

Reflections on the Effectiveness of Targeted Sanctions in The Case of Fiji

Abstract

Following a military coup in 2006 the Pacific island-nation of Fiji has become an increasingly autocratic state. The international community has responded by imposing sanctions against Fiji. These sanctions are mainly targeted sanctions consisting of visa bans and restriction on financial flows, as well as diplomatic sanction, which aim to force the Fijian regime to hold elections and return the country to democratic rule. While it is impossible to predict the outcome of such sanctions, it is still interesting to observe which factors have an effect on the success of sanctions and how these factors apply to the case of Fiji.

The thesis finds that several factors which influence the effectiveness of sanctions are significant in the case of Fiji. While travel sanctions may be mostly symbolic, the financial sanctions imposed may have more direct effects on the Fijian economy and hamper the regime's ability to uphold power. The difficulty of the policy goal sought by the sanctioners and the authoritarian character of the regime may be hinders to sanctions success, while the up until now mostly friendly relationship between Fiji and its sanctioners might be conducive to concession.

Keywords: Fiji, Targeted sanctions, Official financial flows/Aid, Visa bans, International relations

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1 Introduction

For the last few years the increasingly authoritarian regime in Fiji, following a military coup in 2006, have received much attention from its neighboring countries, including Australia and New Zealand, as well as from organizations such as the Commonwealth and the European Union. These actors, and others, have all responded to the Fijian situation by implementing sanctions, and more specifically *targeted sanctions*, against Fiji in order to pressure the current military regime to hold elections and reinstate democratic rule. Apart from military action, sanctions are one of the most extensive policy tools available to nation states and other international actors and have been used frequently through modern history¹. But despite the long history and repeated use, there is still much debate concerning the effectiveness of sanctions as foreign policy tools, and their ability to cause actual policy change. In the case of Fiji it could be quite easy to assume, that due to the relative difference in size between the small target nation and its far greater and more powerful sanctioners, the sanctions will indeed have the desired effect, but is this really true?

1.1 Purpose and Question

The purpose of this thesis is to investigate what circumstances and factors influence the effectiveness of targeted sanctions and how they can be applied to the case of Fiji. It is of course impossible to predict any outcome of sanctions, and the thesis does not aim to do so. It will however aim to study how the ability of the targeted sanctions now imposed against Fiji, to force policy change, is influenced by the characteristics of the case itself. The thesis will thus strive to answer the following question:

What factors have an effect on the success of sanctions and how do these factors apply to the case of Fiji?

1.2 Method

¹ Hufbauer, Schott, Elliott and Oegg identify 174 cases of economic sanctions from 1914 to 2000. (Hufbauer et al. 2007:2, 20-33)

This thesis is a case study, investigating the targeted sanctions directed against Fiji by a number of actors, and uses theory to analyze the specific problem posed in the research question. As such the case is the focus of the thesis and the theoretical framework is the tool by which the case is analyzed (Esaiasson, Gilljam, Oscarsson and Wägnerud 2004:40).

This case is a current, ongoing case and as mentioned in the statement of purpose, the thesis cannot predict what the outcome of this case will be. It will however use hitherto gathered knowledge on sanctions to analyze how the characteristics of the Fijian situation may influence the effectiveness of the sanctions, without drawing conclusions on the *actual* result.

The thesis highlights a selected number of sanctions now directed towards Fiji. These sanctions are in the form of targeted sanctions and include measures imposed by Australia, New Zealand, the European Union, the regional organization Pacific Islands Forum, and The Commonwealth. Although more actors may have chosen to impose sanctions against Fiji, the five sanctioners selected are all important economic and diplomatic partners of Fiji whose actions are very likely to have effect on the country.² The selected sanctions, in combination with empirical information gathered from different sources, are discussed using theory on the effectiveness of sanctions, in order to explain how the sanctions work, what factors affect their success and how this can be applied to the case of Fiji.

The theoretical framework is divided into three parts; *Financial Sanctions*, *Travel Sanctions*, and *Explaining Success of Sanctions*. This is to make it possible to illuminate the features of the particular targeted sanctions imposed, and to analyze them according to a broader context of sanctions effectiveness. The first two parts therefore consist of theory that specifically concerns targeted sanctions and their effectiveness. The main source used for these parts is *Smart Sanctions: Targeting Economic Statecraft*, edited by David Cortright and George A. Lopez, and specifically the chapters by Kimberly Ann Elliott and Richard W. Conroy, for financial sanctions and travel sanctions respectively.

While the first two parts of the framework are determined by the selected sanctions, the third part draws on general theory on effectiveness of sanctions. This part is mainly based on the findings of Gary Clyde Hufbauer, Jeffrey J. Schott, Kimberly Ann Elliott³, and Barbara Oegg as presented in the third edition of *Economic Sanctions Reconsidered*. Pape writes that “As the only large N-study of sanctions, HSE database have become the bedrock study on the effectiveness of economic sanctions” (Pape 1997:92). As a study of economic sanctions, including both trade sanctions and financial sanctions, it is not a study of targeted sanctions per se, and this of course has some implications for an analysis of such sanctions. However, it is one of few studies that present a comprehensive view on the factors that affect the success of sanctions, making it possible to put sanctions in a broader context and explore how different circumstances might influence the

² The sanctions are presented in more detail in Chapter 3 of the thesis, “Current Sanctions Against Fiji”

³ Kimberly Ann Elliott is the author of the chapter “Analyzing the Effects of Targeted Sanctions” in *Smart Sanctions: Targeting Economic Statecraft* edited by David Cortright and George A. Lopez, as well as a co-writer of *Economic Sanctions Reconsidered* by Hufbauer et al.

policy outcome of sanctions. The thesis will therefore use the findings of Hufbauer et al., but not without considering the implications of the nature of the selected sanctions. The findings of Hufbauer et al. will be supplemented with additional theory by Drezner and Allen.

As Lundquist points out, method, material and results all have an effect on each other and affects, as well as are affected by, problem and theory. (Lundquist 1993:95) The choice to include financial sanctions and travel sanctions as separate chapters in this study and not other implemented sanctions, such as diplomatic sanctions, will of course have an effect on the outcome of the analysis. However, this is mainly due to a lack of theoretical material concerning diplomatic sanctions, which are often mentioned in combination with other sanctions. On the other hand the two chapters on financial sanctions and travel sanctions include more types of sanctions than actually implemented. This is to allow an analysis where the chosen sanction can be put in relation to other possible options for sanctioners. Nevertheless, the analysis and thereby the result of the study, is affected by this theoretical selection.

