

OVERTURE

Journal of International Affairs

Colby

Volume 3, 2023

OVERTURE

Journal of International Affairs

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A Note from the Editor

Overture was first conceived as a passion project in 2021 with my friend, roommate, and co-founder Tom Cummins '21; we sought to expand the opportunities available to Colby students interested in the study and practice of international affairs while developing an outlet for student commentary on the state of our rapidly changing world. This project, which has spanned the bulk of my time at Colby, is a source of immense pride.

In the third annual edition of *Overture*, we have selected six exceptionally strong pieces covering global issues, including gender-based violence in Guatemala and Mexico; IMF loan interventions; the cartel landscape in Mexico; sovereignty in post-war Europe; nuclear-test-ban treaties; and extra-territorial sanctions. As *Overture* has done in the past, two members of our editorial board have also conducted faculty interviews. Professor Ken Rodman, a friend of the journal, speaks to Cole LaPlante '23 in March 2023 on the ongoing Russian invasion of Ukraine; Professor Patrice Franko speaks with Sydney Pascal '26 on public-private partnerships and the future of climate change.

I am thankful for the many people who have supported *Overture's* growth over the years. I extend my deepest gratitude to the Goldfarb Center for their continued support of *Overture*, this year's editorial board, and *Overture's* inimitable Digital Director, Jack Koskinen '21 for his enduring dedication to this project.

I'm optimistic that *Overture* will carry on beyond my graduation, and I am certain of the rising urgency of fostering leaders with global perspectives. It has been an honor to lead *Overture* during my time at Colby, and I am forever grateful for the opportunity to contribute to a project that empowers students to engage with the world beyond our campus.

Thank you,
Josh Brause '23
Overture Editor-in-Chief
May 2023

Interview with Professor Kenneth Rodman

Cole LaPlante

Professor Kenneth Rodman is the William R. Cotter Distinguished Teaching Professor of Government at Colby College. Professor Rodman is an expert on international relations, and his specific areas of expertise include economic sanctions, the United Nations, nuclear weapons proliferation, and the ICC. He is the author of *Sanctity versus Sovereignty: The United States and the Nationalization of Natural Resources in the Third World* (Columbia University Press, 1988) and *Sanctions Beyond Borders: Multinational Corporations and Economic Statecraft* (Rowman & Littlefield, 2001). His recent scholarship focuses on the nexus between international criminal justice, politics, and conflict resolution. Professor Rodman is interviewed by Cole LaPlante '23 on March 6, 2023, to discuss the role of economic sanctions as a tool to change the behavior of Russia as well as the possibility of international justice in response to the Russian military's war crimes in Ukraine.

LaPlante: As Russia's invasion of Ukraine continues, I'd like to start by discussing the role of economic sanctions. Can you start by explaining what kind of sanctions were imposed upon Russia?

Rodman: The sanctions that were imposed upon Russia were what are called sectoral sanctions. The emphasis was to target the financial sector by denying Russian banks access to international finance, and to focus on military technology by looking at semiconductors and high technology goods that make a direct contribution to the Russian military, and then energy sanctions [as well]. The sanctions were also multilateral in that they didn't involve extraterritorial coercion. But, given the fact that there was a strong consensus within Europe about the threat posed by Russia's invasion of Ukraine, there was a much greater degree of multilateral compliance than there had been for sanctions in the past.

LaPlante: Can you explain the idea of coercive diplomacy and what these sanctions are trying to achieve?

Rodman: In theory, the strategy of coercive diplomacy is that you impose costs upon a target in order to get the target to comply with the sender's goals. So, in theory, sanctions would be a strategy of linkage - we impose sanctions upon you, and we'll continue to impose that pain until you comply with our demands, which would be Russia pulling out of Ukraine. That was probably an unrealistic goal from the start, and it's an unrealistic goal

today. But, it's not the only purpose of sanctions. One of the goals of sanctions is to impose costs for non-compliance - to make it more expensive for Russia to engage in its invasion of Ukraine. In the long term, that might persuade Russia at a certain point to retreat from its maximalist aims or to negotiate some kind of peace agreement that would be more favorable to Ukraine than the status quo, but right now, the primary purpose of the sanctions is to impose costs for non-compliance rather than to achieve a specific form of compliance.

LaPlante: I'd like to shift to the topic of war crimes.

There is extensive evidence that Russia has committed a variety of war crimes in Ukraine, and there is some desire among the international community and members of the media to see Putin held accountable for those crimes. But, you've talked previously about how heads of state are treated differently by the Rome Statute than former heads of state. Can you explain the concept of foreign sovereign immunity and how it comes into play here?

Rodman: Foreign sovereign immunity basically means that heads of state are immune from criminal or civil suits in foreign courts. If you sign and ratify the Rome Statute, which is the treaty that established the International Criminal Court, then you consent to the overriding of foreign sovereign immunity. So, if you are a state party to the Rome Statute, official position is irrelevant in terms of accountability. For example, Britain or France are state parties to the Rome Statute, and that means that in theory, the British prime minister [and] the French president could be prosecuted by the ICC if they are implicated in war crimes. But, what if you are not a state party to the ICC? Under the rules of the ICC, you can be held accountable if you are accused of crimes in the territory of a state that has consented to ICC jurisdiction. This was something the United States was concerned about. So, what the United States did at the Rome Conference is lobby for a rule that said that if you are a non-party to the Rome Statute, then your public officials, including heads of state, would be immune from ICC prosecution as long as they were in office. When the United States insisted upon that rule, the fear was an American president might be accountable. But, the same rule that would insulate an American president or high-level public official from that kind of scrutiny also immunizes Vladimir Putin because Russia, like the United States, is non-party to the Rome Statute.

LaPlante: So essentially, the United States' past opposition to the Rome Statute has made it so Putin cannot be held accountable for war crimes in Ukraine.

Rodman: Yes, in terms of sovereign immunity, but also in terms of the crime of aggression. The United States was opposed to including the crime of aggression in the Rome Statute because the United States has often used military force in ways that are controversial. So, the United States wanted to limit jurisdiction over the crime of aggression to the Security Council. When the Assembly of States Parties, which is the political body of the Rome Statute, deliberated to define the crime of aggression for the ICC, the United States used its lobbying power [and] threw its weight behind a definition of aggression where the crime would only be applicable if states consented in advance to be held accountable for the crime of aggression. The United States had no intention of joining the ICC or consenting to that kind of jurisdiction, though neither did Russia. So, even though the crime that can most clearly be attributed to Putin is the crime of aggression, the rules of the Rome Statute, which were strongly influenced by the United States, made it virtually impossible to prosecute Putin for that crime.

LaPlante: In your research, you have specifically focused on the complicated relationship between conflict resolution and the pursuit of justice. In what ways would bringing Putin to justice actually work at cross-purposes with ending the conflict?

Rodman: This war will eventually end - it may end in a complete Ukrainian victory, it may end in regime change in Russia, but both of those are unlikely. So, it will probably end with some kind of negotiation between Ukraine and NATO on the one hand and Russia on the other hand. But, if you treat someone as a war criminal, that person is like a non-person - someone with whom you can't negotiate. To draw an analogy, in the Yugoslav wars, in the war in Bosnia and later in Kosovo, Slobodan Milošević was the man most responsible for the ethnic cleansing campaigns that took place in the Bosnian war. In terms of international criminal law, the law of justice and accountability, he should have been held accountable, and eventually, he was. But, in the Bosnian war, if you wanted to end the violence, you eventually had to negotiate with Milosevic. Now, that negotiation involved a term you referenced earlier, coercive diplomacy. There was a NATO bombing campaign designed to weaken the position of Milosevic's allies on the ground in Bosnia. There were intensified economic sanctions. But, the assumption was that Milosevic was going to remain in power. The

strategy was coercive diplomacy - we're putting pressure on a target so that the target negotiates an end to the war, accedes to our demands. But in order for that strategy to succeed, you are trying to convince your target that it is in its interest to comply with your demands. On the other hand, if you're criminalizing that person, you're arguing that nothing short of removing that leader from power is acceptable. So, there's often a tension between holding people accountable for crimes, which means an unpromising opposition to dealing with a particular leader as legitimate, and ending violent conflicts, which in a lot of circumstances requires negotiating with people with bloody hands. We're a long way off from negotiations in Ukraine. Negotiated ends of wars only emerge when you have what is called a mutually hurting stalemate - when both sides recognize that they can't win, and the longer the war goes on, the worse off both sides will be. Right now both Ukraine and Russia have plausible theories of victory. As long as both sides have a plausible theory of victory, there will be no negotiated settlement.

LaPlante: Recently, Putin announced that Russia would no longer be participating in the New START Treaty. Does that signal we are moving further away from the common understanding you're talking about?

Rodman: Yes, I agree there is a serious danger in that. Pulling out of the New Start agreement and eliminating those instruments that enabled each to monitor what it was doing - there are costs to that. Now, I'm not sure what Russia would do outside of New START, In theory, by pulling out of New START, it could expand the quantity and quality of its nuclear arsenal. But, how far is it willing to go in that direction in the current economic environment? Russia is constrained economically. It's also bogged down in both fighting the war in Ukraine and fending off economic sanctions. So, it's not clear that Russia could invest the kinds of billions of dollars in modernizing its arsenal that it did during the heyday of the Cold War. But, I think there are risks in terms of the breakdown of international agreements between the United States and Russia, and it's important to establish understanding as to prevent conflicts from getting out of control. Above and beyond New START, one of my concerns, and this concern hasn't materialized yet, is what happens if supplies to Ukraine through NATO member states are targeted by the Russian military? Does that engage Article 5 [of the North Atlantic Treaty]? Does that lead to an incremental escalation that might get out of control? In theory, both the United States and Russia are fighting a limited war in Ukraine. What one side sees as limited the other side might see as transgressing the

rules. There is a danger of incremental escalation which could get out of control that hasn't materialized yet. It's important to have lines of communication open between the United States and Russia to ensure that the conflict doesn't get out of control, and that's certainly a risk that we might confront. And, I think it's another reason why criminalizing the enemy is potentially dangerous in international conflict, even in a situation where the enemy is behaving and talking like a criminal, although it makes me feel like I'm falling on my sword to say something like that.

LaPlante: If you had to guess, where do you think the conflict will be by the end of 2023?

Rodman: I hate to make predictions because these situations can change significantly, but I think the most likely outcome is some kind of frozen conflict where the Ukrainians don't fully expel Russia, where Russia holds on to some of its position, and at a certain point both sides might agree that there is a mutually hurting stalemate as a basis for negotiation. So, I think what you are most likely to have is a frozen conflict where Russia's hold on Crimea and some parts of eastern Ukraine exist in a de-facto way, but they are not internationally recognized, and you have a very uneasy relationship between the West and Russia over those issues. It's an interesting question as to whether over time the war will create sanctions fatigue. There are some complaints here in this country, among some Europeans, that the support for Ukraine is expensive, but it should also be kept in mind that it would be expensive for Russia to win in Ukraine. If Russia conquered Ukraine, the United States and its allies would actually have to devote more resources to the military in order to contain Russian influence on the European continent. So, there are economic costs in disengaging from the conflict from disengaging in the conflict just as there are economic costs in supporting the Ukrainians.

Note: Eleven days after the original interview on March 17, the International Criminal Court issued an arrest warrant for Vladimir Putin for the Russian army's forced deportation of children from Ukraine.

LaPlante: I'm sure you saw the news that the ICC issued an arrest warrant for Vladimir Putin. What was your initial reaction?

Rodman: I was a bit surprised. I didn't think the Prosecutor would go straight to the top on his first charges. I was also surprised that the Prosecutor and the Pre-Trial Chamber overrode head of state immunity for the leader of a nonparty state, particularly since the US lobbied to include a provision – Article 98(1) – protecting that.

While the US supports treating Putin as a war criminal, it is probably uncomfortable with some of the rulings.

LaPlante: In what ways could the nature of the conflict shift now that the ICC and the international community have officially labeled Putin a war criminal?

Rodman: It's not clear, and there is a ledger sheet that has yet to be filled out as to the positive and negative effects. On the positive side, the warrant might further stigmatize and isolate Putin internationally as he becomes a global outlaw. Since Rome Statute state parties would be obligated to arrest and surrender him to the Court if he arrives on their territory, he would be constrained in his freedom of movement. And the association of the war with the abduction of children, not just a territorial dispute, might push those countries on the fence to take stronger action against Russia. On the negative side, this might complicate conflict resolution. While there are no prospects for meaningful negotiations today, there might be at some point in the future as there was with Milosevic in ending the Bosnian War. If we reach a point where the situation is ripe for a mediated settlement, can you negotiate with a leader who has been criminalized? That was possible with Nazi Germany where we fought a total war for unconditional surrender. That is not going to happen with Russia today.

It is also possible that neither the positive nor negative effects will materialize. First, it is not clear that countries will further isolate Putin as a result of the arrest warrant. To many developing countries, the ICC is seen as a Western neo-imperial institution that threatens their sovereignty, and the issuance of the arrest warrant at roughly the same time as the 20th anniversary of the second Iraq war reinforces that view. Russia is also a member of BRICS, which is pushing for a multilateralism that is less US or Western centered. Even though three members are democracies and two are Rome Statute state parties, they are likely to view the ICC – with its exclusive focus on Africa and a Western adversary – as consistent with that view. An interesting test case will be the BRICS Summit in South Africa in August and whether South Africa invites Putin to attend even though they have a legal obligation to arrest him if he does. As for diplomacy, states can often redefine their international law obligations to make it happen if the situation is ripe. There are avenues provided in the Rome Statute – Article 16 allows for the deferral of investigations and prosecutions for renewable 12-month intervals if necessary for international peace and security. There may be non-party states that would host mediation efforts. Or diplomacy could take place through unindicted Russian diplomats.

Homicide in Mexico and the New Cartel Landscape

Nate Cordick

On June 20th, 2020, in the leafy Mexico City neighborhood of Lomas de Chapultepec, a caravan of trucks carrying twenty armed men opened fire on Mexico City's police chief as he exited his home. Although neighbors reported hearing gunfire for several minutes, the target, Omar García Harfuch, survived, although his two bodyguards were less fortunate. Recovering in a hospital later that day, García Harfuch was quick to blame Mexico's most infamous and violent cartel, Cartel Jalisco Nueva Generación (CJNG), for what was at that point the highest profile attempted assassination by a cartel in Mexican history.[1] While political assassinations by CJNG had become relatively common in rural states in recent years, to go after one of the most powerful security officials in the country in the capital was a clear declaration of war.

The dominant cartels today are unlike those of the 1980s or 90s. Instead of solely trafficking drugs, today's cartels operate more as traditional criminal organizations and engage in gang-like behavior, participating in activities such as kidnapping for ransom, extortion of local farmers, political assassinations, and general coercive behavior against vulnerable populations. Although many of these cartels trace their history to the powerful Guadalajara Cartel that dominated cocaine trafficking routes into the United States in the 1980s, the new cartels operate in smaller geographical regions and rely on corrupting local officials to fuel their business. In many ways, the new cartels operate less like drug trafficking cartels, and more like violent criminal gangs. This paper is divided into four sections: section I focuses on the historical factors that facilitated the rise of the cartels beginning in the 1970s through the early 2000s; section II examines the contemporary actors that have contributed to the rise of homicides, which includes both state and nonstate actors; section III introduces relevant environmental factors that have exacerbated violence, including both economic and social components; and section IV is a synthesis of the previous three sections. Due to the cartels' historic relationship with the state, the democratic opening in 2000 and a new War on Drugs launched in 2006, traditional cartels were forced to adapt, learning to diversify their sources of revenue. Those that did not adapt split into various smaller cartels, many of which began engaging in more violent tactics to maintain their influence in local communities. Adding fuel to the fire were new economic conditions, including the relaxation of export regula-

tions around avocados, that further exacerbated violence between the state and additional nonstate actors. Ultimately, these conditions have culminated in 2021 having the highest homicide rate in Mexico's history, where hope for combating such violence remains unlikely in the near term.

SECTION I: RISE OF DRUG TRAFFICKING CARTELS, 1970s-2006

All active cartels operating in Mexico today owe their existence in part to the path cleared for them by the Guadalajara Cartel in the late 1970s and 1980s. At the time, Colombian cocaine traffickers were interested in establishing land routes from Mexico into the United States to fill an ever-increasing demand among the American public. The Colombians—most notably Pablo Escobar and his Medellín Cartel—looked to partner with established criminal networks within Mexico that had experience moving illicit substances across the border.[2] Early members of what would come to be known as the Guadalajara Cartel were mostly small-time marijuana traffickers who had been brought together after a Mexican government anti-drug campaign, Operación Condór, had pushed many of them out of their original operating base of Sinaloa.[3] After relocating to Guadalajara, the capital of the state of Jalisco, the cartel was established through an agreement by the most prominent smugglers at the time,[4] some of whom, such as Joaquín “El Chapo” Guzmán, would become shorthand for Mexico's drug problem.

In the following years, various members of the cartel would travel to other cities along Mexico's west coast and central valley to set up other branches of the business. These branches, or plazas, were set up in locations either close to the border (Tijuana, Ciudad Juárez) or in more cities that served as a regional hub (Culiacán, Mazatlan). [5] Eventually after the collapse of the cartel's leadership, these plazas would fight each other for territory control and smuggling routes, but throughout the 1980s these plazas functioned as efficient arms of the larger business. In this period the Guadalajara Cartel's leadership was able to establish a valuable working relationship with the highest levels of the Mexican government, partly because of the lucrative bribes administered to federal officials, as well as the cartel's nonviolent tactics. Although a rival group, the Gulf Cartel, operated on the eastern side of the

country, Guadalajara members did not have any competitive rivals operating in the same geographic region. [6] Thus, for much of the 1980s, the cartel was able to operate with near impunity from law enforcement, and government officials became intimately involved in many aspects of the cartel's operations. A memorable anecdote notes that once the Cartel had begun cultivating marijuana in large plantations throughout the state of Chihuahua, the cartel relied on the Mexican army to provide security and the federal police force to transport product towards Cartel-affiliated traffickers closer to the border. [7]

This era of cartel impunity and dominance lasted until the fiasco associated with the American DEA agent Kiki Camarena. Kidnapped and murdered by the cartel for leading a probing investigation into their organization, Camarena's death initiated an American-led manhunt for those responsible, culminating in the eventual arrest of top cartel leaders in 1989.[8] In the aftermath of the arrest of Miguel Angel Félix Gallardo, the powerful kingpin at the top of the cartel's hierarchy, the Guadalajara cartel quickly dissolved into its constituent plaza organizations. Now, the rules of the game had fundamentally changed: instead of pursuing a policy of cooperation with government officials and nonviolent business tactics, the new cartels were about to get their hands dirty.

