targeted states worse.

Additionally, the United States sanctions, in particular, breach Article 2(7) of the UN Charter, which forbids non-interference in a state's internal affairs. Asserting that when a state forces another to modify their policy or cause of action—not via influence or persuasion, but by threats or the imposition of negative consequences¹²² the threshold of

¹¹⁹ Jonathan Masters," What are economic sanctions?, Council on foreign relations"(August 2019) <<https://www.cfr.org/background/what-are-economic-sanctions> >

¹²⁰ Islam Abdelbary and Rashsa Elshawa above n 92.

¹²¹ UNGA, Approved Resolution No. GA/12086 ,"On Opposing U.S Embargo On Cuba" (November 1, 2018)<<https://press.un.org/en/2018/ga12086.doc.htm>>

¹²² Dire Tladi, "The Duty Not To Intervene In Matters Within Domestic Jurisdiction", (The Un Friendly Relations Declaration At 50, 2020) at 89,92.

intervention is satisfied. As a result, the USA's passage of the Cuban Democracy Act in 1992, which specified that sanctions are to be imposed on Cuba to push it towards democratic change, is a clear example of this breach. Nothing in international law binds a nation to follow a certain form of government. The USA's Political motivations are plainly at play when restrictions are imposed on such a shaky basis. Which simply violates the fundamental tenet of international law—the sovereign equality of all states¹²³.

Secondly, unilateral sanctions have also infringed on human rights covenants like the International Covenant on Civil and Political Rights (ICCPR) and the International Covenant on Economic, Social, and Cultural Rights (ICESCR), both of which state in their shared Article 1 that "*in no case may a people be deprived of its own means of subsistence*"¹²⁴. This breach occurs because economic sanctions by the US serve as a strong deterrent for foreign investors, international organisations, and foreign enterprises to participate in trade and commerce within the target state. According to the Office of the United Nations High Commissioner for Human Rights Special Rapporteur, these unilateral sanctions prevent citizens of the target countries from getting adequate opportunities and finding jobs, which ultimately have a negative impact on their lives and human rights¹²⁵.

Furthermore, ICESCR Articles 11, Article 12 and General Comment 14 state that everyone (including one person's family) has a right to attain an adequate standard of living and enjoy an attainable standard of physical and mental health. No member state shall ever impose embargoes or other restrictions that might prevent another State from getting the necessary medications and supplies. Limitations on these items should never be used as a tool to exert political or economic pressure by any member country.¹²⁶ Therefore, the imposition of unilateral sanctions by the US led to a violation of these articles and general comments because it severely affected the Venezuelan government's ability to finance humanitarian imports and

¹²³ Aditya Raj, "Questioning the legality of unilateral economic sanctions", Observer research foundation(November 2022)< <https://www.orfonline.org/expert-speak/questioning-the-legality-of-unilateral-economic-sanctions/>>

¹²⁴C Binder, M Nowak, J Hofbauer and P Janig , "Economic Sanctions" (Elgar Encyclopedia of Human Rights, 2021) .

¹²⁵ HRC, "Negative Impact of Unilateral Coercive Measures: Priorities and Road Map: Report of the Special Rapporteur on the Negative Impact of Unilateral Coercive Measures on the Enjoyment of Human Rights" (UN Doc A/HRC/45/721 July 2020).

¹²⁶ ICESCR," General Comment No 14: The Right to the Highest Attainable Standard of Health", UN Doc E/C.12/2000/4 (11 August 2000).

equipment for the healthcare system. As a result, Venezuelans were forced to emigrate to other countries in search of better opportunities and medical facilities

Considering the rationale provided above, it may be deduced that targeted nations have been under significant pressure from unilateral sanctions imposed by the US. Coercive measures adopted by the US which aim to harm the economies of the targeted countries and support regime change have undoubtedly violated international laws and humanitarian rights, like the right to health, right to life, access to medical care etc provided under various treaties and covenants. Making Ordinary citizens in the targeted nation suffer disproportionately from these destructive unilateral measures. Therefore it is crucial to consider the hazards of these economic weapons. It would be nothing short of a miscarriage of justice to disregard these trade weapons that have the power to upend a nation's key institutions and destroy businesses, lives, and even livelihoods.

5 Way Forward

Therefore, following an analysis of the seriousness of the economic and humanitarian harm in three cases involving Venezuela, Iran, and Cuba as well as the violations of various human rights and international laws that resulted from the imposition of sanctions by the USA, the following four things should be done to minimize the effects of this unilateral measure on the suffering of the citizenry and economy of the target countries.

First of all, broad sanctions should not be employed; instead, "smarter sanctions" must be used to determine when and where they might be effectively applied. Broad sanctions have the potential to seriously harm innocent individuals as well as the economy of the target nation, depending on how they are employed that's why it is preferable to use so-called "smart sanctions" to prevent negative effects on the civilian population¹²⁷. These sanctions are intended to have a direct impact on political leaders or elite individuals while protecting defenceless populations. For example, freezing the assets of elites or governments held overseas, denying visas, banning access to foreign markets etc.