1.3 Material and Sources

The material used for the theoretical framework is as presented above, but also include additional theoretical material concerning the history, characteristics and effectiveness of sanctions. The empirical material is gathered from different sources but considering the current media climate in Fiji it is quite difficult to find material originating from there. Much information has therefore been collected from other sources in the region including from the governments of Australia and New Zealand. Although this might imply a risk of bias, since Australia and New Zealand are two of Fiji's sanctioners, the thesis tries to balance this by also using material from sources such as Freedom House and World Factbook, as well as from academic articles.

1.4 Delimitations

Due to limited space, and in order to keep the thesis as focused as possible, limitations on the content are unavoidable. Therefore the thesis will not explicitly consider the implementation process, although accurate implementation of course also contributes to the effectiveness of sanctions. Also worth mentioning is that even though the thesis considers the possibility of policy change in Fiji, meaning a return to democratic rule, it does not discuss the actual ability to establish democracy in Fiji. It merely deals with the issue of forcing the Fijian regime, through sanctions, to concede to articulated demands on a return to democratic rule. Additionally, while sanctions may be imposed for other reasons than actual

policy-change such as to placate domestic constituencies or as punishment and deterrence, the thesis will only consider the officially articulated goal of the sanctioners.

1.5 Outline of the Thesis

The thesis consists of seven main chapters. This first introductory chapter is followed by a brief presentation of the political history and current situation in Fiji in Chapter 2. Chapter 3 presents the sanctions selected for analysis, and Chapter 4 gives a short overview of the different aspects of sanctions, including the shift from comprehensive to targeted sanctions. Chapter 5 introduces the theoretical framework, while Chapter 6 and 7 constitute the analysis and the conclusion of the thesis.

2 The Political Situation in Fiji

After gaining independence from Great Britain in 1970, Fiji adopted a constitutional democratic form of government, based on the Westminster model (Australian Department of Foreign Affairs and Trade (DFAT)). However, for most of its time - both as a colony and as an independent country - Fiji has been plagued by ethnic strife between indigenous Fijians and Fijians of Indian descent (Lal, 26 May 2009). In 1987 indigenous Fijian concern regarding a government dominated by Indo-Fijians sparked two military coups causing interruptions of the democratic rule. New constitutions were enacted in 1990 and 1997, the second aiming to lessen the bias towards indigenous Fijians, and in 1999 free and peaceful elections resulted in a government led by an Indo-Fijian. In 2000, a new, civilian-led coup prompted another period of political turmoil. Parliamentary elections were held in 2001 and a democratically elected government took office. The prime minister was reelected in the 2006 but a rift between the government and the military emerged, and the military subsequently ousted the government in a bloodless coup in December of that year. The leader of the military, Commodore Voreqe Bainimarama, initially appointed himself acting president and in January 2007 he became interim prime minister. (World Factbook; Freedom House) Despite its history of ethnic contention and political instability Fiji was, up until the 2006 coup, considered a democracy albeit flawed. The years since have however seen a development towards a much more authoritarian regime (Finin 2009:55).

Freedom House states that public reaction to the coup was at first mixed, but that opinions soon turned against the new regime as freedoms of assembly and expression were reduced and no timetable was set for the reinstating of democracy. Although the interim government took some steps to live up to its promise to curb corruption within the civil service, concern over the return of democratic rule grew as supposedly corrupt officials were replaced by military officers. The interim government also suspended the Great Council of Chiefs in April 2007. The regime pledged to hold general elections in March 2009 but that promise was not fulfilled. (Freedom House) After taking power the new regime proclaimed that sweeping electoral reforms have to be enacted before elections can be held. It wishes to reform the voting laws, to reduce the ability to vote according to race, lower the voting age from 21 to 18, and abolish race-based electoral rolls. Although these proposals may be wise, the regime lacks constitutional mandate to enact them. (The Economist) In April 2009 a court of appeals stated in a verdict that the actions taken in 2007 to establish the interim government and the promulgations that followed were unconstitutional. The regime responded by abrogating the constitution and shortly thereafter key individuals within the regime were given the same portfolios in a new "caretaker

cabinet”. Dialogue between political parties is now almost non-existent and national elections are scheduled for 2014. According to Finin, it appears that the regime, in the face of resistance and setbacks, is responding by becoming increasingly oppressive.(Finin 2009:55) A set of Public Emergency Regulations that limit freedom of speech, expand police powers and restrain media freedom has been implemented. Furthermore, the independence of the judiciary has been undermined and judges who are considered unsympathetic to the regime have been removed. The military now have the power to use arms to break up gatherings and have detained individuals without charge.(DFAT) The Public Emergency Regulations also give police and military immunity from prosecution if they harm or kill someone while “maintaining public safety”. The annual conference of the Methodist Church has also been banned in the wake of the events of April 2009 and church leaders have been detained.(New Zealand Ministry of Foreign Affairs and Trade (MFAT)) Today the interim government consists of eleven cabinet members, with Bainimarama himself holding six portfolios apart from the post as prime minister (Government of Fiji). The current president, Ratu Epeli Nailatikau was appointed by the chief justice on the 30th of July 2009 (World Factbook).

Freedom House classifies Fiji as partly free, but this classification was made prior to the abrogation of the constitution (Freedom House). In 2009 Gerard A. Finin wrote that “What began on Dec. 5, 2006 as a preannounced and generally peaceful military takeover led by Commodore Voreqe ‘Frank’ Bainimarama is fast becoming a more complex conundrum for Fiji’s military, citizens and the international community” (Finin 2009:55).

3 Current Sanctions against Fiji

3.1 Australia

Australia has responded to the 2006 coup in several ways. Travel restrictions have been imposed on Bainimarama, his supporters and their families. The restrictions also apply to members of the interim government, as well as military officers and their families. Rank and file members of the Fiji military forces are also included but their families are not. Defense cooperation and ministerial-level contact with the interim government have been suspended, but contact at official-level continues. Australian aid to Fiji has not been withdrawn in any significant way however some existing and planned programs were suspended immediately following the 2006 coup. The aid program has instead been reoriented to help mitigate the effects of the global economic crisis and ongoing political instability. (DFAT)

3.2 New Zealand

New Zealand also imposed a range of sanctions following the 2006 coup. These measures were then reinforced following the expulsion of the New Zealand High Commissioner from Fiji in June 2007. Travel bans are directed at what the New Zealand government deems to be the individuals responsible for the 2006 coup. The sanctions allow exemptions on humanitarian grounds, such as medical emergency and family bereavement, and on a case-by-case basis, exemption also apply to visiting sports teams. Like Australia, New Zealand also reoriented its aid program to Fiji following the 2006 coup, towards an increased focus on delivery through non-governmental channels.(MFAT)