Guadalajara's successors and the emergence of cartel violence

Three powerful successors emerged in the aftermath of the Guadalajara cartel's collapse that would shape the drug trafficking landscape and Mexican politics for the next several decades: the Sinaloa, Juárez, and Tijuana cartels. While each was based in their respective cities or states and initially became wealthy through their individual drug trafficking operations,[9] in the 1990s these organizations began to engage and invest in other profitable businesses. While cocaine continued to be the majority of the cartel's income, marijuana plantations in northern and central states controlled by both the Juárez and Sinaloa cartels had also become lucrative.[10] Opium, a product which had long been cultivated in Sinaloa to meet American morphine demand until the mid-twentieth century, was co opted by the Sinaloa Cartel and instead funneled into heroin production.[11] Other synthetic drugs, including chemical precursors to various methamphetamines, were manufactured in Asia and shipped into Mexico's west coast ports to be smuggled into the United States.[12][13] As a consequence of both increased revenues from the trafficking of new types of narcotics, as well as the fallout from several misunderstandings

between the cartels, the business suddenly became more cutthroat. Under the Guadalajara Cartel's former leadership, trafficking had been a relatively safe endeavor for those involved, given that there were no real threats to their monopoly. But as the business became more lucrative and the Guadalajara Cartel ceased to exist, the stakes were raised, and leaders of the three main cartels had no choice but to adapt.

The fall of the PRI and Mexico's democratic opening

For 71 years, the Partido Revolucionario Institucional (PRI) ruled Mexico as a one-party state. Until the PRI was voted out of office in 2000 with the presidential election of Vicente Fox, the party and state were practically interchangeable, with PRI politicians controlling the executive, legislative and judicial branches of the state. For the cartels that began to grow their operations in the 1980s and 1990s, striking deals and collaborating with government officials meant working with individuals ensconced within the PRI regime.[14] However, the transition to democracy in 2000 meant that this old bargain would not survive. With Fox came a new generation of bureaucrats from his party, the Partido Acción Nacional (PAN), who made a point of distinguishing themselves from the former PRI regime. Although the PRI made strategic tradeoffs for peace through close collaboration with cartels while in power,[15] the new Fox administration was unable to enforce such top-down policy given the introduction of new political parties across all levels of government that ensued under the democratic opening in 2000. Although intimate cartel relations with cabinet-level government officials had largely ceased after the collapse of the Guadalajara cartel, the PRI's loss in 2000 completely reformed how cartel leaders conducted business in the country. While violence in the 1990s between rival plazas was largely mitigated by state officials, the government would not be able to play the role of moderator for much longer.

As the Mexican state found itself in a period of transition during the presidency of Vicente Fox, the cartels rapidly found themselves at the center of a power vacuum created by the outgoing PRI administration. As old patronage networks were destroyed, new ones had to be built, and cartels flush with cash were willing to fund politicians associated with both the PAN and other new parties created in the democratic opening.[16] Until 2000, the cartels had never had significant leverage over policymakers; after the transition, the cartels were openly funding their election campaigns. Without a unified government to monitor their business, which had expanded from

cocaine and marijuana to methamphetamines and other synthetic drugs in the 1990s, conflict between rival cartels over territory and trade routes spiraled.[17] Although the national homicide rate remained virtually the same between 2000-2006,[18] cartel-related crime loomed large in the public imagination, especially as the Fox administration did little to combat drug trafficking activity. With Fox's popularity rating sinking in the late months of 2005 to around 45%,[19] he stepped aside to let a rising star in the PAN, Felipe Calderón, run in the 2006 elections instead.

The Mexican War on Drugs

If Fox had inherited a political nightmare as the leader of the first administration to rule in the wake of the PRI's collapse, the situation for Calderón would be significantly worse. Calderón campaigned aggressively against cartel influence in Mexican politics, promising voters that he would take drastic action to take power away from the cartels and reinforce the reach of the government in rural areas. Calderón's campaign slogan, *Para que vivamos mejor* ("So we can live better"), was intended to drum up support for his hawkish policy towards the cartels.[20] Calderón ultimately won the election in 2006 after a vitriolic campaign against a leftist competitor, Andrés Manuel López Obrador, and one of his first actions after taking office in November of that year was to declare a new Mexican War on Drugs.[21] Operación Conjunta Michoacán (OCM), the first iteration of the Mexican government's new attempt to crackdown on cartel activity, was started when the government sent more than 7,000 police and military personnel to the state of Michoacán to combat rising violence in the region.[22] By government accounts, the OCM was unexpectedly successful: stories of confiscated drugs and weapons soon filled local papers, and the military arrested several high-profile leaders of the Sinaloa and newer Milenio cartels.[23] However, disturbing reports about government soldiers committing human rights violations soon arose, including the arbitrary murder of civilians who did not comply with soldier's orders. As the government expanded their War on Drugs to other states in the following years, constant violence between cartel and government forces only escalated, contributing to a steep increase in homicides starting in 2006 that would soon make cities such as Ciudad Juárez known as some of the most dangerous cities in the world.[24]

SECTION II: TODAY'S RELEVANT STATE AND NON-STATE ACTORS

By 2011, the national homicide rate had doubled to 20 per every 100,000 citizens, one of the highest homicide rates in the world.[25][26] After a relatively successful initial incursion into Michoacán, President Calderón's War on Drugs quickly devolved into a chaotic stalemate between government forces that included the military and various cartels across the country. Major Mexican papers began referring to the astonishing increase in homicides as *La Inseguridad* ("The insecurity"), in attempts to define the impartiality of the violence—the government was seen as just as responsible as the cartels.[27] According to government statistics, in 2011 alone, 12,000 casualties had been recorded in the War on Drugs, helping push the total number of those killed in the campaign to over 50,000.[28] After Calderón left office in 2012 with historically low approval ratings, his successor, Enrique Peña Nieto, would do little to change the course of federal policy towards the cartels. With ever-increasing cartel violence and homicide rates, Nieto left office with a miserable 24% voter approval. By militarizing the government's approach towards cartels, Calderón had put Mexico on a track that no other president could step back from.

Mexico's leftward tack: the AMLO administration

Andrés Manuel López Obrador, commonly known by his acronym, AMLO, swept into the executive Palacio Nacional in 2018 after winning a whopping 54.7% of the popular vote. The first leftist president since the mid-20th century, AMLO promised change for a country reeling from *La inseguridad*. Leading up to the elections, AMLO's primary campaign slogan was "Abrazos, no balazos" ("Hugs, not gunshots"), which would come to define the new administration's approach towards combating cartel violence. Instead of continuing to send military soldiers into cartel strongholds, AMLO promised to both create new social initiatives and increase funding on existing programs to provide young people with alternatives to joining organized criminal groups.[29] In the past 4 years, all of AMLO's initiatives have failed to counter cartel violence or improve the security situation. A notable incident in 2019 demonstrates these failures well. After capturing the son of a well-known trafficker in Cualicán, the capital of Sinaloa, government soldiers were forced to hand him back to cartel forces after approximately 375 sicarios descended on their location, an event that illustrates how little control federal forces have when dealing with the cartels.[30] More recently, AMLO dissolved the aging federal police agency, replacing it with a new, civilian-led national guard that would be "incorruptible," a move that completely gutted Mexico's domestic intelligence capabilities and has left security officials scrambling.[31]

While AMLO continues to deny that the cartel problem is getting worse, a record fivefold increase in internally displaced people were counted in 2021, up to 44,905, primarily from the central states of Jalisco, Zacatecas and Michoacán.[32]

Sinaloa's continued dominance as a traditional drug trafficking cartel

While a handful of new cartels have emerged from the corpses of old cartels in the years following President Calderón's new War on Drugs, the Sinaloa Cartel (SC) remains a dominant player, especially in areas along the Mexican-American border and in the states of Durango and Sinaloa.[33] Although Sinaloa's longtime and infamous leader Joaquín "El Chapo" Guzmán was arrested and extradited to the United States in 2016, the cartel continues to operate much as did in its formative years. El Chapo and other Sinaloan leaders were the first major cartel to focus on economic activities other than drug trafficking, and their involvement in a variety of industries allowed them to adapt their organization to everchanging Mexican state policies towards cartels. The SC is perceived by many to be the closest successor to the Guadalajara Cartel in terms of business savvy, and often credited by government officials and other business interests as being the most desirable cartel to work with.[34] Sinaloa affiliated members getting involved in new agricultural or industrial areas do not just seek to extort local producers or farmers, but have instead been known to take control of entire industry verticals beginning at the production level, and integrate them within their already robust supply chain for transporting narcotics.[35] In cases where the cartel does not fully involve themselves, SC tax collectors sent to retrieve small portions of revenue from local businesses are often described as "buttoned-down criminals" who are easier to work with than more violent cartels.[36] Sinaloa's civil approach towards business and governance in local communities is one of the key factors that has allowed them to dominate while other large rivals, such as the Tijuana and Juárez cartels, have splintered into many cells over the previous two decades.

Throughout Sinaloa, the myth of El Chapo's benevolence runs rampant. Both he and his lieutenants are perceived as Robin Hood figures who have greatly improved economic conditions in local communities. Although the veracity of claims such as El Chapo building new soccer stadiums or hospitals in Cualicán are contested, the influx of money into the region over the past 30 years has been anything but quiet. Luxury car dealerships now line Cualicán's main avenues, and clusters of sprawling gated villas

dot the edges of the city.[37] The cemetery in the center of town has ornate mausoleums dedicated to the hundreds of cartel henchmen—sicarios—who died fighting for the cartel. Far from operating covertly, the cartel is at home in a city where everyone has a relative or a friend who's on the cartel's payroll. Local government officials, including elected politicians as well as police officers, also benefit from the cartel's largesse, in exchange for governing without asking many questions.[38] Simply put, the SC runs everything behind the scenes. Unlike terrorist organizations such as the Taliban who engage in territorial governance where the state is weak, the SC is not waging war against the Mexican government. In many cases, the cartel is looking to work with local elected officials or co-opt them into making advantageous decisions through repeated bribes. While some analysts frame mayors of cities located in rural areas as nothing more than puppets for the cartels, this perspective is flawed: the Mexican state's strong federal system gives plenty of state resources to regional leaders who have both the authority and power to govern with a strong fist. However, many political leaders find themselves turning a blind eye to cartel activity, lest the cartel fund a competitor in the next election. To this day, the SC has refused to engage in or claim credit for any political assassinations, unlike other prominent rivals. Along with their hybrid-governance model, in which the Sinaloa Cartel influences policy decisions through recurrent bribes, these two details have become their defining characteristics as an organization[39]. As such, many citizens in regions controlled by the cartel trust El Chapo more than AMLO.

Cartel Jalisco Nueva Generación: A new type of cartel

The largest and most powerful cartel operating in Mexico currently is CJNG, which DEA officials estimated controlled one-third of the U.S. drug market in early 2022.[40] Born out of the small Milenio Cartel in the late 2000s and a descendent from the early years of the SC, CJNG has become not only the most feared cartel operating in Mexico, but is notorious for its use of public violence against rival cartels, government officials, and often civilians caught in the crossfire. CJNG first made international headlines in May 2015 when a military helicopter was shot down by CJNG sicarios using a rocket-propelled grenade launcher,[41] leading to a weeklong insurgency in rural areas in the state of Jalisco as the military tried to locate those responsible. As Vanda Felbab-Brown notes, "much of CJNG power comes from brazen intimidation and brutality facilitated by aggressive propaganda." [42] Much like Islamic terrorist organizations such as the Islamic State, CJNG produces graphic videos depicting

executions of either rival cartel members or government soldiers, and has recently begun using armed drones and homemade tanks to attack government forces and depopulate local communities.[43] Perhaps CJNG's most notorious behavior has been the use of cannibalism in initiation rituals, a tactic which goes far beyond what other Mexican cartels use to recruit new sicarios and which features heavily in their propaganda videos.[44]

CJNG is the flagbearer of the new generation of Mexican cartels. Although it is difficult to assess what portion of CJNG's revenue is derived from trafficking activities, their widespread presence in trafficking routes both in Mexico and throughout the Western United States indicates that the narcotics trade is critical to their survival and may comprise their core business. Like other cartels that formed after splitting from larger organizations, CJNG began operating essentially as a small gang in the states of Jalisco and Nayarit and battled other similarly sized groups such as Los Zetas, La Familia Michoacána and Los Caballeros Templarios before ultimately emerging as the predominant cartel operating in central Mexico. [45] Curiously, during the coronavirus pandemic various accounts of CJNG sicarios handing out food and toys to children in rural villages were documented,[46] indicating that the cartel is attempting new strategies to appeal to civilians who may have been previously disaffected by their use of violence.[47] However, CJNG continues to distinguish themselves for their dramatic use of violence against both rival cartels and government forces, and remains the predominant armed force in the central and western parts of the country.

The autodefensas: the rural villager's response to cartel and government incursions

In response to the steep rise of cartel violence since 2015, civilians in rural areas have begun to form militias to protect local municipalities. These local militias, or autodefensas, drew members from all parts of rural communities, including farmers, factory workers and large landowners, with numbers often reaching in the hundreds.[48] Positions within autodefensas are voluntary, and while most personnel have other jobs outside their involvement with the militia, many feel obligated to serve in order to protect their communities and families. [49] These groups have not only served to counter cartel incursions in rural communities—often forcing sicarios back to more urban areas—but have been a valuable asset for government forces, which face an uphill battle in rural areas given their spotty history of corruption and human rights abuses in those same communities. In many

areas throughout Michoacán, military leaders coordinate closely with autodefensas leaders to plan attacks on cartel forces, assisting a Mexican military whose political and financial resources have been strained in Michoacán for years.[50] While the appearance of various autodefensas protects civilians in rural areas from cartel extortion and violence, they are also another factor responsible for the renewed rise in violence post-2015, and for further complicating the already large number of armed actors operating in central western Mexico.

SECTION III: ENVIRONMENTAL FACTORS EXACERBATING VIOLENCE

In recent years, three economic factors and one societal factor have facilitated the steep increase of cartel violence. Of the economic developments, the booming avocado industry that grew rapidly in the post-NAFTA years has allowed cartels to pivot from their exclusive focus on narcotics trafficking. Additionally, iron mining operations and oil theft became important supplementary sources of revenue for cartels and bolstered their influence in local communities. Additionally, the ubiquity of corruption in all levels of government has served to not only weaken state capacity but continues to support cartel impunity across the country. Ultimately, these factors have combined to create the ideal conditions for cartels to engage in violent actions, resulting in a steep rise in homicide rates beginning in the mid-2010s.

Avocados in La Tierra Caliente

In the years following the passage of the North American Free Trade Agreement (NAFTA) in 1994, no agricultural product has done more to affect cartel economics than the avocado. For a product where total exports were valued at \$2.8 billion in 2020,[51] the cartels were bound to get involved in the business. A 1914 ban implemented by the U.S. Department of Agriculture had kept Mexican avocados out of the country until the law was lifted in 1997, but with a catch: only avocados from the state of Michoacán could be exported to the United States.[52] Often called the avocado capital of the world, Michoacán was credited with producing 43% of the world's avocados in 2020. The highlands surrounding the volcanic Sierra Madre Occidental mountain range is ideal for the fruit, which requires a combination of mineral-rich soil and ample sunlight to grow. Beyond Michoacán, the states of Nayarit and Jalisco also have fledgling avocado industries.[53][54] In the late 1990s, reports of smaller cartels operating across these three states in an area known as La Tierra Caliente (“The Hot Land”) began surfacing, often

asking farmers for up to 5% of their total avocado revenue.[55] Between 2001 and 2010, avocado production in Michoacán tripled, overtaking both marijuana and poppy as the most lucrative crop in western Mexico.[56] It's also worth noting that the rise in avocado demand coincides with both Calderón's War on Drugs and the steep increase in homicides across the country.

Engaging in licit industries is revenue-maximizing for cartels, who don't risk the same top-down disruption to their activities as they do with illegal goods. Avocados in Michoacán are particularly attractive to cartels for the small size of farms, low technological barriers to entry and endemically corrupt local government, all of which allow cartels a degree of impunity working in the industry. [57] Although smaller cartels like La Familia Michoacána were the first to take advantage of the lucrative nature of the avocado trade in La Tierra Caliente, today they have been almost completely usurped by CJNG and the SC, as well as a handful of more regional cartels and autodefensa groups. Throughout La Tierra Caliente, all of these actors are locked in a battle for territorial control where borders are constantly shifting, resulting in skyrocketing levels of violence that dwarfs that of other Mexican states where fewer cartels are operating. In 2016, Michoacán had 16.9 homicides per 100,000 citizens compared to the national average of 13.9, a greater than 50% increase for Michoacán since 2000.[58] By 2020, however, Michoacán's homicides had more than doubled to reach a rate of 43.6, completely eclipsing the 20.3 national homicide rate, a pattern also seen in the neighboring states with fledgling avocado industries.[59] As the avocado industry in La Tierra Caliente continues to grow following a further relaxation of USDA export regulations implemented in 2015, the violence has ominously escalated to levels that far exceed that of the national average. Though a boon for American consumers, the rapid growth of the avocado business has been exceedingly hospitable for cartels looking for a slice of the cake.

Irons mines and oil fields: Alternative revenue streams

Beyond avocados and narcotics, cartels siphon revenue from other licit industries, including iron mines along the Michoacán coastline and oil pipelines in the central states of Zacatecas and Durango. Although both CJNG and the SC rely on trafficking and avocado rents for the majority of their incomes, extorting these other industries is a simple way for the cartels to diversify their revenue-generating activities. Some estimates suggest that over 50% of all mining operations in Michoacán are owned by cartels, who extract rents at various points from extraction to

storage and shipment.[60] Unlike marijuana and avocado farms which tend to be owned by local farmers, iron mines are typically owned by large, multinational companies, which often lends cartels a further degree of legitimacy among local populations.[61] If cartels can successfully pocket revenue generated from these multinational companies with vast financial resources through the threat of violence, local populations have little choice but to comply with their demands. Similarly, oil theft and graft have long been issues on the flat, desert plains of Zacatecas and Durango, where unguarded oil pipelines are an easy target. Illegal oil tapping is a more recent phenomenon, brought about after Calderón's War on Drugs forced several traditional cartels to look for other sources of revenue.[62] In 2014, a now-defunct cartel known as Los Zetas reportedly generated more than \$371 million from oil theft alone.[63] Although the extent of the cartel's participation in these other licit industries is difficult to measure, it is clear that they have turned increasingly towards these activities not only as another source of revenue, but also as a way to maintain influence in local communities.