Secondly, after examining the cases of Cuba, Iran, and Venezuela, it can be concluded that unilateral sanctions generally, after a respectable amount of time, fail to produce the desired results but do cripple the economy of the target, resulting in a variety of unintended

¹²⁷ Marc Bossuyt above n 76 at 2.

consequences such as food shortages, the decline of basic healthcare facilities, environmental pollution, an uptick in corruption, etc. Therefore, to prevent these outcomes, the US should conduct a review and assessment every year after enforcing unilateral sanctions¹²⁸. The evaluation should include questions like how well the sanctions have served their intended purposes; the impact of the sanctions on the target's economy, politics, and/or military; any humanitarian effects; and the target country's responses. In the end, this evaluation would assist the US in comprehending the efficiency of the unilateral sanctions and assist it in refraining from imposing sanctions for an extended length of time.

Thirdly, it can be observed that these unilateral sanctions are an arbitrary use of power by powerful nations like the USA because they are not subject to any judicial review. As The non-intervention principle and abuse of dominance are not covered by the existing WTO laws. As a result, it is necessary to have adequate checks and balances in the form of judicial examination, and the WTO regime should provide the ideal legal framework for doing so. The WTO framework, like public international law, should view unilateral sanctions as a breach of the principle of non-intervention, which could lead to the development of regulations against anticompetitive behaviour and abuse of dominance¹²⁹. Ultimately preventing the state holding a dominant position from pursuing a strategy that uses economic statecraft tools, such as restrictions on trade, to stifle economic flows to exploit weaknesses in the target country state and to harm the civilians.

Lastly, The best way to advance human rights, stop terrorism or establish democracy in a particular country would be via effective communication/dialogue while addressing the factors that influence wellness, such as restoring economic independence, financial stability, and international collaboration¹³⁰. The advancement of human rights gets undermined by a lack of communication/dialogue between the respective countries and the unilateral sanctions only aggravate that situation. This may be demonstrated by looking at the situations of Iran and Cuba, where real change was not brought by unilateral sanctions imposed by the US but rather

¹²⁸ Richard N. Haass, "Economic Sanctions: Too Much of a Bad Thing, Brookings" (June 1998)< <file:///Users/harpalsingh/Desktop/International%20trade%20law%20paper/Economic%20Sanctions:%20Too%20Much%20of%20a%20Bad%20Thing.html>>.

¹²⁹ Anh Nguyen, "The G7's Fear of Economic Coercion through Weaponised Interdependence – Geopolitical Competition Cloaked in International Law?" ,EJIL (June 2023)< <https://www.ejiltalk.org/the-g7s-fear-of-economic-coercion-through-weaponised-interdependence-geopolitical-competition-cloaked-in-international-law/>> .

¹³⁰ Andrew Kovach,, "The Fallacy of Nonviolent Economic Sanctions."(Vol.2 Iss.1, The Downtown Review, 2015).

by the Obama administration's opening up of diplomatic contacts allowing for fruitful discussions on both sides.

6 Conclusion

In conclusion, the study finds that undoubtedly, the United States has not hesitated to impose unilateral sanctions as an attractive foreign policy tool to achieve its various objectives. In actuality, the USA has employed it quite a bit even if it hasn't been the finest or most appropriate solution. It is evident from the cases of Venezuela, Iran, and Cuba that the USA's unilateral economic sanctions, which were intended for establishing democracy, preventing human rights abuses etc., have been ineffectual in attaining their goals. The efficacy of economic sanctions has been diminished as a result of how trade has changed through time, including the globalization and alterations in trading partners eventually leading to the formation of new partnerships.

The unilateral sanctions, however, violated several international/humanitarian norms and severely taxed nearly every area of the target country's vital infrastructure, which in turn harmed the general welfare of the populace like food, education and medical facilities. Somewhat making the unilateral sanctions a weapon of mass destruction as the United States imposed unilateral economic sanctions without taking into account the catastrophic effects on civilians. These actions had helped to spread the idea that human and economic rights in target countries are unimportant and that jeopardizing these rights for economic and political gains is completely acceptable.

Moreover, the study suggests that to avoid irreparable damage to the economy and human rights, the effects of sanctions should be carefully considered. Therefore the sanctioning states should try not to keep sanctions often too wide. Wide sanctions crush the economy of the target state and bring the actual toll on the populace. Additionally, the states must evaluate their unilateral sanctions once a year so that they might be suspended if the desired outcomes cannot be achieved in a fair amount of time. Finally, governments should try to engage, aiding in a more fruitful resolution of the issue, rather than applying unilateral sanctions. After all, sanctions are harsh, destructive measures that don't lead to a peaceful transformation in the world.