3.3 Pacific Islands Forum

Pacific Islands Forum, consisting of sixteen member states, resolved on the 2nd of May 2009 to expel Fiji as the regime failed to respond to the Forum's demands on democratic elections being held before 1st of May 2009. The expulsion does not entail an exclusion of Fiji as a member of the Forum but participation by the current regime is suspended until further notice. Apart from limiting the

participation by Bainimarama, his ministers and other Fijian officials in all Forum meetings and events arranged by the Pacific Islands Forum secretariat, the expulsion is also to ensure that regime does not benefit directly from regional cooperation initiative or any new financial or technical assistance, other than toward the restoration of democracy.(Pacific Islands Forum)

3.4 The Commonwealth

Fiji was suspended from the Commonwealth on the 1st of September 2009 with immediate effect. The decision was taken by the Commonwealth Ministerial Action Group in July earlier that year and suspension was dependent upon the interim government reactivating the President's Political Dialogue Forum process, which would lead to credible elections in the country by October 2010. The suspension entails that representatives of the interim government are excluded from participation at all intergovernmental Commonwealth meetings and nominees of the interim government will be unable to take part in other intergovernmental activities. All emblematic representation of Fiji at the Commonwealth Secretariat, at Commonwealth meetings and other official events will cease. Commonwealth technical assistance can no longer be provided to Fiji, unless it is aimed at facilitating the restoration of democracy. Finally, Fiji will not be able to participate in Commonwealth sporting events.(The Commonwealth Secretariat)

3.5 The European Union

The Cotonou Agreement, signed in June 2000, is a Partnership Agreement between the European Union and fourteen sugar producing countries of Africa, the Caribbean and the Pacific (ACP). The agreement entitles the ACP states to a number of trade and aid advantages in their relations with the European Union. Since the 2006 coup however, the programming of the 10th European Development Fund for Fiji have been delayed and is still pending further discussion.(Delegation of the European Commission for the Pacific) The lack of progress towards a return to democracy also means that Fiji is being denied access to the EU's sugar adaptation package of assistance, worth a total of 200 million Euros. On the 18th of May 2009 the EC also cancelled 24 million Euros worth of funding, a decision based on the absence of any sign that a legitimate Fijian government would be in place in 2009.(DFAT)

4 Sanctions: From Comprehensive to Targeted

Sanctions episodes can consist of both economic and non-economic sanctions. Economic sanctions are usually divided into three types; import sanctions, export sanctions (together known as trade sanctions) and financial sanctions (Hufbauer, Schott, Elliott and Oegg 2007:44-45). Non-economic sanctions include means that interrupt cultural, athletic, scientific, or academic exchanges between states. These types of sanctions usually have only very minor economic consequences for both sender and target, even though the individuals concerned may be significantly affected.(Kaempfer and Lowenberg 2007:71) Sanctions may be mandatory by decision of the UN Security Council, or voluntary, leaving the decision of implementation to respective states. Furthermore, sanctions may be imposed unilaterally, by one state against another, or multilaterally, by a coalition of states against a target state.(Tostensen and Bull 2002:374-375)

Sanctions have a long history in international relations, but the interest and belief in their utility has varied over time (Drezner 1999:6-7). The conclusion of the Cold War meant an increase in the use of sanctions as it opened up fresh diplomatic fronts across a broad range of issues including ethnic strife, civil chaos, human rights, democracy and terrorism, all conducive to the use of sanctions (Hufbauer et al. 2007:131). In 1994 alone, seven sanctions episodes were implemented by the United Nations Security Council, to be compared with only two during its first forty-five years (Drezner 1999:6-8). Out of thirteen post-2000 sanctions episodes, all but one involved the promotion of respect for human rights and democratic elections, suggesting that the trend has continued into the 21st Century (Hufbauer et al. 2007:131).

Apart from the increase in the number of sanctions regimes, the end of the 20th Century also saw a clear shift in the nature of sanctions, from *comprehensive* sanctions, meaning trade sanctions applied to a whole country, to *targeted* sanction, aimed at the ruling elite of the targeted state. As Hufbauer et al. writes, comprehensive sanctions are blunt instruments with an economic impact that can cause substantial collateral damage to the population, while the regime leaders and their closest supporters sometimes escape the effects almost entirely (Hufbauer et al. 2007:138). The experience of the 1990s sanctions-regime against Iraq especially highlighted the capacity of comprehensive economic sanctions to cause massive human suffering, and at the end of the 20th Century criticism from the international community against this type of indiscriminate trade sanctions began to grow (Kaempfer and Lowenberg 2007:69; Cortright and Lopez 2002:1). Focus was instead turned towards targeted sanctions - also known as *smart sanctions* - that would allow sanctioners to target regimes without harming

populations (Hufbauer et al. 2007:138-139; Cortright and Lopez 2002:2). So in contrast to comprehensive sanctions, targeted sanctions are directed against key national decision-makers, which include political leaders as well as their most important supporters, and also against resources that are essential for the regime. Targeted sanctions, therefore, include restrictions on the delivery of arms, financial assets, travel, flight connections, particular goods and service - including certain natural resources and processed commodities - as well as on international representation. The actors targeted can be individuals (such as government officials or other key decision-makers) and family members of these individuals, as well as political organizations (such as parties and branches), military organizations (guerilla as well as conventional armed forces), corporate entities (public as well as private), and non-state actors.(Wallenstein, Staibano and Eriksson 2003: iii, 91-92) The shift from comprehensive to targeted sanctions becomes evident when considering that all United Nations and European Union sanctions imposed since the mid-1990s, according to Cortright and Lopez, have been targeted or selective in nature (Cortright and Lopez 2002:1).

5 When Are Targeted Sanctions Effective?

5.1 Financial Sanctions

As Wallensteen et al. writes, financial sanctions are aimed at reducing the resources available for particular actors or groups of actors (Wallensteen et al. 2003:110). Targeted financial sanctions therefore include freezing of finance and capital assets, blocking of financial flows, cancellation of debt rescheduling, and withholding of credits, loans, and non-humanitarian governmental assistance (Cortright, Lopez and Rogers 2002:23).