Corruption's enduring grip on local municipalities

Endemic corruption is uniquely credited by many scholars as facilitating the conditions for cartel growth and the rise of violence in the country. Notable instances of government collusion with cartels goes back to the formation of the Guadalajara Cartel in the 1970s, where state intelligence agencies uncovered a revolving door of cartel bosses staying at a property owned by the then president, Luis Echeverría.[64] Many of the later PRI presidents were either directly linked to cartel activity or had cabinet members linked to cartel bosses. More recently, corruption has largely disappeared from the executive-level, with the notable exceptions of the Nieto administration and the General Salvador Cienfuegos case,[65] both of which demonstrate how ingrained patronage networks linked to CJNG and the SC still dictate much of political life. Corruption in Mexico, however, is a more insidious problem at the local level. A 2012 study commissioned by Mexico's public security agency estimated that 93.6% of municipal police rely on corruption to supplement their low salaries. [66] Beyond law enforcement, cartels have local officials and elected politicians on their payrolls, including mayors and governors.[67] Beyond minimizing the threat posed by local law enforcement, cartels use their influence over elected officials to implement business friendly policies, perpetuating a cycle where cartels increasingly reward officials for their complicity. Similarly, cartels employ these officials in their fight not only against rival cartels,

but against the state itself. The ubiquity of corruption in rural municipalities is toxic for democratic consolidation, leading to situations where local officials on the state's payroll act against other employees of the state, primarily in military units tasked with suppressing cartel activity. [68] Although the prevalence of corruption does not directly lead to increased levels of violence, the outcome is essentially a zero-sum game. Either local officials agree to cooperate with armed cartels and engage in corrupt activities, or face violent repercussions. Over the past fifty years, widespread corruption has created an environment for cartels that is hospitable to impunity, where unless specific federal action is directed towards cartels, local law enforcement is functionally inept at combating cartel violence.

SECTION IV: MEXICO'S PREDICAMENT

The steep rise in violence in Mexico in the past 7 years can be attributed to the lingering presence of historical factors, the structures of today's armed groups, and various environmental factors which have exacerbated the already elevated levels of homicide. As examined in detail, today's actors did not appear out of nowhere; formalized drug trafficking cartels have existed for more than fifty years in Mexico, and the most recent group, the autodefensas, rose in response to increasing cartel incursions in rural areas. Although the now-defunct Guadalajara Cartel had close relationships with the PRI regime, the PRI's loss in the 2000 election was an inflection point for successor cartels. From 2000 until 2006, the Mexican state's capacity to control cartels was extremely low given their travails at democratic consolidation, and national homicide rates began to rise. In response to the worrying increase in violence, Felipe Calderón was elected to curtail cartel activity, launching his War on Drugs in 2006 that would quickly send rates of violence skyrocketing. The years between 2006 and 2015 were critical for the formation of new cartels, with many traditional cartels splintering into regional gangs. This period would come to be marked by intra-cartel violence, especially between "traditional" cartels like SC against "new" cartels like CJNG. Unlike traditional cartels, CJNG quickly became feared for its excessive use of indiscriminate violence, blurring the lines between conventional drug trafficking organizations and insurgent groups. Between the intense territorial rivalries that often define cartel violence, the Mexican state continues to engage in heavily militarized campaigns against cartels, a policy that has so far only resulted in more homicides and has failed to meaningfully reduce violence. This situation was the reality until 2015, when several rapid economic changes drastically changed

the calculus for Mexico's cartels.

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Examining Motivations for U.S. Channel Selection in IMF Loan Interventions

Will Korsh

On paper, the International Monetary Fund (IMF) is supposed to be a technocratic, functional agency free of political linkages. The organization was created to dictate global economic policy and serve as a lender of last resort in cases of dire financial crisis. When member states each contribute a portion to the IMF's lending pool, they share the burden of risk and are relieved of the responsibility of making a large bilateral loan or dealing with the problem internally. Despite this apolitical mandate, the voting structure of the IMF gives the U.S. more influence than any other member, allowing it to leverage the organization for political gain. The number of votes a state is allotted is based on the amount they have donated to the fund overall—with its immense capital contribution, Washington holds roughly 17% of votes within the IMF. Because IMF decisions require support from 85% of voting members, the U.S. effectively has veto power within the organization and has historically used this to promote its own political interests.¹

Even with this immense multilateral influence at its disposal, the U.S. does not always elect to conduct business through the IMF. The goal of this paper is to examine what factors cause the U.S. to intervene in IMF loan conditions either bilaterally, through a coalition or posse, broadly through the IMF, or some combination of these. The cases of the 1994 Mexican peso crisis, the Argentine crisis of 1997, the 1999 East Timor humanitarian crisis, and IMF negotiations in Egypt and Russia in the early 1990s illuminate a wide variety of U.S. interests—or lack thereof. From these cases, a pattern emerges: Washington tends to supplement IMF lending with bilateral support when it has an immediate vested interest in a state's economy. When the U.S. has a political stake in a situation, leaders opt to act mainly through the IMF to ground their interests in technocratic institutional diplomacy, using coalitions as needed to steer the course of negotiations.

1 Momani, Bessma. "American politicization of the International Monetary Fund." *Review of International Political Economy* 11.5 (2004): 880-904.

Literature Review on U.S. Politicization of the IMF

Although the IMF states that it is an apolitical, technocratic institution and even dedicates the Managing Director position to removing politics from negotiations, the structure of voting and the IMF Executive Board allow for politics to creep in at various points.² To prove the presence of politicization within the IMF, critics point to past scenarios in which the Fund has issued loans to states with a history of noncompliance with IMF conditions, or issued loans despite conditions not being met.³ The largest lynchpin of IMF negotiations is the Executive Board, to which the Managing Director takes loan proposals for approval. After this phase of negotiations, the Managing Director makes a final decision based on the "sense of the meeting," a rough measurement based on the general level of approval for the loan among the Executive Board.⁴ This metric is quite ambiguous and is often influenced by other states catering to U.S. interests for fear of a veto. Political Scientist Strom C. Thacker writes that because members of the Executive Board are elected by their home governments, "...it should come as no surprise that the positions of those representatives within the Fund reflect the political interests of the national governments they serve."⁵ Under Thacker's logic, however, no technocratic agency with state-elected members can be truly apolitical, meaning that this might not be a fair critique of the IMF's politicization. Although the IMF maintains that the bulk of negotiations occurs outside of the Executive Board (where the U.S. effectively has veto power), the U.S. is still able to use its influence and that of its allies to alter loan conditionality and support its own political interests.

While political scientists have put forth multiple theories

2 Momani, Bessma. "American politicization of the International Monetary Fund." *Review of International Political Economy* 11.5 (2004): 880-904.

3 Momani, Bessma. "American politicization of the International Monetary Fund." *Review of International Political Economy* 11.5 (2004): 880-904.

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5 Thacker, Strom C. "The High Politics of IMF Lending." *World Politics* 52.1 (1999): 38-75.

for the impetus behind U.S. involvement with IMF loan conditions, the most pervasive school of thought is that of “political movement.” This theory suggests that the U.S. vouches most strongly for states that are working towards politically aligning themselves with Washington. Thacker states that political movement is effectively a bargain in which a debtor country accepts a movement away from its ideal political position to one that is more U.S.-aligned in exchange for a loan. Historically, the U.S. has prioritized concessions for states that are in the process of moving politically closer more so than for states that are already politically aligned. As a metric for political alignment, the U.S. tends to cross-reference a state’s UN voting patterns against its own.⁶ Knowing roughly what causes the U.S. to influence IMF loan conditions can help states set themselves up for favorable treatment. Furthermore, being able to predict what channel (the IMF itself, a posse, or bilateral negotiations) the U.S. will go through can give states and international organizations a clearer prediction of U.S. behavior in order to minimize surprises that could cause global ripple effects.

Perhaps one of the most significant consequences of Washington’s favoritism within the IMF is a climate of economic moral hazard. When a state believes the U.S. will solicit the IMF to bail them out in any circumstance, they are incentivized towards riskier financial behavior and maintaining a smaller chest of reserves. One of the best pieces of evidence for the IMF’s role in enabling moral hazard is the case of Taiwan. After being ousted from the IMF when China raised concerns over the nation’s right to sovereignty, Taiwan increased its reserves by a factor of 50 between 1980 and 1990, more so than any other country during that period.⁷ The fact that Taiwan had to increase its reserves by that extent to reenter the global market reveals the extent of the economic safety net the IMF provides as well as the moral hazard debtor states take on.

The Mexican Peso Crisis of 1994

The case of the rapid devaluation of the Mexican peso and subsequent run on the bank displays U.S. behavior when it has an immediate economic and geopolitical interest in a debtor state. If Mexico’s economy wasn’t propped up following the plunge of the peso, the U.S. would have placed its export market, border security,

6 Thacker, Strom C. “The High Politics of IMF Lending.” *World Politics* 52.1 (1999): 38-75.

7 Lipsy, Phillip Y., and Haillie Na-Kyung Lee. “The IMF as a biased global insurance mechanism: Asymmetrical moral hazard, reserve accumulation, and financial crises.” *International Organization* 73.1 (2019): 35-64.

and domestic investment firms at risk. The immediacy and diversity of these risks compelled the U.S. to supplement its IMF lobbying efforts with bilateral support from the Treasury and Federal Reserve.⁸ In doing so, Washington ensured that Mexico’s economy weathered the storm even if Fund negotiations didn’t go through.

In the years leading up to the peso crisis, Mexico’s economy appeared to be on the up-and-up. The nation had successfully used swaps and debt buybacks to reduce its foreign debt from 74% of its GDP in 1988 to 25% of its GDP in 1992 and had pledged \$11B towards bank privatization. After a presidential election in 1994 that appeared to be free of meddling, investors from around the world decided to capitalize on the strong peso and investments began to flow into Mexico. This honeymoon period was over before it even began—in March of 1995, presidential candidate Luis Donaldo Colosio and Secretary General Jose Francisco Ruiz Massieu were assassinated, causing the peso to tank and a bank run to ensue.⁹ U.S. policymakers immediately recognized the ramifications of a collapse of the Mexican economy. Mexico was a large importer of U.S. goods—a decline in their ability to purchase American products would put many Americans out of jobs. Additionally, Washington risked a massive influx of Mexican immigrants at the southern border in the case of an economic collapse. Lastly, U.S. investment firms had considerable exposure in Mexican markets, meaning losses incurred by Mexican firms during the crisis would damage the portfolios of domestic investors. To prop up the crumbling peso, Washington contributed \$3B from the Treasury and Federal Reserve to a currency fund. After this initial loan and much negotiation, the U.S. pledged \$20B in loans while the IMF offered \$17.8B. The IMF would not normally issue a loan of this size to a state with \$3.7B outstanding debt, but U.S. and Mexican officials were able to sway the IMF on the emergency nature of the situation and the strength of the proposed reforms.¹⁰

Critics of the proposed loan package believed that the U.S. was funneling money away from taxpayers to boost the portfolios of billionaire investors. Many U.S. allies

8 Joseph, James W. *Mexico Confronts the Peso Crisis*. Institute for the Study of Diplomacy, School of Foreign Service, Georgetown University (2000).

9 Joseph, James W. *Mexico Confronts the Peso Crisis*. Institute for the Study of Diplomacy, School of Foreign Service, Georgetown University (2000).

10 Joseph, James W. *Mexico Confronts the Peso Crisis*. Institute for the Study of Diplomacy, School of Foreign Service, Georgetown University (2000).

also balked once the final loan figures emerged, believing that the situation was mismanaged and that this package would take resources away from restructuring Russia's post-Cold War economy. On the Mexican side, some policy makers believed that accepting a loan of this magnitude would give the IMF undue jurisdiction over local economic policy and create a sovereignty bargain.¹¹ Recognizing the international lack of enthusiasm for bailing out Mexico, U.S. policymakers elected to offer loans bilaterally as well as through the IMF, ensuring that the situation wouldn't fall apart completely if an IMF loan package wasn't approved.

Mexico's behavior after the crisis was resolved displays the moral hazard enabled by U.S. favoritism within the IMF. The nation recognized that Washington had vested interests in supporting exports to Mexico, keeping immigration under control, and supporting domestic investment firms. Even after nearly undergoing an economic collapse, Mexico neglected to self-insure or significantly increase its reserves, believing that the U.S. would come to its aid again due to its interdependence.¹² This line of thinking led Argentinian policymakers to assume that they too would be bailed out after their similar debacle in 1997, but the lack of immediate vested interests meant that the U.S. was far more reluctant to make concessions on Argentina's behalf.

The Argentine Crisis of 1997

Only a few years after the Mexican peso crisis, Argentina found itself with a drastically overvalued Argentine peso after pegging it to the U.S. dollar. Despite closely following IMF prescriptions to buck the lingering recession, Argentina's foreign debt reached \$100B in 1997 and the IMF began to refuse its requests for further loans. As unemployment continued to rise under the Fund's tight fiscal policy prescriptions, Argentinian policymakers sought the help of Washington to alter the conditions of the IMF's previous loans. However, having few vested interests in Argentina and believing that the situation was "domestic in nature," the U.S. did not intervene on Argentina's behalf, leaving the country to toil under the IMF's cookie-cutter austerity policies.¹³

11 Joseph, James W. *Mexico Confronts the Peso Crisis*. Institute for the Study of Diplomacy, School of Foreign Service, Georgetown University (2000).

12 Lipsy, Phillip Y., and Haillie Na-Kyung Lee. "The IMF as a biased global insurance mechanism: Asymmetrical moral hazard, reserve accumulation, and financial crises." *International Organization* 73.1 (2019): 35-64.

13 Paddock, John V. "IMF Policy and the Argentine Crisis." *The University of Miami Inter-American Law Review* 34.1

Argentina elected to peg the peso to the U.S. dollar to combat inflation and stimulate foreign direct investment. However, the U.S. and Argentina were hardly trading partners, meaning that a trade deficit would cause the peso to become significantly overvalued.¹⁴ In pegging the peso to the dollar, Argentina also created a situation of moral hazard—foreign investors believed that Argentinian banks could simply convert their pesos back to dollars and repay their loans. More generally, foreign investors believed that the IMF would come to Argentina's aid as it had in Mexico a few years earlier, leading to many risky, high-interest-rate loans.¹⁵ The blind faith in an IMF bailout by both Argentina and foreign investors proved to be disastrous as the country continued to crumble under the Fund's dogmatic policies.

The IMF's approach to Argentina's economic stagnation in the 1990s was to employ their time-tested fiscal policy—cut government spending, increase taxes, and take state industries private. However, the fact that the recession was caused by primarily monetary factors meant that this approach only stoked unemployment and social unrest. Even though Argentina was dutifully following the Fund's advice, these uprisings deterred FDI and caused a capital flight. This gridlock scenario caused Argentina to become increasingly more reliant on IMF loans while struggling to bear the social costs. Seeking an escape route from the IMF's harsh fiscal policies, Argentina's Labor Minister petitioned the U.S. to relieve them of the loan conditions but was ultimately told to comply. While IMF programs are technically voluntary, going against Washington's recommendation would further tarnish international faith in Argentina's markets and make it even more difficult to pay off its mounting foreign debt.¹⁶

While the IMF's misguided approach to Argentina's recession certainly contributed to the gravity of the situation, Argentina could have maintained a better standing with the IMF by recognizing that the U.S. had little vested interests and was unlikely to come to the rescue bilaterally as it had in Mexico a few years earlier. In this parallel universe, perhaps Argentina would have

(2002): 155-187.

14 Stiglitz, Joseph E. "Argentina, Shortchanged." *The Washington Post* (2002): B01.

15 Paddock, John V. "IMF Policy and the Argentine Crisis." *The University of Miami Inter-American Law Review* 34.1 (2002): 155-187.

16 Paddock, John V. "IMF Policy and the Argentine Crisis." *The University of Miami Inter-American Law Review* 34.1 (2002): 155-187.

denied high-interest loans, keeping its foreign debt under a threshold such that the IMF would continue to extend funds, thus protecting its public image to an extent. The reality was that at the time, the U.S. had few commercial interests in Argentina, little fear of mass immigration, and little investment exposure. These factors help explain the unsympathetic and detached approach Washington took to dealing with Argentina's deteriorating economy in the 1990s.

The 1999 Humanitarian Crisis of East Timor

The Indonesian occupation of East Timor in 1999 and the subsequent humanitarian crisis created a delicate situation for the U.S. in a multitude of ways. Indonesia was an important regional ally for the U.S. as well as a historic military and commercial partner. Additionally, Indonesia and other Southeast Asian states were still reeling from the recent Asian financial crisis, meaning that significant economic penalties could cripple the region once more. Instead of using sanctions (which were deemed too long-term of a tool for the urgent situation) to coerce Indonesia into allowing UN peacekeepers, the Clinton administration lobbied with the IMF and World Bank to stop recovery funds to Indonesia. Furthermore, the U.S. formed a coalition with Australia to provide peacekeepers, preventing the need for a resource-heavy military intervention that would have jeopardized the U.S.' relationship with Indonesia.¹⁷ Through this combination of posse and multilateral diplomacy, the U.S. signified its international commitment to remedying the chaos in East Timor without crippling the ASEAN economy or committing to a full-scale military operation.¹⁸

The chaos in East Timor began when newly-elected Indonesian President B.J. Habibie called for a referendum to determine what East Timor's sovereign status would be in the future. When the Timorese voted for independence, pro-Indonesian militias caused havoc, displacing many Timorese and plunging the tiny country into a humanitarian crisis. Indonesia maintained that it would be able to handle the situation but due to the assumed ties between the violent militias and the Indonesian military, the international community demanded that responsibility be delegated to UN peacekeepers. On Thursday, September 9th, 1999, President Clinton issued a statement saying

17 Nugroho, Sigit S. "Learning from Past Policy: Assessing United States Foreign Policy over Indonesia in Resolving the 1999 East Timor Crisis," *Global: Jurnal Politik Internasional* 23.1 (2021): 1-25.