Financial sanctions are seen as having a number of advantages compared to traditional trade sanctions. First, financial sanctions are relatively easier for the sanctioner to enforce. This argument is based on the idea that governments and international financial institutions may be important providers or guarantors of financial flows, especially with respect to developing countries, and that their activities are easier to control than those of private actors. Even if private actors are involved, financial activities may be easier to regulate than trade activities since financial services are more heavily regulated than merchandise trade and the number of players involved in international finance is lower than in international trade. Therefore their activities can be more easily monitored, and penalties for violations of government policy more easily levied. Second, financial sanctions are harder for the target to evade since defensive strategies aimed at evading these may be more difficult and more expensive than smuggling or stockpiling to evade trade sanctions. Third, market reactions are more likely to reinforce financial sanctions than undermine them; and fourth, financial sanctions can have broad trade and economic effects that are more difficult to avoid than under trade sanctions.(Elliott 2002:175-176) Thus, Hufbauer et al writes, financial sanctions offer the potential for greater effectiveness as a foreign policy tool (Hufbauer et al. 2007:47).

According to Elliott, the most frequently discussed financial sanction is a freeze of the overseas assets of a government regime and key individuals in the target country. Assets freezes have the capacity to isolate and coerce those responsible for undesirable behavior while sparing those who have no power to change it. However, to be effective assets freezes must rely on three factors. First the regime leader must hold assets abroad. Second the assets must be identifiable; and third in cases where compliance rather than punishment is the goal, the assets must be a large enough proportion of the targeted individual's total assets that the cost of defiance is perceived as being larger than the political, economic, or other

costs of complying with the demands of the sender. This suggests, according to Elliott, that assets freezes will have the most utility against corrupt dictators in poor countries with few resources or options for accumulating new wealth; against corrupt dictators who are supported by an identifiable and financially vulnerable elite; and when the sender seeks only modest changes in policy or behavior that do not threaten the regime's ability to hold power. More ambitious goals, such as conflict prevention or the restoration of democracy, will likely be unattainable unless the assets freezes are accompanied by disruptions of financial flows, and even then the cost of compliance might be too high.(Elliott 2002:177-179) However, the implementation of assets freezes is associated with practical difficulties, the greatest being the requirement of both speed and secrecy, which can be difficult to achieve in international diplomacy (Cortright, Lopez and Rogers 2002:29-31).

Hufbauer et al. states that target countries are often hit with the interruption of foreign assistance or other official finance and less often with restriction on private lending or investment. If the target is a poor country, the withholding of aid may have great consequences as these funds are often irreplaceable – unless a so called black knight provides offsetting assistance to the target.(Hufbauer et al. 2007: 46-47) According to Elliott, it's relatively more difficult for the target to evade sanctions on official financial flows than on private flows. One reason is that flows to the government, from both public and private sources, should be harder for the targeted regime to hide than flows to the private sector. However, an apparent constraint on targeting sanctions on financial flows is that those flows usually move to and from governments and not individuals, although they often are diverted to private accounts. Development assistance is only relevant in those cases where the target depend on it, and Elliott argues that the value of these flows has been declining for many years, reducing the potential leverage deriving from them. Private flows, on the other hand, can, at least in theory, be targeted against members of a regime as well as their political supporters. But it is also easier for targeted individuals to use false names or front companies to maintain access to financial markets.(Elliott 2002:179-180)

5.2 Travel Sanctions

Travel sanctions can be designed in several different ways but the two basic types are bans targeting travel by individuals and general bans on aviation. Travel sanctions targeting individuals may apply to the political leadership, including family members, and to key supporters outside the official position holders. Targeting supporters aims to persuade these elites to withdraw their support from the regime.(Conroy 2002:145) The travel sanctions on individuals work, either as visa bans preventing the targeted individuals from entering a particular country, or as general bans on certain individuals to prevent them from transiting or entering any country. This allows other individuals to remain free to travel, making it clear that the sanctions only apply to specific inhabitants of the targeted

country.(Wallensteen et al. 2003:115) The most comprehensive aviation sanctions forbid all air travel to and from a targeted country, as well as trade in aviation parts and services. More limited sanctions may only ban cargo aviation, international flights by aircrafts owned by the target, or flights by specific companies to and from the target.(Conroy 2002:145)

As Elliott puts it, travel and transport sanctions tend to fall at the mild end of the spectrum of coercive measures and the economic costs are likely to be relatively small. The exception might be countries where tourism is important. In such cases, restrictions on transportation to the target, or on issuances of visas to residents of the sanctioning country who might want to visit the target country, could have substantial economic effects.(Elliott 2002:173)

Based on an examination of six cases of UN-imposed travel sanctions (Libya, Haiti, Angola, Afghanistan, Sudan, and Sierra Leone), Conroy draws the conclusion that travel sanctions have had mixed political results. The strongest effect of travel sanctions, Conroy believes, is symbolic and psychological. Individual travel bans have an ostracizing function, meaning another way of denying diplomatic recognition, sometimes forcing targeted individuals to turn to more costly actors for support. It is, however, difficult to assess how much psychological pain and isolation travel sanctions cause, as well as knowing if and how they translates into compliance. Conroy therefore conclude that travel sanctions should not be expected to work in isolation.(Conroy 2002:163-164) Hufbauer et al. also argues that, in practice, travel sanctions are primarily symbolic measures, one step in denying legitimacy to a ruling elite or a dissident force. They further argue that it is often hard to identify the appropriate group or individuals that should be targeted, and even then, false passports and visas may enable circumvention.(Hufbauer et al. 2007:140-141) Similarly, Elliott also states that targeted travel and transportation sanctions are likely to be useful primarily as symbolic or punitive measures, but also suggests that combined with diplomatic and other selective economic sanctions, travel sanctions can contribute to the realization of relatively modest policy goals (Elliott 2002:173).

5.3 Explaining Success of Sanctions

The main purpose of the study presented in the third edition of *Economic Sanctions Reconsidered* by Hufbauer, Schott, Elliott and Oegg is to identify circumstances in which economic sanctions are most likely to contribute to attaining foreign policy goals (Hufbauer et al. 2007:2). According to Hufbauer et al., the success (as seen from the sender) of an economic sanctions episode – from a foreign policy perspective – has two parts: the extent to which the policy *result* sought by the sender country was in fact achieved and the *contribution* to success made by the sanctions (as opposed to other factors such as military action or the mere lap of time). Policy outcomes are then judged against the sender’s foreign policy goals.(Hufbauer et al 2007:49)

Hufbauer et al. writes that “Stripped to the bare bones, the formula for a successful sanctions effort is simple: The cost of defiance borne by the target must be greater than its perceived costs of compliance. [...] The difficulty lies in accurately predicting both the magnitude of those costs *and* how the target will perceive and weigh them” (Hufbauer et al. 2007:50). To analyze the costs of compliance and the relative intensity of interest Hufbauer et al. classifies the case histories included in the study into five broad categories, according to the central foreign policy goal sought by the sender:

- Change target-country policies in a relatively modest and limited way: modest in scale of national values to the target country but often of great importance to individual parties in the episode.
- Change the target country’s regime, including, as an associated goal, changing the target-country’s policies, including demands on democratization.
- Disrupt military adventures.
- Impair the target country’s military potential.
- Change target-country policies in another major way, for instance surrender of territory.(Hufbauer et al. 2007:52-53)

According to Hufbauer et al., several factors affect the costs of both compliance and defiance and therefore influence the outcome of a sanctions episode. Hence, several variables, which sometimes affect the costs of defiance and compliance in opposite directions, are significant for the sanction’s outcome. Hufbauer et al. divides these into *political* and *economic* variables⁴.(Hufbauer et al. 2007:55-56)

The authors find sanctions to be at least partially successful in 34 percent of the 174 cases documented in their study. However, they also emphasize that the success rate depends significantly on the type of policy that was sought. Sanctions episodes involving modest and limited goals succeeded half the time, while the success rate for episodes involving attempts to change regimes, to impair a foreign adversary’s military potential, or to otherwise change its policies in a major way was 30 percent. Using cross-tabulation tables that control for only one or two explanatory variables at a time, as well as more sophisticated econometric analysis, Hufbauer et al. finds support for three broad conclusions: 1) the relative difficulty of the goal sought is important, 2) the nature of the target regime and the sender’s relations with it is important, and 3) the economic costs imposed by sanctions on the target are among the more statistically significant and robust variables explaining sanctions, success and failure. The authors then offer seven recommendations that they believe maximizes the chances of success for sanctions intended to coerce policy change in a target country.(Hufbauer et al. 2007: 158-159, 161-162)

⁴See the Appendix for a presentation of these variables.

The first recommendation, titled “Don’t Bite Off More Than You Can Chew”, puts forth the argument that in high policy cases especially, senders must be willing, and able, to impose unusually high costs on a defiant target in order to succeed, since the cost of compliance (one example being regime change) is very high and the policy outcome of higher importance to the target than the sender. The second recommendation, “Friends Are More Likely to Comply than Adversaries” refers to the idea that economic sanctions are more effective when they are aimed at former friends and close trading partners, as these countries have more to lose, diplomatically as well as economically.(Hufbauer et al. 2007:162-166) Daniel Drezner reaches the same conclusion, as he claims that while senders are more reluctant to enforce sanctions against an ally, they will be more successful than against adversaries. Drezner bases his argument on a conflict expectations model which takes into account the redistribution of political assets at concession and how this affects expectations on the outcome of future conflicts. As adversaries might expect further conflicts in the future they will be less willing to give up leverage, and thereby their future bargaining position in coming conflicts, and are thus less likely to concede to a current demand. Allies on the other hand, are less likely to expect future conflicts and are more concerned with short term effects of sanctions and are therefore more willing to concede to the sender’s demands.(Drezner 1999:4, 308)

The third recommendation is to “Beware Autocratic Regimes” as democracies are usually more susceptible to economic pressure than autocracies. In addition to this, strong and stable countries are shown to be less vulnerable to coercion than weak ones. The results differ markedly by goal, but some evidence suggests that regime change is less likely the more autocratic the target.(Hufbauer et al. 2007: 166-168) In the article *Political Institutions and Constrained Response to Economic Sanctions*, Allen further examines the relationship between regime type and the success of sanctions. Allen finds that domestic politics to a large degree determines the targeted leader’s bargaining power towards the sender. She argues that democratic leaders, because of their accountability, will be more sensitive to the cost of economic sanctions and will therefore be more likely to concede to the sender’s demands. Accordingly, autocratic leaders, who are not accountable to the public and who have less institutional restraints to consider, are less vulnerable to sanctions.(Allen 2008:257-258) So while a democratic leader risks losing power because of the effects of sanctions on domestic opinion, an autocrat is free to act without the support of the public and can choose more freely how to respond to sanctions without risk losing power. Allen therefore states that, in order to be successful, sanctions have to be politically costly compared to the issue at stake between the target and the sender and she writes that “Regardless of the extent to which economic pressure is exerted, without political costs, there is no reason for targeted states to comply” (Allen 2008:256). But to explain sanctions response for different types of regimes Allen argues that it is important to consider the size of a state’s *selectorate*, meaning the group of people within a state who possess political rights. It is essential for leaders to make decisions and implement policies that will be view favorably by this group, but staying in power only requires the support of a smaller subset of the selectorate, what Allen calls

the winning coalition. In nondemocratic states this subset is even smaller as autocrats are only dependent on support from a few supporters and support is maintained through private rewards instead of good policies. However, since the winning coalition in a nondemocratic state is so small the influence of each individual is great and therefore the rewards must be large enough to guarantee continued loyalty.(Allen 2008:259-260)

The fourth recommendation, “Slam the Hammer, Don’t Turn the Screw”, puts forward the argument that relatively minor sanctions can serve symbolic purposes, but that the economic costs imposed by sanctions clearly matter for succeeding to change target-country policy. However, the authors also find that financial sanctions were almost as successful used on their own as in combination with export and import sanctions, and that most of those cases involved the reduction of economic aid. Regime change is often the goal sought when financial sanctions are used alone and that the target are on average less economically healthy and politically stable, prompting Hufbauer et al. to believe that under such conditions, the relatively modest costs imposed might have disproportionate economic effects and may be easier for the sender to maintain than trade controls. The fifth recommendation, “More is Not Necessarily Merrier”, refers to the argument that a large coalition of sender countries does not automatically make sanctions more likely to succeed, and Hufbauer et al. even found negative relationships in cases involving modest goals or demands for regime change. The sixth recommendation, “Choose the Right Tool for the Job”, refers to companion sanctions, which are often used as preludes to the use of stronger measures, such as military force. Although, Hufbauer et al. are somewhat unclear on this point, they seem to argue that these types of sanctions are meant to be part of a requisite “college try” but that they will not have an impact on policy change on their own. The seventh and final recommendation, “Don’t Be a Cheapskate or a Spendthrift”, means that senders need to match the costs imposed on domestic constituencies, as well as allies, to the expected benefits, or else public support for the sanctions policy may quickly erode, but at the same time take care not to worry so much about the self-inflicted costs that they devalue the impact of the overall sanctions episode.(Hufbauer et al. 2007: 168-176)

6 Analysis

Since the 2006 military takeover Fiji has moved from flawed democratic rule towards increasing authoritarianism, causing its neighboring countries as well as some of its main aid providers to respond with targeted sanctions. These sanctions have, this far, consisted of financial sanctions, mainly in the form of restricted aid and funding, and of travel sanction with a focus on travel bans on individuals of the elite. Diplomatic sanctions and sanctions on technical assistance have also been implemented. However, although there are a number of senders and their sanctions are of similar nature, it is important to remember that the sanctions are in essence unilateral. This holds true even though three of the sanctioners included in this study are international organizations, since the organizations are the sanctioning entities, and not the individual member states.

The sanctions regimes against Fiji are clear examples of typical post-cold war era and early 21st Century sanctions regimes. By using targeted sanctions, meant to exert pressure on the ruling elite while sparing the general population, the senders, consisting of both individual states and organizations, aim to force policy change in the form of a return to democracy. This leads back to the question posed in the beginning of this text;

What factors are important for the success of sanctions and how do these factors apply to the case of Fiji?

6.1 Financial Sanctions: Restrictions on Official Financial Flows

The financial sanctions directed against Fiji mainly take the form of restricted or reoriented official aid. In addition, sanctions have been placed on technical assistance, meaning that Fiji will receive less support in developing its productive resources and managing its economic and financial policy (International Monetary Fund (IMF)). While Australia and New Zealand have chosen to redirect their official development assistance, they have not suspended it completely. The European Union, on the other hand, have chosen not to renegotiate the terms of its Development Fund and has also chosen to suspend its funding of the Fijian sugar industry.

As Hufbauer et al. points out, when it comes to sanctions on financial flows, interruption of foreign assistance is more common than restrictions on private flows, and might also be more effective in the case of a poor target-country. Even though Fiji is one of the most developed Pacific island economies, it still has a

very large subsistence sector. GDP per capital, as of 2009, is US\$ 3,900 which places Fiji at number 156 in a worldwide comparison.(World Factbook) According to Dearden, the percentage of households living in poverty has increased from 25 percent in 1997 to currently being 35 to 50 percent. The formal unemployment rate is 15 percent.(Dearden 2008:211) The major sources of foreign exchange are sugar exports, remittances from Fijians working abroad and the tourist industry. However, the tourist industry has been damaged by the most recent coup, which also created a difficult business climate. The long-term domestic problems have led to low investment, uncertain land ownership rights, and inability of the government to manage its budget. Furthermore, remittances from Fijians working in Kuwait and Iraq decreased significantly during the last years. Although sugar processing makes up one third of industrial activity it is not an efficient industry.(World Factbook; DFAT) The sugar industry also suffered significant infrastructure damage and lost production during a flood in January of 2009 (DFAT).

As the Fijian economy is struggling, partly due to the ailing sugar industry, the absence of European Union funding will certainly put further pressure on the Fijian economy. Although it is not given that the lack of EU funding alone would spark domestic pressure on the regime to concede to foreign demands, it might fuel already existing resentment. According to Brij V. Lal, professor of Pacific and Asian History at the Australian National University, the worsening state of the Fijian economy might be a more pressing concern for the Fijian population, and cause more public discontent than the political situation itself (Lal, 26 May 2009). But considering the deteriorating state of the Fijian economy, aid and funding should be quite valuable to the regime. However, the restriction on official flows is only effective if the target depend on it - unless the void can be filled by a so called black knight. In the case of Fiji, China has been mentioned as potentially taking on such a role, but at the moment China seems more interested in maintaining good relationships with the West than in increasing its influence in the Pacific region (Finin 2009:57). Since Australia and New Zealand have chosen to redirect their official aid to Fiji, in order to try to alleviate poverty and the effects of the global economic crises, it would seem that this type of sanction would not exert enough pressure on the target. However, while avoiding channelling aid through governmental institutions, and supporting projects closely connected with the regime, Australia and New Zealand might succeed in limiting the amount of money that the regime could divert to its own accounts or otherwise use to uphold its power. In a way this would be the exact point of a targeted sanction, exerting pressure on the ruling elite without causing harm to the general population. The funds available to the regime is a crucial and recurring issue which is also discussed below, when considering the need for an autocratic regime maintain its support.

So far, neither Australia nor New Zealand have opted to implement sanctions in the form of assets freezes or restrictions on private financial flows. Since much of the political power has been concentrated to members of the military, both in the civil service and the government itself, it would seem at least possible to include these individuals in such a measure as many of them should already be

included in the visa bans. This would of course depend on whether these individuals hold any considerable assets in Australia or New Zealand. The New Zealand government acknowledges that regime supporters hold permanent residence in the country, and considering that the same might be true in Australia to which many Fijians migrate, it is not impossible to think that such assets exist. (MFAT; Australian Department of Immigration and Citizenship) However, considering the time that has gone by since sanctions were first introduced, it might be that it's too late to enforce effective assets freezes, which requires speed.

6.2 Travel Sanctions: Visa Bans

The travel sanctions which so far have been implemented against Fiji are visa bans on members of the ruling elite, their supporters and in most cases also their family members. As theory tells us, travel sanctions are mainly considered symbolic measures, without significant ability to force policy change. Elliott mentions the exception of countries where tourism is an important sector, like Fiji. However the travel bans imposed by Australia and New Zealand only restrict members of the Fijian regime and its supporters to enter these countries, they do not restrict Australian and New Zealand citizens from travelling to Fiji. Therefore these travel sanctions will not affect the Fijian tourism industry, and thereby the Fijian economy, directly. Although the travel sanctions against Fiji might cause difficulties for the targeted individuals and for the regime leaders to conduct business, their main contribution will probably be to enhance the diplomatic isolation of Fiji. Together with the expulsion from both the Pacific Islands Forum and the Commonwealth, the travel bans might put some strain on the regime as it diminishes the role that Fiji can play in the region. Due to its prominence in the South Pacific during the colonial era, Fiji has been able to become an important regional centre for trade and diplomacy, as well as a host of international agencies (Finin 2009:56). While travel bans, as well as the additional diplomatic isolation, might harm Fiji's position in the region it is, as the theory says, very difficult to determine to what degree this will affect the regime.

Although it might not be too difficult to identify members of the regime, considering the concentration of power, it can be difficult for Australia and New Zealand to enforce the visa bans due to permanent residence on behalf of the targeted individuals (MFAT). This of course risks rendering the sanctions ineffective.

6.3 Assessing the Explanatory Factors

Keeping in mind the three broad conclusions reached by Hufbauer et al. that: 1) the relative difficulty of the goal sought is important, 2) the nature of the target

regime and the sender's relations with it is important, and 3) the economic cost imposed by sanctions on the target, this chapter will continue to look at the factors that influence the effectiveness of sanctions and how they apply to the case of Fiji.