18 Weitz, Richard. "U.S. Decisionmaking Regarding East Timor, 1999," *Case Studies Working Group Report, Strategic Studies Institute, U.S. Army War College* (2012): 739-831.

that until Indonesia ordered the militias to fall back and let UN peacekeepers step in, Indonesia would receive no military support or recovery funds from international financial institutions. Two days later, President Habibie withdrew Indonesian forces and UN peacekeepers consisting of mainly U.S. and Australian personnel moved in to stabilize the situation.¹⁹

In this case, the U.S. interest was not one of immediate economic disaster or an immigration crisis on its doorstep. It needed to navigate a delicate situation with a close ally fast enough to prevent a humanitarian crisis, yet carefully enough to keep the Indonesian economy intact. All this needed to be done with a trim enough coalition to not put a dent in U.S. troop reserves.²⁰ By working with the IMF to halt relief payments to Indonesia, the Clinton administration signaled that it was the international community as a whole that condemned the occupation of East Timor, not only Washington. Additionally, the cessation of these payments had clear consequences for Indonesia, whereas the effects of sanctions could have been less direct and immediate.²¹ To prevent having to send a full-size military operation—which would require large amounts of assets and jeopardize U.S.-Indonesia relations—Washington formed a coalition with Australia, leveraging the state's proximity to the crisis to split the resource footprint of the mission. Overall, working through the IMF in this sensitive situation allowed the U.S. to appear more politically neutral towards its ally, while coalition diplomacy ensured that the U.S. didn't overextend its resources.

Egyptian Economic Reforms of 1987 and 1991

When a decline in oil prices caused Egypt's foreign debt to come to a head in the mid-1980s, the IMF and World Bank moved in to implement reforms that would bring much of Egypt's economic policy under institutional control.²² Although much of the Western world backed these efforts, the U.S. recognized that rapidly imple-

19 Nugroho, Sigit S. "Learning from Past Policy: Assessing United States Foreign Policy over Indonesia in Resolving the 1999 East Timor Crisis," *Global: Jurnal Politik Internasional* 23.1 (2021): 1-25.

20 Weitz, Richard. "U.S. Decisionmaking Regarding East Timor, 1999," *Case Studies Working Group Report, Strategic Studies Institute, U.S. Army War College* (2012): 739-831.

21 Nugroho, Sigit S. "Learning from Past Policy: Assessing United States Foreign Policy over Indonesia in Resolving the 1999 East Timor Crisis," *Global: Jurnal Politik Internasional* 23.1 (2021): 1-25.

22 Hinnebusch, Raymond A. "The politics of economic reform in Egypt." *Third World Quarterly* 14.1 (1993): 159-171.

menting a cookie-cutter economic policy would increase unemployment and reduce standards of living, creating the same conditions that had caused significant political instability a decade earlier. Because the U.S. saw Egypt as a bellwether for the Middle Eastern economy and valued its strategic location, it intervened in loan negotiations in 1987 to grant Egypt the funds despite little implementation of the agreed-upon reforms. Washington exhibited similar behavior in 1991 to reward Egypt for its cooperation in the Persian Gulf War coalition, soliciting the IMF to grant Egypt a loan after it had only implemented two out of ten conditions.²³

In these scenarios, the U.S. elected to leverage its influence within the IMF to get rid of loan conditions it believed would place undue stress on the already unstable region. Because the loan conditions were the largest threat to Egypt's social stability, perhaps it is no surprise that the U.S. chose to act through the Fund rather than bilaterally. Even so, this case shows that Washington is not afraid to use the IMF (a purported apolitical institution) to carry out political goals under the halo of technocratic multilateral institutions.

Restructuring the Russian Economy from 1992-1996

After the collapse of the Soviet Union, the West wanted to liberalize Russia's economy and promote a democratic society, yet this liberalization had to be carefully tailored to minimize the chance of a backslide toward communism. After a communist majority emerged in the 1993 Duma (a chamber of the Russian parliament) elections, Washington petitioned the IMF to loosen conditions for the loans granted after the USSR broke down, believing that this communist cohort was the leading cause of current economic instability. This decision undermined the goals of the U.S. Treasury and Russian reformers who wanted to promote tighter fiscal and monetary policies, yet the IMF sided with Washington anyways for fear that they would lose G-7 backing. The U.S. was able to use its influence among the G-7 to form a coalition of support—because these states were heavily involved in promoting Russia's liberalization, the IMF risked losing financial support from the entire G-7 if they didn't comply.²⁴ In this scenario, the U.S. utilized coalition diplomacy to ensure that despite their significant influence within the IMF, they could still lighten the burden of the Article IV

23 Momani, Bessma. "American politicization of the International Monetary Fund." *Review of International Political Economy* 11.5 (2004): 880-904.

24 Odling-Smee, John. "The IMF and Russia in the 1990s." (2004).

loan conditions to ensure that Russia remained on track to buck the yoke of communism.

Three years later, Washington followed a similar playbook to support the new President Boris Yeltsin, a figure the Western world believed would be instrumental in getting economic reforms to take hold. Yeltsin's political goals aligned with those of the West in several ways; he aimed to take power out of the hands of corrupt oligarchs and give it back to the state. Additionally, his administration promoted the separation of government and industry and drilled down on corporate taxation, which had been markedly corrupt in previous years. In addition to ensuring that economic reforms took hold, the U.S. also wanted access to the Russian treasury bill market and their capital markets overall, meaning its interest was both political and economic.²⁵ Scholar Peter Rutland points out that while the IMF and Washington wanted Russia to liberalize and democratize, they wanted it to do so in a very certain way, out of reach of the conservative parliament. Thus, the reforms were structured to maximize President Yeltsin's agency, while taking responsibility away from a parliament that was likely to jeopardize the implementation of the reforms.²⁶

Washington elected to act through the IMF to ensure the reforms took hold for several reasons. First, utilizing the shared resource pool of the Fund allowed the Clinton administration to conserve valuable capital—an especially important pursuit given the administration's prioritization of domestic affairs. Additionally, negotiating through the IMF was a safeguard against the pervasive anti-Western and anti-American sentiment in Russia. When the reforms came from an international organization as opposed to a state that had played a role in the Soviet Union's downfall, they were deemed easier to stomach for communists and skeptics.²⁷

While the IMF was a valuable channel for introducing the reforms in a fairly neutral manner, the situation was not all sunshine and roses. Russia gradually became reliant on institutional and Western support, believing that a large bailout à la the Mexican peso crisis was on the horizon. Many foreign investors shared this belief, leading

25 Odling-Smee, John. "The IMF and Russia in the 1990s." (2004).

26 Rutland, Peter. "Mission impossible? The IMF and the failure of the market transition in Russia." *Review of International Studies* 25.5 (1999): 183-200.

27 Rutland, Peter. "Mission impossible? The IMF and the failure of the market transition in Russia." *Review of International Studies* 25.5 (1999): 183-200.

to many risky bets on Russian assets under the reasoning that Russia was surely more important to the West than Mexico had been two years earlier.²⁸ While Rutland asserts that Russia's reliance on the West helped maintain control during a shaky post-Cold War climate, the faith in a large IMF bailout introduced moral hazard and risky lending that contributed to Moscow's foreign debt.²⁹

Closing Thoughts

Despite its self-proclaimed status as a technocratic, apolitical institution, the IMF has plainly become an instrument of U.S. foreign policy. As the proceeding cases have shown, even the U.S.' marked influence within the institution is not always sufficient for Washington to realize its policy goals. In cases of economic catastrophe that present an immediate threat to the U.S., it is likely to supplement IMF engagement with external support so that it can minimize damages in case negotiations encounter a problem. When Washington has a political interest in a certain country that might be smoothed with a dash of institutional neutrality and legitimacy, it tends to use the IMF to conceal the extent of its self-interest. If IMF conditions are being met with skepticism, the U.S. makes use of its allies—perhaps “henchmen” is a more appropriate term—to drum up support and increase the consequences of noncompliance.

While taking into account these patterns during policy making allows IMF client states to estimate the level of support they might receive, it also enables an element of moral hazard. The effects of overreliance on the IMF are often borne by common citizens, not investors who offered up risky loans. When a state accepts IMF funding, they are effectively paying for this loan with the social stability of their citizens. Increased taxation, fewer federal programs, and higher interest rates are all a part of the IMF playbook, yet the social unrest created by these conditions may continue to weaken international faith in a country's economy and exacerbate the situation.

It is also worth noting that many of these cases take place in the shadow of the Cold War—this has particular bearings on the application of the political movement theory. Thacker notes that during the Cold War, the opposite position of the U.S. was that of the Soviet Union.³⁰ In

28 Paddock, John V. “IMF Policy and the Argentine Crisis.” *The University of Miami Inter-American Law Review* 34.1 (2002): 155-187.

29 Rutland, Peter. “Mission impossible? The IMF and the failure of the market transition in Russia.” *Review of International Studies* 25.5 (1999): 183-200.

30 Thacker, Strom C. “The High Politics of IMF Lending.”

other words, when a state was politically moving toward the U.S., it was also moving away from the Soviet Union. Without a singular power on the other side of the spectrum, it is hard to say how Washington will quantify political movement or if it will have as much of an influence on IMF loan leniency at all. With communism a less immediate threat, perhaps the U.S. will find a new arch-nemesis, or move towards a more general view of political movement that mainly takes into account the trends of a state's UN voting habits. While it is impossible to know for certain what the future holds, debtor states would be wise to consider the likelihood of receiving concessions from the U.S. when accepting an IMF loan, or risk digging themselves deeper into economic ruin.

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World Politics 52.1 (1999): 38-75.

Silence, State-Sanctioned Violence, and the Shadow Pandemic: Citizenship and Gender-Based Violence in Guatemala and Mexico

Anne Marie Dooher

Introduction

In 2020, 4,091 women were victims of femicide in Latin America and the Caribbean, a figure that is most likely an underestimate considering the low levels of reporting associated with gender-based violence (GBV).¹ The main causes of these high levels of violence include internal conflict, the prevalence of machismo culture, and a disconnect between existing legislation and practical application. The onset of the Covid-19 pandemic, with the rise of lockdowns and government resources spread thin, laid bare Latin America's structural inadequacies, demonstrating more than ever the need for change in Latin American policies toward GBV. This paper will examine these forces in Mexico and Guatemala to pinpoint the conditions that perpetuate GBV in Latin America, as well as identify potential solutions to address these staggering figures. By utilizing a citizenship framework, which examines the way in which women in the region experience the law, this paper will argue that these forces come together to deny women full citizenship, ultimately affecting their access to GBV resources and perpetuating the cycle of violence that women in Latin America have hitherto experienced.

Conceptualizing the Problem: Risk Factors for GBV in Guatemala

To fully assess the effects of the Covid-19 outbreak on victims of gender-based violence in Guatemala, one must first understand the risk factors that perpetuated GBV prior to the pandemic. According to the United Nations Human Development Reports, Guatemala ranks 121 out of 170 countries in 2021 on the Gender Inequality Index with a GII score of 0.481.² As explained above,

1 Economic Commission for Latin America and the Caribbean, "ECLAC: At Least 4,091 Women Were Victims of Femicide in 2020 in Latin America and the Caribbean, despite Greater Visibility and Social Condemnation," CEPAL, January 10, 2022), <https://www.cepal.org/en/pressreleases/eclac-least-4091-women-were-victims-femicide-2020-latin-america-and-caribbean-despite>.

2 United Nations, "Specific Country Data," Human Development Reports, <https://hdr.undp.org/data-center/specific-country-data#/countries/GTM>.

these figures are most likely underestimated, considering the high percentage of GBV cases and femicides that go unreported each year.

A principal force behind the high levels of GBV in Guatemala is the political atmosphere created by the Guatemalan Civil War and the resultant culture of impunity. The Guatemalan Civil War, which endured for thirty-six years, was an ideological showdown between the anti-communist government and leftist guerrillas. During *La Violencia*, a period during the war from 1978 to 1983 notorious for its high levels of violence, the state imposed a reign of terror over the Guatemalan people. Violence against women became a mechanism through which the state exerted control; Carey and Torres explain that it "became emblematic of the impunity with which the armed forces and paramilitaries functioned."³ Women, particularly those in indigenous communities, experienced extremely high levels of sexual violence, mass rape, and femicide, all of which was accepted as collateral damage of the conflict.⁴ Although 90% of the victims of the Guatemalan Civil War were men, the highly sexualized and brutal nature of the violence committed against women throughout the conflict illustrates a pattern of gender-based violence by the armed forces.⁵ In one instance, a mother and daughter were raped by thirty soldiers; horrifyingly, Yoldi et al. document that "in one out of every six massacres, rape was part and parcel of the *modus operandi* of the soldiers and members of the so-called Civil Self

3 David Carey and M. Gabriela Torres, "Precursors to Femicide: Guatemalan Women in a Vortex of Violence," *Latin American Research Review* 45, no. 3 (2010): pp. 142-164, <https://doi.org/10.1017/s0023879100011146>

4 E. Rosser, "Depoliticised Speech and Sexed Visibility: Women, Gender and Sexual Violence in the 1999 Guatemalan Comision Para El Esclarecimiento Historico Report," *International Journal of Transitional Justice* 1, no. 3 (January 2007): pp. 391-410, <https://doi.org/10.1093/ijtj/ijm032>, 392.

5 Pilar Yoldi, Claudia Estrada, and Yolanda Aguilar, "Guatemala's Women during the Long War: 'Treated Worse than Animals,'" *Revista Envío* (Central American University), <https://www.envio.org.ni/articulo/2260>.

Defense Patrols.”⁶ These recurrent instances of sexual violence, which went unpunished by the government, created widespread acceptance of violence against women in Guatemala.⁷ Furthermore, the impunity with which the government allowed soldiers to function reveals the way that Guatemalan women, in times of conflict, are systematically denied the rights associated with full citizenship.

The signing of the Peace Accords in 1996, however, did not liberate Guatemalan women from the cycle of violence that was advanced by the Civil War. In its wake, the state failed to bring law enforcement authorities to trial for the crimes they committed against women.⁸ Through inaction, the state condoned the violence that was committed against women, thereby demonstrating it was not a punishable offense, despite any existing legislation. The result was an institutionalized culture of impunity under which law enforcement officers are not held accountable for their crimes against women, a doctrine that infected the Guatemalan public equally as much as the pandemic. The failure of the state to deliver basic rights, including protection and enforcement of the law, to all members of society, is further evidence of the way that the state’s post-war actions created conditions under which women are denied citizenship and are therefore more at risk for GBV.

The second risk factor for GBV in Guatemala is the predominance of machismo culture, an ideology that contributes to discrimination against women and ultimately translates into high levels of violence. Machismo, which can be understood as a strong pride in extreme masculinity, is a highly pervasive ideology in Latin America. Under machismo, which is widely accepted in Guatemala, women are expected to be subservient to their male counterparts and can be punished accordingly when they disobey them. This extrajudicial justice carried out by men is reflected in the high levels of intrafamilial violence experienced by women in Guatemala. Furthermore, the entitlement of men to carry out extralegal justice against women as they see fit, stemming from protection against prosecution, implies that women are not full citizens. These discriminatory attitudes are constantly reinforced by popular culture, family structures, and existing legislation. Additionally, the nationwide acceptance of the subordination of women has institutional implications that increase the rate at which they experience GBV. Pardilla argues that “as women have little power or importance in

6 Yoldi et al., “Guatemala’s Women during the Long War.”

7 Carey and Torres, “Precursors to Femicide,” 156.

8 Carey and Torres, “Precursors to Femicide,” 144.

society, their lives are not valued, which manifests itself in femicide and incidents of domestic violence.”⁹ The relationship between women and the law, and the way that they are continually denied citizenship and protection, illustrates the disenfranchisement women face. As a result of the lack of meaningful recourse by the justice system, women do not report crimes committed against them, thereby enabling perpetrators. This is most visible in the lack of reporting for cases of domestic abuse. From 2008 to 2009, 66.8% of Guatemalan women who had already experienced incidents of domestic violence feared additional violence. Despite these large figures, only 30.7% of women who experienced intimate partner violence in the same year sought institutional help.¹⁰ Low reporting numbers are directly correlated with women’s fear of repercussions for seeking help, including femicide, as well as a lack of faith in existing institutions to deliver justice to victims of GBV.¹¹ For example, while the year 2012 saw increased numbers of official complaints for GBV, only 6.4% “resulted in accusations.”¹² Together, these forces have silenced the plight of Guatemalan women, creating a nationwide acceptance of the cycle of violence. Not only does the protection of perpetrators reinforce the persistence of abuse, but also creates the conditions under which the rates of femicide can skyrocket.

The Shortcomings of GBV Legislation in Guatemala

Guatemala’s existing GBV legislation reflects these biases and acts as another mechanism through which women are denied citizenship. Although Guatemala has adopted legislation to address its high levels of GBV, largely in response to outcries from the international community, the existing laws reveal a misunderstanding of the causes of GBV in the first place. In response to demands from the international community for reform, Guatemala adopted several measures to prevent GBV, most notably the 2008 Femicide Law, which criminalized acts of violence against women.¹³ While the ratification of the

9 Ambar Pardilla, “Patriarchal Power and Gender-Based Violence in Guatemala and El Salvador” *Global Majority E-Journal* 7, no. 1 (2016): pp.38-51, 38.

10 Pardilla, “Patriarchal Power and Gender-Based Violence.”

11 Pardilla, “Patriarchal Power and Gender-Based Violence.”

12 “Guatemala,” UN Women – Americas and the Caribbean, <https://lac.unwomen.org/en/donde-estamos/guatemala>.

13 Héctor Ruiz, “No Justice for Guatemalan Women: An Update Twenty Years After Guatemala’s First Violence Against Women Law” *Hastings Women’s Law Journal* 29, no. 1 (2018): pp.101-24, 102.

law implied a government effort to address GBV, it fails to address the institutional and cultural forces that perpetuate GBV in Guatemala today. Furthermore, while the 2008 Law seeks to address GBV, the massive discrepancy between the legislation and its implementation is indicative of the inadequate delivery of justice and the continuous denial of citizenship to women. The special court system, designed under this new legislation, mirrors this disparity. The 2008 Law mandated the creation of courts specifically designed to hear cases of GBV, which would be supported by programs that provided GBV-specific training for members of the court.¹⁴ Despite this stipulation, courts have not been created in all Guatemalan departments, therefore limiting victims' access to these resources. The number of cases registered in ordinary courts under the 2008 law from the year 2011 provides interesting insight into the accessibility of GBV resources. While special courts clearly lead to a higher percentage of cases resolved, they see a significantly smaller number of cases each year, receiving less than 5% the number of cases that ordinary courts get for crimes under the 2008 Law. While the special courts, an element of the 2008 legislation, are effective, they are not very widespread and are therefore limited in the extent to which they can deliver justice. Furthermore, the data emphasizes the inadequacy of ordinary courts to handle cases of this magnitude, as illustrated in Table 1 by the notable difference between the percentages of cases resolved in ordinary versus special courts in 2011 in Guatemala.¹⁵

Guatemala's implementation problem is only complicated by geographic barriers faced by many indigenous women in rural communities who might seek to use them.¹⁶ Women living in the highlands cannot easily appear in an urban court to denounce violence. As a result, women's access to legal resources and remediation for GBV is highly limited, and the 2008 legislation is largely ineffective. Largely a result of women's issues not being regarded with sufficient respect by lawmakers, the discrepancy between existence and application suggests a lack of citizenship, thereby representing the way that existing gender biases and ideas of machismo impede the justice system on a regular basis. Many prosecutors, for example, do not carry out full investigations because they do not believe the women, or don't see GBV as a legitimate problem.¹⁷ This failure to adhere to the rules reflects machismo attitudes and a greater denial of women's rights by agents of the state. While the 2008 legislation is an effective first step, it does not do much to deliver or address the denial of citizenship that women experience on a regular basis. Its failure to address how individual gender biases and existing ideas of machismo affect the extent to which women feel empowered pursuing justice for GBV. Without additional efforts to dismantle discrimination against women on a state and individual level, the 2008 legislation is largely ineffective in addressing these Guatemala's levels of GBV, as evidenced by the figures on femicide following its enactment. In 2013, five years after the ratification of the 2008 legislation, 759 women were victims of femicide.¹⁸

14 Ruiz, "No Justice for Guatemalan Women," 109.

15 Karen Musalo and Blaine Bookey, "Crimes without Punishment: An Update on Violence against Women and Impunity in Guatemala" *Social Justice* 40, no. 4 (2014): pp.106-17.