6.3.1 Difficulty of the Policy Goal

The foreign policy goal, as pronounced by the sender, is according to Hufbauer et al. a highly important determining factor that must be taken into account when considering the effectiveness of sanctions. And as the study by Hufbauer et al. also shows, the success rate of sanctions drops when the policy goal is to change the target country's regime, including when the goal is democratization. Although the demand stated by Fiji's sanctioners is not regime change in itself, it is quite clear that elections would mean that the current military-led regime would lose the power it now holds, in reality causing regime change. Furthermore there is a stated demand of return to democratic rule and the Fijian case thereby fall into the category of high-profile cases with regime change and democratization as its goal.

As stated in the previous chapter, the travel bans can be expected to isolate the Fijian regime and lessen its influence in the South Pacific region. As such they are mostly symbolic measures and the effect on the targeted regime is very difficult to measure. While visa bans have a more symbolic effect, the restriction of aid and the withholding of funding for the sugar industry might, as stated above, have an effect on the already struggling Fijian economy causing domestic discontent. Depending on the ability of the regime to use the funds available to uphold its power, further deterioration of the sugar industry might perhaps cause enough domestic discontent, both from the general population and regime supporters, for the regime to change its policy.

6.3.2 Allies and Adversaries

Hufbauer et al. and Drezner both draw the conclusion that economic sanctions are more effective when directed against allies than adversaries. Targeted friends and allies have more to lose as they have more links to the sanctioning state, and are therefore more likely to concede to sanctions.

Australia and New Zealand both have quite strong ties to Fiji, both in terms of trade, aid and immigration. Australia is Fiji's third largest export partner and its second largest import partner, while New Zealand is the seventh largest export partner and third largest import partner (World Factbook). The 2006 Australian Census recorded 48150 Fiji-born people in Australia, an increase of 9.3 percent from the 2001 Census. The Fijian-born population in Australia also tend to retain strong social and economic ties with their relatives in Fiji. (Australian Department of Immigration and Citizenship) Another example of the ties between Fiji and its sanctioners is the fact that New Zealand helped to create the Fijian armed forces and provided their Commander in Chief until the 1970s (McCraw 2009:268). It would seem that the Fijian regime, through its increasingly undemocratic rule and

refusal to hold election within an acceptable amount of time, risks losing valuable contacts with two of its most important neighbours. However, the sanctions that so far have been implemented by Australia and New Zealand do not suggest that the countries are willing to put excessive pressure on the Fijian regime through direct economic sanctions. Aid, though restricted, is still provided and most links between the countries are still intact. More comprehensive sanctions would perhaps mean that the Fijian regime could reconsider the risk of losing its advantages in the relationships with Australia and New Zealand. However, more comprehensive sanction seems quite unlikely. For instance, the New Zealand government maintains that trade sanctions have never been imposed against Fiji and will only be imposed in case of a mandatory resolution taken by the United Nations Security Council (MFAT). Both Australia and New Zealand has approached the United Nations to stop Fiji from employing international peacekeeping forces (MFAT; The Australian), something that according to Finin could prove disruptive to the cohesiveness of the military (Finin 2009:57). This would perhaps cause internal pressure on the regime from its own base, the military, as it loses both prestige and income. It could however also cause hardship for families who depend on income from deployed soldiers.

The European Union's co-operation with Fiji dates back to 1975 and since then Fiji has been allocated 230 million Euros in development co-operation funds. Non programmable aid has also been considerable including emergency aid and budget funding. The European Union have also funded infrastructural projects totalling more than 46.5 million Euros, as well as programs that include education, teacher training and support to non-state actors.(Delegation of the European Commission for the Pacific) Although the European Union accounted for only 5.2 percent of Fijian imports in 2001 with the United Kingdom being the largest importer, sugar made up 92 percent of the value of the imports. The Sugar Protocol, which has legal status independent of the Cotonou Agreement, commits the EU to import a certain amount of tonnes of sugar from Fiji at EU internal guaranteed prices, and is therefore of great importance to the Fijian sugar industry. However, the EU has denounced the Sugar Protocol and from October 2009 Fiji is dependent on Economic Partnership Agreement concessions for its sugar exports.(Dearden 2008:212) Again it seems that Fiji risks losing, and have already lost, some of the advantages it gained through a relationship with the European Union which could convince the Fijian regime to reverse its stand.

Although Australia and New Zealand, as well as the EU have enforced sanctions in the past because of political instability (Dearden 2008:212; Henderson 2003:236) it is clear to say that Fiji have had beneficial relationships with both Australia and New Zealand as well as with the European Union. It could therefore be argued that they are friendly with each other and that Fiji should be more willing to concede to sanctions instead of risking to lose support. Nevertheless, it is also apparent that despite previous sanctions, Fiji has not lost either trade or aid on a long-term basis, which might lead the regime to believe that it can continue on its chosen path without risking further sanctions. Important to mention though is that, according to Finin, certain features distinguishes Fiji's current political situations from previous periods of instability causing its

relationship to the region to become more hostile. Fiji has for instance declared the New Zealand High-Commissioner to Fiji a *persona non grata* and for the first time ever lashed out at other Pacific Island leaders.(Finin 2009:56)

6.3.3 The Significance of Autocracy

While the close economic and diplomatic relationship between Fiji and its sanctioners might give cause to believe that the regime can be convinced to concede, the increasingly autocratic character of the regime implies that sanctions might not be successful. As autocratic leaders are less vulnerable to public discontent, they are also less likely to concede to sanctions due to the risk of losing power. But in contrast to comprehensive trade sanctions, targeted sanctions are designed to spare the general public and put pressure on the ruling elite. Thus the ability of leaders to deflect effects of sanctions onto the population is reduced through the use of targeted sanctions. Allen presents the importance of the selectorate and the winning coalition to the ability of regime leaders to hold on to power. As long as the leader is able to keep the support of the winning coalition it will be able to also uphold its policies, and as this group is smaller in an autocracy than in a democracy, autocratic leaders only have to placate a smaller number of individuals. If targeted sanctions are successful they may limit the capacity of a regime to provide its winning coalition with what it demands. Additionally, if members of the coalition are also targeted by the sanctions they may be personally harmed and thereby redraw its support of the regime and its policies. Targeted sanctions could therefore constitute a tool to inflict the political costs that are necessary to force policy change.