16 Ruiz, "No Justice for Guatemalan Women," 110-111.

17 Musalo and Bookey, "Crimes without Punishment," 110.

18 "Guatemala." UN Women.

Table 1: Data on the Percentage of Cases resolved in Ordinary versus Special Courts in Guatemala (2011)

	Ordinary Courts (2011)	Special Courts (2011)
Total Registered Cases	19,463	935
Total Judgements Issued	366	224
Percentage of Cases Resolved.	1.88%	23.96%

Source: "Crimes without Punishment," Musalo and Bookey

A Third Dimension: The Effects of the Covid-19 Pandemic on GBV in Guatemala

The onset of the Covid-19 pandemic in Guatemala exacerbated existing challenges and introduced new obstacles for addressing GBV, laying bare the structural inadequacies of the Guatemalan GBV response system. In March 2020, the Guatemalan government issued lockdown and social-distancing measures to prevent the spread of the virus. The worldwide increase in domestic violence that accompanied these lockdowns, however, led the Executive Director of UN Women to declare the violence against women a “shadow pandemic.”¹⁹ According to human rights organization Grupo de Apoyo Mutuo (GAM), Guatemala saw a 31% increase in registered femicides between January and August of 2021 compared to the same period in 2020; in the first eight months of 2021, there were 13,753 cases of physical violence in the country.²⁰ Why did Guatemala see increased GBV as the pandemic progressed? Due to the recent nature of the pandemic, there is limited information available on the link between its emergence and GBV. With that said, there are two dominant patterns that can be explored in an effort to answer that question.

The first explanation for these alarming figures on GBV is the strain that the pandemic placed on government institutions, which reduced the already low-quality delivery of response services and exacerbated existing inequalities. Lockdowns made it significantly more difficult for victims to access GBV resources. Women who are confined to the home with their assailant, for example, are limited in their capacity to take advantage of a hotline or travel to report crimes to special courts. Additionally, with reduced budgets from the pandemic, special courts for GBV were either closed or operating at a limited capacity.²¹ Healthcare providers explained that “pandemic-related economic losses increased financial power differentials between abusers and survivors, making it more difficult

19 Laura Iesue, Felicia O. Casanova, and Alex R. Piquero, “Domestic Violence during a Global Pandemic: Lockdown Policies and Their Impacts across Guatemala,” *Journal of Contemporary Criminal Justice* 37, no. 4 (July 2021): pp. 589-614, <https://doi.org/10.1177/10439862211044867>.

20 RT Staff Reporters, “Femicides Increase by 31% in Guatemala during 2021,” *The Rio Times*, September 15, 2021, <https://www.riotimesonline.com/brazil-news/mercosur/central-america/femicides-increase-by-31-in-guatemala-during-2021/>.

21 “Covid Has Caused Extra Harm for Guatemala’s Victims of Gendered Violence,” *VICE*, August 25, 2020, <https://www.vice.com/en/article/88974v/covid-has-caused-extra-harm-for-guatemalas-victims-of-gendered-violence>.

for survivors to flee abuse.”²²

In addition to the exacerbation of existing challenges, the pandemic also presented new challenges for GBV response systems. Despite the increased levels of GBV that occurred under the pandemic, the government was reducing social spending and diverting resources away from GBV prevention, illustrating the continued failure of the state to recognize GBV as an issue and deliver meaningful justice. Constrained budgets disproportionately affected women and victims of GBV. This was exemplified by the difficulty medical professionals had in acquiring PPE essential for care delivery, and the fact that “GBV service providers had not been prioritized for COVID-19 vaccinations, despite the essential nature of their work.”²³ The structural discrimination faced by GBV service providers denotes the existing biases in the country that deny women full recognition of the problem, and that significantly influence the way that they experience justice.

Conceptualizing the Violence: Risk Factors for GBV in Mexico

A leading cause of GBV in Mexico is the violence associated with drug cartels, a problem that creates the conditions under which violence against women is accepted by both individuals and the state. The drug trade has a long history in Mexico that cannot be addressed within the limitations of this paper. With that said, it is imperative to note that significant amounts of violence have resulted from both cartels themselves, as well as state reactions and efforts to tamp down drug smuggling, resulting in tens of thousands of homicides.²⁴ Women tend to bear a disproportionate burden of this violence. One of the most notable instances of GBV in Mexico were the femicides in Ciudad Juárez starting in 1993, when up to 400 women were brutally murdered, 137 of which experienced sexual assault prior to their death.²⁵ While law enforcement agencies were never able to identify the perpetrators of these murders, they have been strongly linked with the drug cartels in the Ciudad Juárez region, as well as the maquiladoras that sprang up after the

22 Vahedi et al., “*At the Root of Covid Grew a More Complicated Situation*,” 5.

23 Vahedi et al., “*At the Root of Covid Grew a More Complicated Situation*,” 8.

24 “Mexico’s Long War: Drugs, Crime, and the Cartels,” Council on Foreign Relations (Council on Foreign Relations), <https://www.cfr.org/backgrounder/mexicos-long-war-drugs-crime-and-cartels>.

25 “Crying out for Justice - Wola,” Washington Office on Latin America https://www.wola.org/sites/default/files/downloadable/Mexico/past/crying_out_for_justice.pdf.

passage of NAFTA.²⁶ Regardless of the perpetrators, the efforts taken by law enforcement agencies in handling these murders reflect the way that internal conflicts can serve as a barrier for women's access to justice. This is first shown by the government's response to the murders, and the rhetoric they popularized in their wake. Following the murders, the initial response of Mexican authorities was to blame the female victims, illustrated by Former State Attorney General Arturo González Rascón's claim that "some murder victims' provocative dress had encouraged the attacks against them."²⁷ The language used to describe the murders is indicative of the Mexican government's greater strategy of addressing drug violence, a blame-the-victim approach that posits that "drug violence is an outcome of the disputes internal to the drug trade that emerge when competition over markets, resources, alliances, and political protection develops. The violence, therefore, is perpetrated by businessmen involved in an illegal business."²⁸ Not only does this rhetoric deny the involvement or responsibility of the state in the perpetuation of GBV, but it also affects the delivery of justice for these women. Throughout the investigation of the murders, police mishandled and failed to collect evidence, denoting their complete disregard for adequate investigation of the cases. This incompetence illustrates the way that in cases of internal conflict, women become one of the first groups to be denied citizenship and therefore adequate access to justice.²⁹ As Schmidt Camacho states, "the impunity of violent crime necessarily devalues both citizenship and its citizens: it produces a climate where sociality is defined less by national belonging than by the more atomizing force of collective fear."³⁰

The introduction of neoliberalism in Mexico reveals how machismo culture, particularly in reaction to women's upward mobility, contributes to high levels of GBV. The Guatemalan case demonstrated the way that machismo can affect women's capacity to report incidents of GBV,

26 Staudt, Kathleen, and Howard Campbell. "The Other Side of the Ciudad Juárez Femicide Story." *ReVista*. Harvard Review of Latin America. <https://archive.revista.dreclas.harvard.edu/book/other-side-ciudad-ju%C3%A1rez-femicide-story>.

27 "Crying out for Justice - Wola," Washington Office on Latin America https://www.wola.org/sites/default/files/downloadable/Mexico/past/crying_out_for_justice.pdf.

28 Staudt and Campbell, "The Other Side of the Ciudad Juárez Femicide Story," 719.

29 "Crying out for Justice - Wola," Washington Office on Latin America.

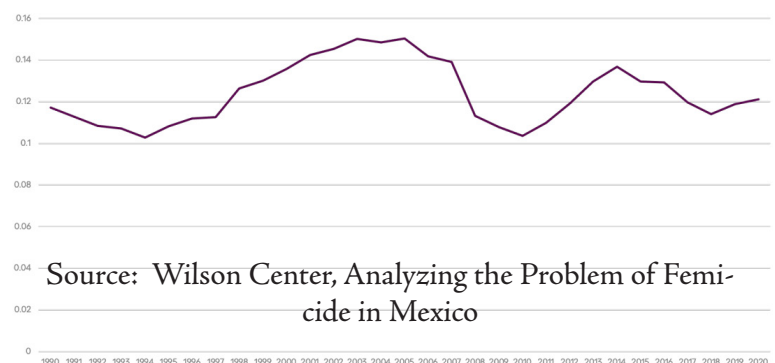
30 Alicia Schmidt Camacho, "Ciudadana X: Gender Violence and the Denationalization of Women's Rights in Ciudad Juárez, Mexico" *CR: The New Centennial Review* 5, no. 1 (2005): pp.255-92, 256

resulting in an indirect reinforcement of GBV. The Mexican case highlights the ways that machismo can lead directly to violence against women, particularly in response to women's increased financial freedom, thereby identifying machismo as a direct cause of GBV. With the implementation of neoliberal policies in Mexico in the 1980s and 1990s, there was a massive influx of women in the workforce, a change that "effectively destroyed the traditional model of a sexual division of labor without changing the collective imaginary that women are dependent on men."³¹ Women's shifting role in the economy directly challenged the power of hegemonic masculinity and men's role as the primary provider. The graph below, for example, shows that after the passage of NAFTA, a landmark date in the implementation of neoliberalism, there was a steady increase in the murders of women as a percentage of all homicides in Mexico.³²

31 Mercedes Olivera, "Violencia Femicida," *Latin American Perspectives* 33, no. 2 (2006): pp. 104-114, <https://doi.org/10.1177/0094582x05286092>, 108.

32 "Analyzing the Problem of Femicide in Mexico - Wilson Center," https://www.wilsoncenter.org/sites/default/files/media/uploads/documents/220710_FEMICIDE_WKPP_Final.pdf.

Figure 2: Murders of Women as a Percentage of All Homicides, 1990-2020



Source: INEGI.

De la Morena explains the increase in violence seen after NAFTA as "a cultural backlash to equalizing forces in other domains of life, such as economics."³³ Several scholars point to high rates of femicide as indicative of a backlash against women who are "empowered, for instance, by wage employment, and have moved away from traditional female roles,"³⁴ a conclusion consistent with the passage of NAFTA, which led to these changes. Furthermore, the

33 Ines de la Morena, "Machismo, Femicides, and Child's Play: Gender Violence in Mexico," *Harvard International Review* (August 31, 2020), <https://hir.harvard.edu/gender-violence-in-mexico-machismo-femicides-and-childs-play/>.

34 Marina Prieto-Carrón, Marilyn Thomson, and Mandy Macdonald, "No More Killings! Women Respond to Femicides in Central America," *Gender & Development* 15, no. 1 (2007): pp. 25-40, <https://doi.org/10.1080/13552070601178849>, 26.

murders go unprosecuted.³⁵ These numbers can largely be explained by the inadequacies of the legislation and justice system to deliver effective justice to victims of GBV. One of the primary barriers to effective legislation to prevent GBV in Mexico is an inadequate understanding of its causes in the first place, a diagnosis very similar to the Guatemalan case. Current president Andrés Manuel López Obrador (AMLO), for example, claims that GBV is “a result of ‘neoliberal policies’ and that the rising rate of femicides is just ‘part of a giant right-wing plot against him.’”³⁶ AMLO’s statement indicates a national denial of violence against women at the highest level, as well as continued efforts by the state to absolve itself from responsibility for systemic problems, a misinterpretation that gravely affects the legislation in place to prevent it. Particularly in response to international outrage in the wake of the murders in Ciudad Juárez, Mexico enacted the General Law on Women’s Access to a Life Free of Violence, which seeks to prevent and punish GBV in Mexico. While the document reflects a national effort to eradicate the issue of GBV, as in the Guatemalan case, the implementation was limited at best. Despite its passage, many of the main stipulations of the law have yet to be implemented in Mexico. For example, out of the thirty-two states in Mexico, only five have established the necessary infrastructure, and only two new shelters are being built for victims of GBV.³⁷ Despite the actuality of the law, significant obstacles and a resultant disparity between the law and implementation have proved this legislation to be relatively futile in addressing the high levels of GBV in Mexico.

A Third Dimension: The Effects of the Covid-19 Pandemic on GBV in Mexico

The onset of the Covid-19 pandemic, and the accompanying strains it placed on government resources, exacerbated existing challenges, while simultaneously introducing new obstacles for Mexico to overcome high levels of GBV. Since March 2020, hotline calls for domestic violence have exploded; according to Sánchez and Rodríguez, “the National Network of Shelters has received 80% more calls since the pandemic started, and the number of women and children admitted to its 69 shelters has increased

by 50%.”³⁸ Additionally, femicide increased by 7.7% in the first half of 2020 when compared with the year prior.³⁹ Despite these stark increases in GBV figures, the Mexican government response has reduced social spending and diverted resources to address GBV, illustrating the continued failure of the state to recognize GBV as an issue and deliver meaningful justice.

Covid-19 exacerbated the structural inadequacies that limit victims’ access to justice in Mexico. Lockdowns at the beginning of the pandemic, as in the Guatemalan case, were directly correlated with increased levels of GBV; this is in part due to the fact that a significant number of GBV victims know their perpetrators.⁴⁰ While the lockdowns were intended to remediate the effects of the pandemic, inadequate GBV prevention resources meant that they posed a threat to GBV survivors and created conditions for rates of violence to increase. Women’s increased risk is demonstrated by the consequences of stay-at-home orders. In the wake of the orders, resources such as Centros de Justicia para las Mujeres (CJM), which are responsible for receiving complaints, were suspended.⁴¹ The limitations imposed by the pandemic increased women’s already significant barriers to accessing resources, especially when considering access to technology in indigenous communities.⁴² Furthermore, in Mexico, there was a significant shift toward the informal market, as women were put out of jobs in the formal sector and were expected to pick up the slack at home, a shift that greatly decreased their access to financial resources and independence.⁴³

Additionally, barriers to GBV justice were only made worse for women in Mexico as the pandemic went on, as emphasized by Mexico’s budget reallocation. Even though Covid-19 increased the risk for GBV and violence

38 “Femicide on the Rise in Mexico during the COVID-19 Pandemic,” Global Citizen, <https://www.globalcitizen.org/en/content/mexico-cuts-womens-institute-budget-femicide-rises/>.

39 “Femicide on the Rise in Mexico during the COVID-19 Pandemic,” Global Citizen.

40 Vahedi et al., “*At the Root of Covid Grew a More Complicated Situation*,” 7.

41 University of Melbourne Carolina Mayen Huerta, “Covid-19 and Mexico’s Domestic Violence Crisis,” Pursuit (The University of Melbourne, October 31, 2022), <https://pursuit.unimelb.edu.au/articles/covid-19-and-mexico-s-domestic-violence-crisis>.

42 Paula Andrea Valencia Londoño et al., “The Exacerbation of Violence against Women as a Form of Discrimination in the Period of the COVID-19 Pandemic,” *Heliyon* 7, no. 3 (2021), <https://doi.org/10.1016/j.heliyon.2021.e06491>, 14.

43 Valencia Londoño et al., “The Exacerbation of Violence against Women,” 8.

35 De la Morena, “Machismo, Femicides, and Child’s Play.”

36 De la Morena, “Machismo, Femicides, and Child’s Play.”

37 “Mexico: Two Years on: The Law to Protect Women Has Had No Impact at State Level,” Amnesty International, June 23, 2021, <https://www.amnesty.org/en/latest/press-release/2009/01/m-xico-dos-os-de-aprobada-ley-de-proteccion-de-mujeres-sin-impacto-en-es/>.

in the home, at the start of the pandemic, the Mexican government “cancelled the federal budget allocated to the emergency government action plan, Gender Violent Alert Against Women.⁴⁴ The state also dramatically cut spending for women’s shelters. The slashing of this funding exemplifies the way that the state continues to discriminate against women, and does not afford them the full rights of citizenship.

Potential Solutions for Addressing GBV in Latin America

While gender based violence is a highly intersectional, systemic issue, there are steps that can be taken on both an individual and collective level to alleviate its effects and reduce the extent to which it occurs. This paper has identified several driving forces of GBV in Latin America that are displayed in the table below. Table 2 also includes the causes of these driving forces, and potential policy solutions to address them. While the solutions are by no means exhaustive, they provide insight into target areas that can be improved to help reduce GBV.

44 Kiernan Christ, “We Are Tired of Being Told It Is Not a Big Deal’: Institutional Machismo in Mexico,” *Georgetown Journal of International Affairs*, May 19, 2022, <https://gjia.georgetown.edu/2022/05/20/we-are-tired-of-being-told-it-is-not-a-big-deal-institutional-machismo-in-mexico/>.

This paper has outlined the way that machismo and the culture of impunity created by internal conflict can lead to decreased citizenship for women, which gravely affects their access to justice for GBV. There is notable evidence that providing education has played a strong role in reducing levels of GBV.⁴⁵ Steps to achieve this include empowering women through improved access to education, as well as increasing awareness about GBV through education for an entire community. It is therefore recommended that Guatemala and Mexico enhance opportunities for young women to access education, particularly through increased financing and collaboration with women’s organizations.⁴⁶ Additionally, it is imperative that these countries adopt GBV education programs to be implemented in both schools and government institutions to both empower women and raise awareness about the causes of GBV. Specialized training for law enforcement officers to handle GBV cases is a potential option. These

45 Zonta International, Addressing gender-based violence through education, https://www.zonta.org/Web/News_Events/Articles/Addressing_gender-based_violence_through_education.aspx.