The reorientation of the official aid to Fiji from Australia and New Zealand - together with other sanctions that affect the Fijian economy negatively, such as the sanctions on economic and technical assistance – might reduce the funds available to the regime to implement policies that its supporters expect or demand. The lack of funding for the sugar industry, and the loss in expected income from the suspended Sugar Protocol, also reduces the state's income adding to these economic difficulties. According to Lal, 90 percent of land is owned by indigenous Fijians meaning that they are also the main owners of the land used for sugar production (Lal 2006:x). It would appear that this group as representatives of one of the most important sectors and used to policy's that enhance the rights and privileges of ethnic Fijians (Lal 2006:ix-xii) constitute an important power base for the regime. Their economic loss due to sanctions could cause them to exert pressure on the regime. However, according to The Australian – Australia's main newspaper - the primary material beneficiaries of the new regime are members of the military, and if the regimes ability to continue to give benefits decreases it might lose the support of this particular group (The Australian). This is of course dependant on whether these supporters value their own situation over that of the military as ruler of the country. However, in this case, it is also possible to question whether assets freezes and restrictions on private flows might be an even more effective measure, or a complimentary measure, as this could target

regime supporters in an even more direct way. But again practical issues may render them less effective.

The more autocratic character of Fijian state that has developed over the last three years could imply that the country at the moment is less politically unstable. The opposition is very weak and as it is now the military which has the power, the regime is also the main source of force in the country. Stable countries are less prone to concede to sanctions, giving one reason why the autocratic nature of the current could play an important role in determining the success of sanctions. However, the island state continues to be ethnically unstable, and more importantly, economically unstable and as previously mentioned the continuingly worsening state of the Fijian economy might prove to be the greatest source of unrest in the country. This unrest could perhaps undermine the relative political stability, increasing the possibility of success.

6.3.4 Economic Costs of Sanctions

According to Hufbauer et al. sanctioners must regard both the costs imposed on the target as well as on their own constituencies and the costs must also be adjusted to the policy goal that is being sought. The targeted sanctions that are now being implemented towards Fiji do not entail any great costs to the sanctioners themselves, neither the states nor the organizations. All sanctions are directed only towards Fiji and almost exclusively towards the regime and its supporters - although the considerable cut in funding to the sugar industry will undoubtedly affect the whole economy. A positive side to this is that the sanctioners are less likely to face domestic or internal discontent with the sanctions. Nonetheless, if the costs to the target are not high enough, the sanctions will not be able to force the wanted policy goal. As stated earlier, the high profile policy goal of regime change would, according to theory, require implementation of sanctions that are so costly to the target that exceed the political costs of concession. However, as the situation in Fiji is not a security threat as such, to any of the sanctioners, it might be difficult argue the need for more costly sanctions, to both target and sender.

According to theory it is also important that sanctions cause immediate costs, and not to gradually increase them and it's quite fair to say, that in the case of Fiji, sanctioners have started by enforcing sanctions that fall at the mild end of the spectra, perhaps with exception of the reduced support for the sugar industry considering the current problems experienced by this sector. Therefore it is possible that if further targeted sanctions are implemented, they will not have the necessary effect needed to compel policy change from the Fijian regime.

7 Conclusion

A fundamental argument of the theory concerning potential effectiveness of sanctions is clearly, that to be successful, the costs of sanctions to the target must be higher than the political cost of concession. As the analysis shows, the targeted sanctions directed at Fiji by Australia, New Zealand, Pacific Islands Forum, The Commonwealth and the European Union are fairly limited and can be said to fall at the mild end of the sanctions spectra. Visa bans restrict the travel opportunities for members of the military regime, its supporters and their family members, but other aviation bans have not been implemented. Similarly, the financial sanctions implanted consist of restrictions on official flows, meaning aid and funding, while assets freezes and restrictions on private flows have not yet been employed. In addition to this diplomatic sanctions and sanctions on technical assistance, as well as some other non-economic sanctions have been implemented, which could serve as enforcements of the visa bans and restrictions on financial flows.

Using theory on travel sanction and financial sanctions, as well as on factors that influence the success of sanctions, the thesis finds that in the case of Fiji, several different factors may have an impact on the potential success of the imposed sanctions, although not all in the same direction. Travel sanctions are mainly considered symbolic, or complimentary to other sanctions, and in the case of Fiji the issue of permanent residence may have consequences for the ability of Australia and New Zealand to enforce visa bans. The financial sanctions on the other hand, in the form of restrictions on official flows, may have some dire consequences for the Fijian economy, and especially the important sugar industry. While this will undoubtedly affect the Fijian population, it might also prevent the regime from carrying out projects or even keep the support of those that benefit materially from the regime. This becomes more evident when the factors presented by Hufbauer et al are considered.

The difficulty of the goal that the sanctioners are aiming to achieve is very high in this case and while visa bans and diplomatic sanctions might isolate the regime it is, according to theory, unlikely that they will exert enough pressure to convince the regime to concede to sanction. The financial sanctions may, as stated above be effective, provided that they also cause political costs to the regime. The overall friendly relationships between Fiji and its sanctioners would suggest that the regime could be likely to concede to sanctions, but on the other hand the increasingly authoritarian nature of the regime implies that it might continue to refuse concession. Here the targeted nature of the sanctions might play an important role, if they do manage to prevent the regime from providing their supporters with what they demand. In addition, the low economic cost of the sanctions to the sanctioners would imply that the sanctions can be maintained over

time, but if more comprehensive sanctions need to be implemented they might not be effective.

To sum up, the thesis finds that several factors influence the outcome of sanctions, and in the case of Fiji these factors sometimes work in opposite ways. However, all are in some way connected to the economic consequences of sanctions, both for the economy in general and for regime in particular, and this will undoubtedly have an impact on the ability of sanctions to cause policy change in Fiji.

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Appendix

Variables used by Hufbauer, Schott, Elliott and Oegg in *Economic Sanctions Reconsidered*, 3rd Edition:

Political variables:

- Companion policies used by the sender, namely covert maneuvers, quasi-military activity, and regular military activity.
- The extent of international cooperation in imposing sanctions.
- The involvement of an international organization.
- The presence of international assistance to the target country.
- The warmth of prior relations (before the sanctions episode) between the sender and target.
- The political character of the target country (democracy or autocracy).

Economic variables:

- The cost imposed on the target country, expressed in absolute terms, as a percentage of its gross national product (GNP), and in per capita terms.
- Commercial relations between sender and target, measured by the flow of two-way merchandise trade between them, expressed as a percentage of the target country's total two-way trade.
- The relative economic size of the countries (measured by ratio of the sender's GNP to the target's GNP).
- The economic health and political stability of the target.
- The type of sanctions used, namely an interruption of exports from the sender country, an interruption of imports to the sender country, and an interruption of finance.
- The cost to the sender country. (Hufbauer et al. 2007:55-56)

Reference:

Hufbauer, Gary Clyde - Schott, Jeffrey J. - Elliott, Kimberly Ann - Oegg, Barbara, 2007. *Economic Sanctions Reconsidered*, 3rd Edition. Washington, DC: Peterson Institute of International Economics