46 “Leveraging Education as a Tool to Achieve Gender Equality – Strategies and Signposts,” *Engenderings*, April 7, 2020, <https://blogs.lse.ac.uk/gender/2020/04/08/leveraging-education-as-a-tool-to-achieve-gender-equality-strategies-and-signposts/>.

Table 2: Summary of Primary Obstacles, Drivers, and Policy Instruments to Address GBV.

<i>Systemic Issue</i>	<i>Drivers</i>	<i>Policy Instruments</i>
<ul style="list-style-type: none"> – Women are systematically denied citizenship – This leads to the justification of violence against women and gravely affects their access to justice 	<ul style="list-style-type: none"> – The predominance of machismo culture – The culture of impunity that results from internal conflict 	<ul style="list-style-type: none"> – Collaboration with women’s organizations and local communities to deliver education programs to youth – Education programs for law enforcement officers and members of the court system
<ul style="list-style-type: none"> – Women lack reliable access to GBV justice – Women are disempowered in their pursuit of justice for GBV 	<ul style="list-style-type: none"> – Weak legislation that reflects a misunderstanding of the causes of GBV – Poorly designed legislation that lacks enforcement for perpetrators, thereby perpetuating GBV 	<ul style="list-style-type: none"> – Expand the quality and quantity of GBV response resources – Adopt transparency technology to hold the government accountable
<ul style="list-style-type: none"> – Limited accessibility for GBV resources, particularly for indigenous women – Lack of awareness about GBV resources 	<ul style="list-style-type: none"> – Underfunding of GBV resources – Financial, institutional, geographic, and pandemic-related barriers to access 	<ul style="list-style-type: none"> – CCTs to provide women with financial freedom – Collaboration between the private and public sectors and civil society to expand access to GBV resources – Inclusion of GBV prevention in crisis response programs

efforts will increase the extent to which women experience full citizenship and will legitimize their reports of GBV, which will have significant impacts in both individual interactions as well as enhance their access to justice on a broader scale.

Another predominant obstacle to GBV prevention is the weakness of the legislation addressing it and the lack of enforcement that accompanies existing policies. It is imperative that Mexico and Guatemala adopt legislation that not only lays out clear consequences for perpetrators of GBV, but that is also enforceable on a broad scale. Examination of these two cases revealed that existing response systems are not operational for a variety of reasons. The countries' response programs must also seek to enhance the quality and quantity of resources available, such as the creation and expansion of specialized courts for hearing cases of GBV. Finally, to ensure the effectiveness of these systems, it is recommended that Mexico and Guatemala adopt transparency technology that holds the government accountable for following up on GBV cases, and that increases awareness of these resources.

Finally, accessibility of GBV remediation mechanisms has been a significant barrier to reducing GBV in Mexico and Guatemala, particularly for indigenous women living in rural areas. These limitations can include geographic, financial, or pandemic-imposed barriers. There is significant evidence that shows that providing women with financial freedom, particularly through CCTs, can alleviate the extent to which they experience GBV.⁴⁷ This is a potential route these two countries could pursue that is proven to be highly effective and can be efficiently delivered to many women. Providing access to capital through CCTs would also increase access to transportation and technology, both of which expand women's access to GBV prevention resources. Mexican and Guatemalan governments also need to provide immediate means of accessing GBV prevention resources, particularly for isolated communities. Expanding accessibility is an area where collaboration between the private sector, the federal government, and local communities is particularly feasible. Local communities possess the cultural capital necessary to promote the use of these systems, as well as the knowledge of how to implement them effectively. The government can provide incentives to companies looking

47 "Reducing Non-Partner Gender-Based Violence with Conditional Cash Transfers in the Philippines," World Bank Blogs, accessed December 9, 2022, <https://blogs.worldbank.org/eastasiapacific/reducing-non-partner-gender-based-violence-conditional-cash-transfers-philippines>.

to improve their reputational value in the form of tax cuts and investments in social bonds. The private sector possesses the technology and entrepreneurship necessary to create resources such as phone applications for reaching a GBV mobile hotline and locating reporting centers. Finally, the government needs to ensure that crisis response programs include GBV remediation measures, which can be achieved by allocating a larger percentage of the budget toward GBV prevention.

Conclusion: Perpetuation of GBV

Although Mexico and Guatemala have markedly different national profiles, this paper highlights the ways in which they are tied together by high levels of GBV that are perpetuated, in part, by the same forces at play. As Latin American countries come out of the pandemic, and move away from Covid-19 mitigation, they have increased opportunities to address GBV and are more aware of the pressures that exacerbate it. With this opportunity, it is imperative that Mexico and Guatemala take measures similar to those that are outlined above. To be effective, they must not only consider the root causes of GBV, but also take active steps to adopt legislation that considers them to dismantle systemic barriers. Through the implementation of these guided policies, it is expected that Mexico and Guatemala can decrease their high levels of GBV and move toward a more prosperous, sustainable future for all their citizens.

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From Pipelines to Iran: The Effectiveness of US Extraterritorial Sanctions

Haiyue Shi

Introduction

The US government frequently adopts extraterritorial sanctions to coerce other countries to accept the US economic sanctions, which tend to be more comprehensive than the multilateral consensus and the willingness of other governments. While debates remain on the effectiveness of economic sanctions, their extraterritorial extensions are undoubtedly more controversial. Using this coercion might seem attractive to political leaders as the compliance of other countries would make US policies highly effective in containing its targets. It could also help demonstrate the US strategic emphasis and simultaneously appeal to domestic voices.

However, the costs and risks in the outcome of extraterritorial sanctions also cannot be ignored. They have been criticized for the negative impact on the reputation of the US in diplomacy and American firms in international trade. Corporations and other entities subject to the extension of US policies are often from more developed countries, making them more resistant to coercion and limiting the effectiveness of extraterritorial sanctions.

The outcomes of cases where the US deployed extraterritorial sanctions have generally aligned with the pessimistic views on their effectiveness. In 1982, the US attempted to coerce European companies from trading and cooperating with the Soviet Union on a natural gas pipeline project by punishing the participants, but it was not able to reach an agreement with Europe on “limiting the volume of credit available to the Soviets” (Crawford 9). The pipeline case, together with the Helms-Burton Act and the Iran-Libya Sanctions Act of 1996, became the source of criticism on extraterritorial sanctions as it not only failed to reach the purpose of coercion to compliance but also brought negative consequences. Nevertheless, the situation changed in the 21st century. When attempting to contain the nuclear development in Iran, President Obama again adopted extraterritorial sanctions. This time, sanctions received greater success by implementing the Joint Comprehensive Plan of Action in 2015, which has been effectively constraining the Iranian nuclear program after its enactment.

This paper aims to study the effectiveness of extraterritorial sanctions. By focusing on the pipeline and the Iran case, I am going to explore the reason why the sanctions triggered backlash when attempting to prevent Europeans from trading with the Soviets in 1982 but succeeded in containing Iran’s development of nuclear weapons 30 years later. I will start with introductions to the historical backgrounds of both cases, followed by a discussion on the factors that contributed to the discrepancies in the effectiveness of these seemingly identical policies.

The Pipeline Case

The Progress of Sanctions and Their Removal

The different attitudes of the US and Europe toward their trade relationships with the Soviet Union were a significant source of divergence within the Western Bloc during the Cold War. Among those relationships were Europe’s reliance on Soviet natural gas and the Soviets’ dependence on Western technologies to exploit these energies.

The Soviets approached the West in the 1970s with a project designed to construct a pipeline to connect a gas field in northern Siberia to the Soviet-Czech border and to fill approximately a third of European demand for natural gas (Crawford #). This proposal was attractive because of the 1973 oil embargo and the 1979 Iranian revolution, which destabilized the regional political environment and global oil market. They alarmed Europe about their excessive reliance on OPEC countries as their energy source. Companies from the US and Europe consequently displayed vital interests in participating in this project to remedy their loss in the recession. Similarly, European banks were eager to provide financial support to the project. Seeing the tremendous economic benefits of the program, European governments were committed to assisting their companies in acquiring the orders by approving favorable policies on export credit subsidies.

Nevertheless, the US government considered otherwise, especially after the détente period in the 1970s. It had always seen strategic importance in energy-related products and funds and thus decided to oppose the project. From the US perspective, the designed pipeline construc-

tion could benefit the adversary Warsaw Pact countries, while funds generated from it could facilitate Soviet development in military and space technologies. Moreover, Europe's reliance on the Soviet Union would make it susceptible to Soviet threats and aggressions, such as potential energy cut-offs in future conflicts.

The attempt by the US government to restrict the Soviet's access to energy-related technologies predated the pipeline case. The Defense Department believed a deal between Dresser Industries and the Soviet Union would promote Soviet drilling skills and allow "increased opportunities for them to exert their political influence" (Bucy). At the same time, the National Security Council agreed that controls on the export of Dresser's technologies could serve as political leverage against the Soviet Union. After the declaration of martial law and the repression of a labor union movement by the Soviet-backed Poland government in December 1981, the US extended its export controls on the Soviet Union via the Export Administration Act and started to prohibit US companies from participating in energy transactions. It restricted their sales of energy-related equipment to the Soviet Union. The US wanted to expand the influence of its unilateral sanctions by trying to convince the Europeans to join the sanction regime and forfeit their transactions with the Soviets, emphasizing the danger of relying on a major adversary for energy supply and providing the Soviets with the cash necessary for its military development.

European countries did not follow the US trajectory. Admittedly, the Soviet Union was an intimidating opponent during the Cold War, and Europe had export controls over sales of technologies with military implications to the Soviets. However, European governments did not consider the crackdown on the Solidarity movements in Poland a threat to European stability. The EC condemned the Soviet Union for its effort to repress Poland but refused to enact similar economic sanctions. Contrary to the US arguments, the Europeans thought adding the Soviet Union as one of their energy sources would diversify their previous dependence on OPEC countries, which had been proven unstable during the oil embargo, and thus would enhance their economic and energy security.

Moreover, offering financial assistance to the Soviet Union for the pipeline project would be European leverage, as the economic importance of these cashflows for the Soviets would deter them from cutting their energy supplies during conflicts. They could also boost the Soviet economy, enabling it to repay its debts to the West better.

In addition, some European nations accused the US of being hypocritical because it advocated for restrictions on Europe's energy-related export to the Soviets while maintaining free trade in areas beneficial to itself, such as agriculture. For these reasons, Europe considered the pipeline project valuable to their corporations, financial institutions, economic well-being, and continental stability. They insisted on cooperating with the Soviet Union in this aspect.

The US tried to persuade their European allies to join the sanction regime via CoCom, an export control organization among many NATO countries and Japan. All members of CoCom agreed that they would not restrict export unless the goods had military implications. Hence, the primary debate was whether or not the equipment and technologies involved in the pipeline project fell within this domain. Americans reasoned by demonstrating the danger to energy supply and economy had Europe participated in the pipeline project but was unable to obtain European compliance. Therefore, the Reagan Administration sought the extraterritorial reach of US policies to coerce European companies by extending existing export controls. The amendment to the Export Administration Act covered "persons subject to the jurisdiction of the United States," allowing it to regulate European subsidiaries and licensees of US companies regardless of whether there were US materials or technologies in their products. Moreover, new sanctions covered both new deals and existing contracts, mandating companies to break contracts.

Extraterritorial sanctions irritated European governments. They responded by issuing a formal protest via the European Community and sent their note to the State Department, arguing for the illegality of US regulations under existing international laws. Some governments also attempted to block US policies. For instance, the British government enacted the Protection of Trading Interests Act, which asked its companies to adhere to their contracts. The conflicting attitudes left companies in an embarrassing status as they had to confront either the US government, which would issue temporary denial orders to block them from accessing the US market if they chose to perform contracts, or their own government, which would bring prosecutions and other penalties if they obeyed US regulations.

An agreement between the US and European countries ended this chaos. As the US removed the sanctions, Europe agreed to suspend new energy contracts until the completion of a study on their energy vulnerability

by the International Energy Agency and a few others on export controls and technology trade. Europe also agreed to more cautiously consider the credits and interest rates provided to the Soviet Union. In the end, European countries did not make any concession to the US that would interfere with the pipeline construction. They also refused to obey the 30% quota—the degree of reliance on one energy supplier—proposed by the International Energy Agency. Therefore, the US extraterritorial sanctions failed to coerce European allies to refrain from joining the pipeline project and caused tremendous conflict within the Western Bloc until sanctions were removed in November 1982.

Why the US failed in its Coercion in the Pipeline Case

The Reagan Administration considered the previous détente strategy toward the Soviet Union ineffective and wanted to replace its ‘carrot’ with ‘sticks.’ There were two schools of thought on approaching the Soviet Union. Instead of attempting to change Soviet policies, the Defense Department wanted to start economic warfare, aiming to block the Soviets’ access to essential resources, thereby leading it to an economic crisis and disabling it from continuing to threaten the safety of the western bloc. By contrast, the State Department opposed economic warfare and proposed more advantageous negotiation strategies. It recognized the shortages of unilateral economic sanctions because of the Soviet’s limited reliance on trade to support its economy and its potential access to goods blocked by the US from elsewhere.

When approaching the pipeline project, the Reagan Administration decided to pursue the economic warfare strategy of the Defense Department after June 1982. However, the outcome was largely counterproductive. In this case, the failure of US extraterritorial sanctions can be attributed to three factors. First, the Reagan Administration faced strong domestic constraints when applying the economic warfare strategy. During the 1970s, the US experienced increases in investment by its companies in foreign countries and the intensified offshore activities of its private commercial banks. The development of European subsidiaries and licensees of US companies decreased US importance in the energy industry since a product “lost its American identity” “through licensed production” (Office of Technology Assessment) that would be completed overseas due to the spread of US technologies. Globalization made US companies more dependent on foreign markets and more prone to build their reputation among local civilians and host governments.

Compliance with US regulations could decrease the long-term benefit of both European firms and the US because it would harm their reputation and credibility in foreign markets and simultaneously set a precedent for foreign governments to restrict US companies reciprocally. An example of this devastation was Japan’s shift of soybean imports from the US to Brazil because of the Nixon soybean embargo. The evaluation of potential loss encouraged corporations to lobby against extraterritorial sanctions on the domestic level starting in the 1970s. Congress shared a similar attitude as they evolved from “a source of pressure” for coercion to “a restraining influence on unilateral sanctions” (Rodman 75) that hurt national economic interests for political purposes. This pressure succeeded in limiting the president’s power in controlling exports and other transactions and produced amendments to the Export Administration Act that loosened export restrictions and terminated the grain embargo on the Soviet Union. The pressure also culminated in the International Emergency Economic Powers Act, which regulated the president’s authority in international economic transactions. However, an amendment in 1977 permitted the extraterritorial reach of US policies, and it later became the method of the Commerce Department to sanction companies involved in the pipeline project.

Secondly, the international environment was also hostile to the extraterritorial reach of sanctions. Even though the political conflict between the East and the West was tremendous during the Cold War, European countries did not want to undertake economic costs for political purposes. They resisted moving beyond their strategic embargo on the Soviets even before the pipeline case. For instance, they tightened the strategic embargo when the Soviet Union invaded Afghanistan but did not restrict the trade of non-military technologies. Since a normalized East-West trade relationship would promote regional stability and bring economic merits and therefore incentivize both sides to promote cooperation rather than escalating conflicts, other Western governments tried to block the influence of US restrictions through legislation, such as the 1975 Combines Investigations Act by Canada and the 1980 Protection of Trading Interests Act by the UK.

Finally, the US policy to impose extraterritorial sanctions was also problematic. The US was excessively assertive in seeking the compliance of its European allies. Political scientist Michael Mastanduno describes this strategy as “hyper-unilateralism” (Mastanduno), as the US tried to pursue international outcomes via unilateral approaches.

The US initiated sanctions after failing to reach a consensus with Europe in the 1981 Ottawa Summit via CoCom. While the purpose of the sanctions was to destabilize the regime of the Soviet Union, it appeared that the policy brought more harm to Europe—blacklisting firms from accessing the US market—than to the Soviets. This extensive hyper-unilateralism and hardline economic sanctions caused a “mood of defiance” (Hillebrand) in European countries, further decreasing their possibility to cooperate with the US for export control purposes.

The Iran Case

Development of the Crisis and its Resolution

Iranian nuclear programs began during the Shah's rule, when nuclear power was considered helpful to both provide vital energies as a backup plan for Iranian oil and gas, on which Iran relied heavily, and to enhance the country's scientific capabilities. This development enjoyed an extended honeymoon with foreign forces, lasting until the 1980s when Ruhollah Khomeini became Iran's Supreme Leader, replacing the Shah. Iran cooperated with states and organizations such as the International Atomic Energy Agency and sought assistance from Western countries by dispatching students and directly acquiring technologies and reactors. However, the United States and its allies were concerned with Iran's desire to apply its nuclear technologies to weapons development. This trend started to appear during the Shah administration, which regarded these weapons as the power to provide regional stability and deter western interventions. The alarm was sounded in the late 1980s when Iran re-started its nuclear weapon development and obtained assistance from Pakistan.

The initial strategy by the US on Iran was relatively mild and unilateral. The US first decreased nuclear cooperation with Iran and imposed unilateral sanctions by listing Iran as a State Sponsor of Terrorism in 1984. While the effect of the embargoes was limited since the trade relationship between these two countries deteriorated after the 1979 revolution, the US pursued more extraterritorial and specialized methods via the Iran-Libya Sanctions Act (ILSA) of 1996, which, together with some later efforts, targeted Iran's oil and gas industry, a core component of this Iran's GDP.

Besides imposing sanctions, the US also attempted to prove Iran's illicit activities were nuclear weapon-centered to have more countries join the sanction regime. It approached international institutions like IAEA rather than its intelligence force. Nonetheless, the IAEA inspections

advocated by the US were unable to find direct evidence that could connect undeclared Iran's nuclear programs with the development of nuclear weapons.

The Iran case was escalated to the UNSC in 2006 by the IAEA. Its report was received favorably by the UNSC, as Russia and China both voted in favor and increasingly isolated Iran. UNSCR 1696 produced a P5+1 (Permanent members of the UNSC plus Germany) package that allowed Iran to choose from incentives and sanctions. Nevertheless, there is still lacking confidence in the US in the ability of UNSCRs to affect Iran. Consequently, President Bush enacted E.O.13382 to enlist restricted persons and block financial institutions. More UNSC resolutions later accompanied unilateral actions by the US to cut the financial interactions between Iran and the rest of the world. On top of that, the US also approached its allies to withdraw from Iran's oil, gas, and financial industries. President Obama enacted CISADA to further devastate Iran's financial abilities by forcing foreign banks to choose between access to the US and Iran. The purpose of these three layers was to separate Iranian citizens' well-being from national interest and thereby increase the cost of the Iran government to publicize its nuclear program as national dignity, a strategy the Iran government frequently adopted to appeal for domestic support for its nuclear development.

The US strategies produced many significant outcomes. According to World Bank data, they turned Iran's economy from a stable increase rate of 3% to a contraction of 6.6%. The actual effect was more shocking, considering that the oil price peaked during this economic downturn. Other important economic factors, such as the unemployment rate, inflation, and hard currency reserves, also worsened. The economic situation in Iran, together with the US efforts to dismantle Iran's manufacturing industries, an alternative to the oil and gas industry in terms of exports, and to promote civilians' access to accurate information, created the segregation between the civilians and the government and caused domestic instability.

However, it was impossible for the US to sanction Iran indefinitely. Given the absence of Iran's supply, the global oil market was at stake. Moreover, since the purpose of sanctions was to disable Iran from acquiring nuclear weapons, and the target was thus the Iranian government, the US could not expand the scope of sanctions because it might otherwise further endanger ordinary people's basic living conditions. While numerous countries believed that Iran should fulfill its nuclear obligations, they would not

agree to extend the scope of the sanctions because they believe in alternative methods other than eliminating all Iranian nuclear programs to resolve international disagreements over this issue.

The US history of exploiting sanctions, including previous extraterritorial sanctions such as the Helms-Burton Act on Cuba, brought a cost to the effectiveness of the sanction regime on Iran. Many allies, such as the EU, disagreed with ILSA because of its extraterritorial nature. They produced council resolutions to counter the US sanctions, demanding that EU persons and companies abide only by EU orders. These reasons not only undermined the US arguments but also compelled countries to become sympathetic to Iran.

On the other hand, although Iran suffered greatly because of the sanctions, it did not step back on its standing on the nuclear program and addressed the economic crisis successfully. Iranian President Ahmadinejad managed to bind nuclear programs with national dignity and hence received broad public support. Polling showed that 75% of Iranians favored their country developing nuclear technology (Gallagher, Mohseni, and Ramsay). Iran increased its cooperation with the IAEA in fulfilling its reporting obligations, attempted to craft a public image globally as a victim of sanctions rather than a violator of international rules and NPT obligations, and continued its nuclear program to develop leverage in future negotiations.

Iran's firm attitude toward its nuclear program and the inability of the US to expand the effects of economic sanctions brought both sides to the table in 2013 when Hassan Rouhani became president. In reaching a mutually beneficial outcome, the P5+1 and Iran agreed on a Joint Plan of Action (JPOA), a mid-way to slow Iranian nuclear development and loosen sanctions regulations. JPOA was followed by the Joint Comprehensive Plan of Action (JCPOA), implemented in 2016 by both sides. It included Iran's acceptance of a restricted nuclear program with transparency requirements and the agreement by the US, its allies, and other institutions to relax their sanctions. Although JCPOA received strong domestic criticism from both sides because of its seemingly conservative provisions, it has been a satisfactory document to stabilize the Iran nuclear crisis.

Factors Contributed to the Successful Implementation of JCPOA

The process to address the Iranian nuclear program was

long-lasting, from the declaration of Iran as a State Sponsor of Terrorism by the US in 1984 to the implementation of JCPOA in 2016. The US made extensive efforts to promote sanctions to contain Iranian development during these decades. Several factors were critical in making this one of the most successful uses of extraterritorial sanctions.

First of all, the US pursued hyper-unilateralism only to a very moderate degree. The first few steps of the US policies were unilateral with extraterritorial implications, such as economic sanctions, and focused on using US economic power to coerce other countries and contain the core industries of the Iranian economy. The US also unilaterally blocked persons and entities afterward. However, the US actively sought multilateral approaches after ILSA received condemnations from the rest of the world. Hoping to gain the support of its allies, the US approached international institutions, advocating for the investigations of Iranian nuclear sites by the IAEA to search for evidence of nuclear weapons. While IAEA did not discover nuclear weapons, it discovered enrichment and reprocessing capabilities that violated Iranian obligations under NPT. The US highlighted this report in its proof of Iran's non-compliance in declaring nuclear activities and called for international efforts on this basis. It then played an effective role within the UNSC in constructing a multilateral consensus on the danger and illegality of Iranian programs, as well as in promoting UNSC resolutions to resolve the problem. During negotiations with Iran, the US also sided with other critical global powers to achieve satisfactory results for all parties. President Obama demonstrated his commitment to the P5+1 system by engaging with the Iranian Supreme Leader Khamenei. The US adoption of multilateralism ensured that its allies and other countries necessary for an effective resolution are on the same page and would endorse coherent policies.

Second, the US demonstrated flexibility in its objectives and approaches during this process, making its advocacy more acceptable for the allies and opponents. Initially, the US wanted to terminate the Iranian nuclear program and eliminate its ability to acquire nuclear weapons, as President Bush said that "the nations of the world must not permit the Iranian regime to gain nuclear weapons" (Bush). Nonetheless, while Iran viewed its nuclear program as a vital national interest, especially after Iran made decent progress in nuclear development in the 21st century, the US compromised during the negotiations by permitting the preservation of Iranian programs in exchange for specific limitations on and transparency of

the programs.

Similarly, the US also adapted its policies based on the evaluation of Iranian and European attitudes. It started to embrace multilateral approaches via IAEA and UNSC after realizing the unpopularity of ILSA among other countries. President Clinton conferred with the EU after its condemnation of ILSA to ensure European cooperation when dealing with Iran. The US also balanced well between its economic sanctions and UNSC resolutions, so although sanctions were unilateral, they would quickly be followed by multilateral consensus without generating backlashes among allies.

Finally, the US effectively used its dollar hegemony when sanctioning Iran. US economic sanctions efficiently brought financial burdens to Iran and isolated it from the global market. A series of policies were enacted to target the Iranian energy industry, the key to its economy. UNSC demanded the freezing of the assets of the Iranian First East Export Bank and the Iranian Revolutionary Guard Corps business representative and prohibited banks worldwide from transacting with Iran. The EU banned the import of Iranian oil in 2012, which was reinforced by US threats with the strength of its currency. These sanctions led to significant fluctuations in the value of the Iranian rial, as an Iranian local said, "Every transaction became toxic, as its value diminished where it stood" (Yildiz). The Iranian rial, a modern currency, lost its functions as a "medium of exchange, mode of payment, unit of account, and store of wealth" (Yildiz) and could only bring diminishing returns in international oil transactions because of the rapid depreciation of its value. The devastation of the currency was reflected in macroeconomic data as the growth of Iranian GDP was quickly reversed. The power of economic tools and corresponding sufferings were reasons why Iran prioritized its economic well-being over nuclear development and ultimately agreed with the JCPOA.

Conclusion

The extraterritorial reach of US unilateral sanctions has attracted massive criticism from both its allies and those within the country. Many scholars suspect that extraterritorial sanctions could bring the expected outcomes they were designed for. A classic example of the failure of these sanctions is the pipeline case. In the late 1970s and early 1980s, Europe wanted to cooperate with the Soviet Union in constructing pipelines to bring natural gas from Siberia to the west by offering technical support and financial assistance. However, the US opposed this project,

arguing for the strategic importance of energy-related technology and the merit the Soviets could acquire from European funds. Unable to convince its European allies to forfeit this project, the US used the Export Administration Act to stop European subsidiaries and licensees of US firms from transacting with the Soviets. European countries resisted fiercely, issuing formal protests to the US government and enacting laws prohibiting its companies from complying with US regulations. The US had to remove its sanctions in response. Consequently, US extraterritorial sanctions not only failed to stop European participation in the pipeline project but also created cleavages within the western bloc that had long-lasting negative influences.

However, the US was more successful in addressing the Iran nuclear crisis. Fearing Iran would apply its nuclear technologies to developing nuclear weapons, the US initiated unilateral extraterritorial sanctions. But it also embraced multilateral approaches by advocating for the IAEA inspections on Iranian nuclear sites and facilitating the discussion within the UNSC. The US was able to achieve consensus with its allies and promoted multilateral sanctions that brought huge costs to Iran, forcing it to accept restrictions on its nuclear programs, as well as corresponding transparency requirements.

I attribute the different results of these two cases to three reasons. First, the US adopted what Mastanduno calls "hyper-unilateralism" to different degrees. In the pipeline case, it directly enacted sanctions with extraterritorial implications on European firms, leading to resistance from those governments. By contrast, the US was more moderate when dealing with Iran. Although it also used secondary sanctions to reinforce commitments states had already made from 2011 to 2015, the US spent massive efforts approaching multilateral institutions. It wanted IAEA inspections to find evidence of Iranian nuclear weapon development to support its suspicion and reach a consensus with global powers. It promoted the role played by UNSC and facilitated several resolutions to bring regulations with broader coverage, hoping to issue more effective sanctions.

Secondly, the US enjoyed more flexibility in deciding its objectives in the Iran case. It revised its goal from eliminating the nuclear programs in Iran to adding restrictions on the existing ones after seeing its firm standing, the hesitance of European allies to extend existing sanctions, and the inability to expand the influence of existing sanctions. It also revised its policies when Europeans showed their

opposition to the use of ILSA. The US lacked this flexibility in the pipeline case since it insisted on its purpose to stop European firms from participating in the project and destabilize the Soviet Union by blocking its access to financial assistance from the west, both of which Europeans disagreed with.

Finally, the US adopted more efficient sanction instruments in the Iran case. Targeting the Iranian oil industry and attacking its currency brought dramatic financial burdens to the country, compelling Iran to implement JCPOA. The US also used the dollar to threaten foreign companies that purchased Iranian oil. However, the US was more rigid in the pipeline case as it blocked the access of European companies that violated the Export Administration Act to the US market while putting no costs on the Soviets—the real target of the sanctions.

The comparison of the two cases illustrates important lessons that policymakers should draw from. Hyper-unilateral approaches in dealing with international crises would generate relatively limited results while producing severe negative consequences. Instead, multilateralism is a more promising approach since it would guarantee the cohesion of allies and the scope of sanction coverage. When designing specific sanction articles, policymakers should tailor their strategies to focus on the vulnerabilities of targets and simultaneously pay attention to the reaction of both allies and opponents, as well as the evolution of the dispute, to make timely adjustments.

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Cooperation and Stagnation in Nuclear-Test-Ban Treaties

Darren Sharapov

The Partial Test Ban Treaty was an experience of peaceful collaboration between the United States and Soviet Union that has proven itself valuable as a precedent for cooperation. Despite progress in negotiating agreements with regard to nuclear weapons, the United States has failed to ratify the Comprehensive Nuclear-Test-Ban Treaty. The Prisoner's Dilemma is applied as a framework to explain the success of the PTBT and the relative failure of the CTBT. Mutuality of interest and verification factors are emphasized in the analyses.

The Prisoner's Dilemma

The Prisoner's Dilemma is a framework used to identify the factors that promote cooperation under anarchy. This model is directly applicable to the foreign relations between sovereign states. Cooperation in this realm entails several definitional conditions. Firstly, cooperation takes place in situations containing both conflicting and complementary interests. Cooperation signifies a behavioral adjustment that aligns behavior towards the actual or anticipated preferences of another party. In the Prisoner's Dilemma, mutuality of interest, the shadow of the future, and the number of players are key dimensions to understanding the success and failure of attempts at cooperation in international relations. World politics, though anarchic, does not entirely lack organization. Relationships vary in the degree to which they are structured according to the particular issue area and potential linkage to other issues through institutions. In considering the context of issues, past experience can highlight key issue linkages between actors. These contextual factors evoke expectations about the future. This introduces a variety of broader factors, including strategies of reciprocity and the role of international institutions. Different actors may pursue different strategies within an established context or may attempt to alter that context through institutions or norm-based behavior. This contextual approach to strategy in game theory highlights the role of international institutions.¹

The Prisoner's Dilemma has an underlying payoff structure that defines its outcomes; the outcome of a game depends on the strategies selected by the players. This payoff structure affects the level of cooperation. The structure often depends on events that take place outside of the control of the actors. Perceptions, rather than

objective facts, define interests. Perception is key; beliefs and cognition shape perceptions among actors. State actors benefit from an awareness of how their own actions will be interpreted by others. They need to consider the consequences of actions that may be perceived as security threats. Thus, the degree of mutuality of interests is dependent on preference determination. These preferences defined by perceptions are received as an objective reality by the other side. If the preferences of both players favor cooperation over unilateral defection, then cooperation is preferred. However, if an actor believes that its counterpart prefers to defect, it becomes in their interest to defect to avoid the worst payoff. Mutual cooperation, CC, achieves the most favorable outcome, followed by unilateral defection when the other player cooperates, DC, mutual defection, DD, and lastly, cooperation when the other player defects. In contrast, deadlock occurs when both players believe that mutual cooperation is worse than mutual defection, making mutual defection the likely result. In this case, perceptions of the payoff structure favor noncooperation. Arms races are often games of deadlock rather than Prisoners' Dilemma.²

Both sides can potentially benefit from cooperation in cases where the "myopic pursuit of self-interest can be disastrous".³ The challenge lies in achieving such an agreement. Although military issues often have payoff structures involving a great deal of conflict of interest, there are still situations in which cooperation is possible. In the Prisoners' Dilemma, a concern about the future can increase the chances of cooperation; valuing future payoffs relative to current payoffs decreases the chance of defection. Concern about the future involves a variety of supporting factors, including long term horizons, the continuation of the relationship, and iterated games. These qualities can establish an interest in pursuing cooperation to achieve a more prosperous future. The strategic approach outlined through the Prisoner's Dilemma examines the choices of individual actors and the consequences that these actions have on the entire system. Introducing contextual factors illuminates how the system is organized by regimes.⁴ Successful cooperation is supported by regularity in the stakes, reliability in information about the others' actions, and quick feedback regarding changes in the others' actions.

Moreover, the number of players in the game and the structure of the relationship impacts the prospect of cooperation. Cooperation in international relations also needs to reconcile domestic political environments due to the ratification requirements for treaties. Consequently, arms control negotiations necessarily involve bargaining both between governments and within societies. Frequently, domestic bargaining games inhibit effective foreign policy.⁵

Reciprocity can help induce cooperation in the iterated, bilateral Prisoner's Dilemma. Reciprocity is an effective strategy when defections can be identified, retaliation can be applied, and there exists incentives to punish defectors. The Prisoner's Dilemma rewards unreciprocated defection. Thus, cooperation entails that governments are confident in their ability to identify defection such that they can levy an appropriate response in the case of betrayal. Identifying defectors is an intelligence task. Players must be able to focus retaliation on the defector and there must be the will to apply it. Military security issues introduce difficulties in monitoring behavior, have stringent demands for information, and entail high costs for punishing defection. The severity of sanctioning problems is dependent on whether defection can be prevented through decentralized retaliation. This involves the identification of sources of action, the focusing of retaliation or reward, and incentives to punish defectors. Sanctioning problems can be addressed through the construction of international regimes who assign responsibility for applying sanctions. Regimes can also provide information on compliance, manage reputations, and assist in responses or rule-enforcement.⁶

Trust is the foundation for cooperation. International institutions may facilitate cooperation by assuring transparency. Shared norms generate obligations; when norms are breached, violators are stigmatized. Norms support cooperative behavior. Expectations are another key factor. International institutions may embody and affect actors' expectations. Institutions can affect the extent to which present actions are expected to affect future actions and issues. Precedents set by international regimes shape the responses that are applied to punish defectors. Regimes sanction broad forms of retaliation against those who violate rules and norms. This oversight is particularly true in arms control agreements. In terms of context, the environment in which an interaction takes place affects political behavior and shapes cooperation. Norms that may be shared implicitly contribute to the context. Moreover, institutions affect the context

through an influence on payoff structures, the shadow of the future, and the dimensions of interaction.⁷ In effect, international regimes reduce uncertainty among actors by changing the patterns of transaction costs and providing information to participants. Through this capacity, regimes reinforce and institutionalize reciprocity. This delegitimization of defection makes it a more costly option. In specifying reciprocity in a given issue-area, regimes provide a means through which a reputation for practicing reciprocity can be earned. A reputation for cooperation will garner the willingness of others to enter future agreements with a party. Although international regimes rarely ensure compliance, they create an appeal based on reputational costs.⁸

Multilevel games involve an overarching context. The outcomes of different games may be mutually contingent due to the ways in which games affect one another. In politics, multilevel games concern issue-linkage, domestic-international connections, and incompatibilities between games among different sets of actors. Multilevel games have implications for the strategy of reciprocity. Issue linkage forges connections between games. Making one's own behavior contingent on the behavior of others in various issue areas can be a source of bargaining leverage. Thus, issue-linkage can be used by powerful states to distribute their resources. Outsiders can also use issue-linkage to break into a closed game. Issue-linkage can facilitate agreements by reaching a balance in resources based on relative value. "Contextual" issue-linkage places the present bargain in the context of a long-term relationship in order to affect the bargaining process. This method can reduce conflict without affecting the preferences of the participants. On the other hand, issue-linkage also has the potential to jeopardize cooperation on shared interests.⁹

Shared interests, a long shadow of the future, and bilateralism promote cooperation. However, cooperation may be endangered by linkages to contentious issues, as well as complex domestic political games. Reciprocity can be a powerful strategy in multilevel games. In an iterated, two-player Prisoner's Dilemma, such a strategy can effectively promote cooperation. Tit-for-Tat can be employed to encourage reciprocity; cooperation is the default and retaliation is used to respond to each defection. In a Tic-for-Tat strategy, immediate retaliation intends to make the defector cooperative. This conditional reciprocity allows forgiveness for the sake of cooperation. This strategy has the potential to devolve into alternating defections. Reciprocity may also lead

to a bargaining deadlock. An awareness of echo effects, bargaining deadlocks, and issue interdependence can be used to mitigate such pitfalls. In non-zero-sum games, governments may have incentives to practice reciprocity. Reciprocity is institutionalized as a general practice by those who punish players who use uncooperative strategies. Thus, the institutions in which reciprocity is practiced are significant. A player is benefited by others' use of this strategy. The key condition for the successful use of reciprocity is that mutual cooperation is favored over mutual defection. Reciprocity can enable cooperation without an excess vulnerability to exploitation. It deters uncooperative actors in situations where temptations for defection exist.¹⁰

In matters concerning cooperation, an international setting is defined by mutuality of interest, the shadow of the future, and the number of actors. Actors often attempt to change the context in which they act through hierarchies, regimes, and norms. Through these tactics, background conditions opposing cooperation are compensated for. These barriers to cooperation include incentives, monitoring of behavior, the focusing of rewards and retaliation, and issue-linkage. Conditional cooperation is pursued through the strategy of reciprocity, but reciprocity requires the ability to recognize and retaliate against defection. Hierarchies in world politics can aid the efficacy of reciprocity. Additionally, international regimes through rules, principles, norms, and procedures can manage actors' expectations.

The Partial Test Ban Treaty

This overview of the Partial Test Ban Treaty first defines the content of the treaty and context in which it was adopted. The status of nuclear development illuminates arguments regarding relative gains and mutuality of interests in the pursuit of the treaty. Then, verification and environmental impacts are discussed before other supporting criteria provided by the Prisoner's Dilemma. The PTBT reflects a step towards the direction of arms control with a distinctly environmental character.

The 1963 Treaty Banning Nuclear Weapon Tests in the Atmosphere, in Outer Space and Under Water prohibited all test detonations of nuclear weapons except for those conducted underground. In the aftermath of the Cuban missile crisis of 1962, the two great nuclear powers sought accommodation. This mutual experience of crisis pushed the United States and the Soviet Union towards an agreement on nuclear testing. The PTBT was envisioned to help manage the U.S.-Soviet arms race and

contribute to a political environment in which the arms race could eventually be resolved. The PTBT replaced the moratorium on testing that had been instituted in 1958 and terminated in 1961. This treaty was negotiated by the United States, Britain, and the Soviet Union, and ratified by over 100 other nations. In 1963, this treaty represented a significant first step in controlling nuclear proliferation.¹¹ Both the U.S. and U.S.S.R. were alarmed by the spread of nuclear weapons. Thus, President Kennedy sought an agreement to prohibit nuclear testing as a first step measure in more substantive arms control. Indeed, "nonproliferation was the second common interest that the Test Ban reflected."¹² The PTBT led to subsequent agreements to further this cause; it served as the prototype for a series of negotiated agreements on nuclear weapons between the United States and the Soviet Union in the 1960s and 1970s.¹³ Joining the PTBT treaty effectively prevents the development of fission or fusion weapons. Therefore, this treaty embodies a mutual interest in slowing the proliferation of nuclear weapons.

The President's Science Advisory Committee conducted a review of the test-ban question under Kennedy's request. Subsequently, a conference of scientific experts was convened in Geneva in July, 1958. A series of conferences eventually led to the achievement of the limited test-ban in 1963. During the ratification process, Kennedy committed himself and the resources of his office to an extensive campaign in support of the treaty.¹⁴ His prudent strategic campaign contributed to the political consensus in the U.S. that enabled the ascendance of the treaty.

The preamble of the PTBT sets the values and aspirations of the treaty. It calls for a commitment to discontinue all nuclear test explosions, as well as general and complete disarmament under strict international control. Its immediate goal is to end man's contamination of the environment by radioactive substances. The content of the treaty bans nuclear tests in the atmosphere, outer space and underwater. These are all testing environments that spread radioactive debris outside of the state in which the test is conducted, resulting in worldwide ramifications.

A fixation on the U.S.'s nuclear knowledge relative to the Soviet Union is to be expected given the pace of progression in early nuclear development. Indeed, new knowledge was critical in early stages due to numerous technological breakthroughs with political and military

consequences. However, the potential for major developments outside of this initial window is limited. Moreover, nuclear arsenals are large and varied, limiting the significance of new technology.¹⁵ Concerns regarding the knowledge disparity and anti-ballistic-missile systems constitute a relative gains argument against the PTBT. Ultimately, missile capacity, not nuclear knowledge underlies this concern. Additionally, a mutuality of interests in establishing the PTBT overcame arguments regarding the essentiality of atmospheric testing in improving the yield-to-weight ratio of nuclear weapons. Moreover, the needs to develop fusion-bombs and gain knowledge on nuclear weapon effects were deemed weak relative to the benefits of a partial test-ban treaty. Thus, the test-ban was determined to be in the best interests of U.S. national security.

In the early 1960s Russia had just begun deploying an anti-ballistic-missile system. Atmospheric testing in 1961 and 1962 played a role in the design of this system. Some opponents of the test-ban contended that Russia's deployment of an ABM system was due to additional knowledge discovered during the Russian test series. The establishment of a test-ban would therefore prevent the U.S. from closing this knowledge gap. For the renowned nuclear physicist Edward Teller, the belief in a disparity in knowledge reflected a real power disparity that would unfold in the future. However, at the time it was probable that the U.S. did not deploy an ABM system due to its ineffectiveness against penetration aids. Indeed, hindsight indicates that the Russian decision to deploy its ABM system was likely due to a lack of knowledge surrounding the ineffectiveness of its defense capabilities. Furthermore, the development of a U.S. ABM system would not be dependent on atmospheric testing. Opponents of the PTBT argued that its ratification would hinder the development of America's anti-missile program. The central concern was that if the Soviets had the capacity to build-up an arsenal of effective Red anti-missile missiles, the U.S.'s intercontinental ballistic missiles would be rendered useless, placing the Russians in the dominant nuclear position. Other reservations included an insistence on the need for testing to address the blackout phenomenon that occurs when nuclear explosions at high altitudes diminish the capacity of radars to detect warheads. In hindsight, nuclear-weapons development has proven itself inessential to ABM development. When the U.S. decided to deploy an ABM system under the Nixon Administration, debates around the feasibility of the system neglected nuclear problems such as blackout; rather, the focus concerned multiple independently

targetable reentry vehicles. The proposition that the U.S.S.R. had any special advantage due to knowledge about high-altitude effects lacked a strong basis.¹⁶

The need to develop fusion-bombs as a "clean and cheap source" of nuclear explosives was advanced as another argument against a test-ban. However, fusion-bombs would simply be a cheaper addition to an already extensive nuclear arsenal and would therefore provide little advantage. Neutron bombs are the ultimate weapon of destruction available to our knowledge.¹⁷ However, the need for fission-free bombs is not significant compared to the need for general improvements to already existing weapons. The military or political value of the fusion-bomb is limited by the vast nuclear capabilities already achieved by major powers. Similarly, improvements to the yield-to-weight ratio of nuclear weapons have not been excessively hindered by the PTBT. Later developments in yield-to-weight ratio did not indicate that politically significant breakthroughs would continue to occur regularly in nuclear technology.¹⁸

Treaty opponents also cited a lack of knowledge on weapons effects as a reason to continue nuclear testing. The nuclear effects studied through above ground testing include blast, radiation, and fallout. These elements were known to a precision that exceeds the practical use of such information. Moreover, lesser-known nuclear effects such as transient radiation effects on electronics (TREE) and electromagnetic pulse (EMP) were considered by those who argued against the test-ban. Such phenomena could hypothetically have the potential of being weaponized in order to prevent a nuclear counterattack. However, the wide variety of retaliatory weapons that could be employed undermine this special emphasis on nuclear retaliation. Even under the test-ban treaty, these exotic effects could be studied through underground testing. With regard to weapon effects in general, uncertainties in the effects of nuclear explosions are small compared with the tactical uncertainties that characterize any nuclear attack, thus limiting the strategic importance of retaining nuclear testing.¹⁹

The perception that the acquisition of important nuclear knowledge would be stifled by a test-ban was an exaggerated concern. Nuclear science had reached a point of maturation with regard to weight-yield ratios and other politically-significant developments. Proponents of the test-ban believed that developments that would upset the balance of power were unlikely. At the time of the Partial

Test Ban, no further breakthroughs were in sight and the development of a pure-fusion bomb lacked political or military significance.²⁰

The high level of verification in the PTBT contributed to the prospect of cooperation. The final form of the treaty exempts underground testing; the only context in which inspection is an issue. The PTBT does not provide an international means for verification due to the clear detectability of violations. Thus, the PTBT was a ban subject to environments that existing verification systems could adequately police. Verification prevented the adoption of a full test ban in 1963 due to a deadlock in negotiations regarding on-site inspections. The PTBT ultimately avoided the problem of international on-site inspection by omitting underground testing. Nuclear tests in the atmosphere can be detected through a variety of methods. Pressure-gauges detect shock waves in the air. Photocells and radio receivers detect electromagnetic radiation.²¹ Additionally, reconnaissance satellites capable of detecting nuclear explosions allowed the U.S. to monitor the Soviet Union without on-site inspectors.²² Each power could monitor the other's compliance with the terms of the treaty from a distance. Thus, remote detection and verification means were deemed adequate.

The PTBT had clear environmental and public health motivations. Tests in the atmosphere, in space, and underwater produce widespread nuclear fallout. The test-ban sought to protect the global commons from the environmental impacts of fallout. The Soviet Union's resumption of tests in 1962 prompted emergency monitoring networks due to a significant increase in radiation counts throughout the world.²³ Prior to the test-ban, contamination had reached a level around 10 percent of the natural background radiation.²⁴ Worldwide public concern over nuclear fallout created an urgent demand for a resolution regarding nuclear testing. Thus, the PTBT achieved cleaner air by curbing the radioactive pollution of the atmosphere through nuclear testing.²⁵

In the achievement of the PTBT, agreement was as significant as the treaty's substance.²⁶ Multiple factors implied in the Prisoner's Dilemma enabled cooperation between the United States and the Soviet Union. Firstly, the hegemony of the U.S. and the U.S.S.R. with regard to nuclear weapons effectively limited the number of actors involved in negotiations. In terms of payoff, the margin of safety imposed a small cost in the case of Soviet defection.

This treaty did not address the catastrophic potentials of nuclear war. Thus, the status quo of nuclear politics was retained. This status reflects the permanent superiority of the offensive striking power; a relationship that will not be altered by any subsequent discovery or innovation.²⁷ Equally relevant is the mutual inability of destroying the retaliatory force of the other side.²⁸ However, the Prisoner's Dilemma at play here concerns defection through the testing of nuclear weapons, violations that are easily verifiable. As discussed previously, verification reduced the risk of violation to an acceptable level. Cooperation was achieved since verification measures were established on equal terms and with a common frame of reference. Verification was assured without the involvement of a third party, leaving the sovereignty of both the United States and the Soviet Union intact. In terms of relative gains, it can be argued that the U.S.S.R., being less advanced in its nuclear-weapons technology, had more to gain from the continuation of testing. Thus, some U.S. leaders saw the treaty as a way to preserve the U.S.'s nuclear advantage at the time.²⁹ Such factors allowed the U.S. and the Soviet Union to overcome the Prisoner's Dilemma to achieve cooperation in the PTBT.

The Comprehensive Nuclear-Test-Ban Treaty

This discussion of the Comprehensive Nuclear Test Ban Treaty reviews the content of the treaty and the context in which it was negotiated. Mutuality in interest and relative gains are key concepts in understanding the motivations underlying the CTBT, as well as reservations. The bulk of the analysis concentrates on the treaty's verification regime and the concern of clandestine tests. Verification and other factors in the Prisoner's Dilemma are used to explore the relative failure of the CTBT.

The Comprehensive Nuclear Test Ban Treaty of 1996 bans all nuclear explosions including those conducted for peaceful purposes. In other words, it extends the Partial Test Ban to cover underground tests. Forty-four specific states must ratify the treaty for it to enter into force; among these include China, India, Pakistan, and the United States, which have not ratified it. The verification structure of the treaty involves the International Monitoring System (IMS), the International Data Centre (IDC), along with on-site inspections and other confidence-building measures.

Although the nuclear superpowers made pledges to move towards the direction of a total test-ban in the preambles of both the Limited Test-Ban Treaty of 1963 and the Nonproliferation Treaty of 1970, the

attempt to achieve a total test-ban in 1996 failed. The CTBT is a multilateral treaty prohibiting all nuclear test explosions with the intention to impede nuclear arms competitions. Its primary objective is the reinforcement of the Non-Proliferation Treaty. If it were to enter into force, the CTBT would end the hypocrisy of major nuclear powers' attempts at persuading other nations that nuclear weapons are unnecessary while simultaneously conducting test programs.³⁰ The status quo of nuclear testing reinforces the contention that nuclear superpowers do not match their actions to their values. This undermines the credibility of the U.S. government.³¹ If the major nuclear powers accepted substantial restrictions through a test-ban, the norm against nonproliferation would be reinforced and a major precedent for arms-control would be established. The main motive underlying the CTBT is nonproliferation. This treaty's banning of underground testing would hinder the addition of new nuclear-weapons states; it would effectively serve as an aid to the Non-Proliferation Treaty.

After the PTBT, nuclear testing in the United States occurred at about the same level; the tests were simply conducted underground.³² The PTBT left the U.S. with a nuclear-weapons development effort that was indistinguishable in scope to before the PTBT. An inability to verify underground tests prevented the extension of the PTBT in 1963. This verification issue remained the main impediment to the CTBT in 1996.

In the lead up to the CTBT, Gorbachev extended a temporary testing moratorium. President Boris Yeltsin retained this extension and called for the United States to reciprocate. In response, the United States passed the 1993 energy appropriations bill, which included the Hatfield-Exon-Mitchell amendment suspending U.S. nuclear testing for nine months. Moreover, the law required a complete halt of U.S. nuclear testing by September 30, 1996 if other countries had also stopped testing. Following negotiations at the Conference on Disarmament, the Comprehensive Test Ban Treaty was introduced. On September 24, 1996, Clinton and 65 other national leaders signed the treaty. Since the introduction of the treaty, only India, Pakistan, and North Korea have conducted nuclear tests.³³

In terms of mutuality of interest, the CTBT fares well. Nuclear testing only results in marginal advances whose benefits are small relative to the test-ban. The inability to conduct underground tests makes the development of nuclear weapons more costly in order to ensure

their efficacy. Conservative design is used to address uncertainties regarding the performance of stockpiled weapons and the effect of nuclear explosions on military hardware.³⁴ Additionally, nuclear testing may contribute to refinements that reduce weapon cost and improve yield-to-weight-ratio, but such improvements provide little tactical value. The continuation of nuclear testing is unlikely to resolve the difficulty of developing an effective ABM system. Moreover, further developments in yield-to-weight ratio would have questionable political significance. Little value is found in a fractional increase in yield-to-weight ratio given the size of nuclear arsenals. Indeed, political significance is largely derived from the number of nuclear weapons rather than their technical sophistication.³⁵ No foreseeable developments based on further nuclear tests would affect the strategic ability of the U.S. or Russia to employ its stockpile against an opponent.

With regard to relative gains, the knowledge on nuclear effects that would be derived from continued testing is invaluable. The considerations made in active military planning involve uncertainties significantly larger than those concerning weapons effects. Physical effects contribute little to the management of real military and political problems. National security is largely dependent on operational effectiveness, not predictions regarding nuclear effects. Thus, the CTBT poses little challenge to the strategic position of the U.S. relative to its adversaries. Despite this reality, there is a strong perception that testing is symbolically important, contributing to the ultimate failure of the CTBT.³⁶

The verification issue that hindered the banning of underground testing in 1962 persisted in the negotiation of the CTBT. The treaty's verification regime would include a variety of monitoring methods through IMS seismic stations. These stations would monitor shockwaves, sound waves, and atmospheric composition in order to detect suspicious data patterns. Moreover, any member state would be able to request an on-site inspection if IMS data indicated a suspected breach of the treaty.³⁷

The verification methods of the CTBT, though practical in theory, continue to make it infeasible. The technical problem of verifying underground explosions has been the main issue obstructing progress in the ratification of a total test-ban. The legacy of the PTBT's negotiations is apparent in the United States' continued obsession with verification to ensure that signatories would comply

with the treaty. There have been many advances in long-range verification techniques since the PTBT. These developments may even render on-site inspections nonessential in verifying compliance. Despite these improvements, the CTBT insists on on-site verification methods. There is an obsession with the possibility of violations rather than the probability of their significance.³⁸ This aspect has been instrumentalized by opponents of the comprehensive test-ban. General disagreement has resulted in a treaty that has not been negotiated with the terms of assurance deemed necessary by many officials and citizens.

Advances in seismic technology have made it easier to distinguish underground explosions from earthquakes. These developments have largely addressed the problem of detecting and verifying nuclear tests remotely. However, clandestine tests may still be able to slip under the radar. The possibility of clandestine tests has been overemphasized, contributing to the inclusion of on-site inspections in the CTBT's terms.

There exist numerous sources for assurance outside of on-site inspections that can be used to differentiate earthquakes from nuclear explosions. Both earthquakes and explosions cause seismic waves that propagate through the earth and along its surface. Earthquakes usually occur along faults where two bodies of rock slip past each other. In contrast, explosions produce a sudden, spherical pulse. Explosions create an outward-moving compressional pulse, whereas earthquakes produce distortional waves in addition to pressional waves.³⁹ The motion produced by an explosion is simpler due to its localized source, aiding the ability to differentiate sources. In the case of a nuclear explosion, data from seismic waves can be used to characterize the explosion from a distant location. A combination of instruments can be used to determine the location and magnitude of the source. Magnitude is dependent on the explosive yield and material in which the detonation is set off. Moreover, additional criteria including depth and surface wave standards can be applied to the data as diagnostic methods. This combination of data would likely be sufficient in determining which seismic events are suspicious. A network of seismological observatories would be able to identify "virtually all" body-waves magnitudes greater than 4 in Russia, yields that are capable of being nuclear explosions.⁴⁰

In 1959, the U.S. sponsored a research program to develop monitoring procedures based in seismic

detection that could provide assurance without on-site inspections or internationally supervised seismological observations from inside the U.S.S.R. Since 1959, significant developments in earthquake mechanisms, instrumentation, and analysis have made it easier to differentiate earthquakes from explosions. Such advances have improved the U.S.'s ability to collect and abstract information for seismological data. Improvements have been made in accounting for background noise and scattering discontinuities. Moreover, the signal to noise ratio is significantly improved by the use of an array of seismographs.⁴¹ Additionally, satellite photography could be used to alleviate doubts about specific occurrences.⁴² The possibility that violations could be detected from space constrains the potential violator.

One-site inspections were believed to be a useful supplement to seismological data and other intelligence. However, procedures regarding such inspections in response to ambiguous events are difficult to specify within a treaty. Experiences during the negotiation of the PTBT show that the necessity of on-site inspection is questionable and there are fears surrounding its use as a pretext for espionage. Insisting on on-site inspections during negotiation is a delicate bargaining position. Disagreement regarding inspection criteria often leads to deadlock in negotiations. Furthermore, inspections entail a chain of probabilities that ultimately reduces their productivity. A country that had violated the treaty would likely prevent inspectors from accessing sites. The main value of inspection protocols is that a violator's guilt would be discovered in the denial of inspection.⁴³ Moreover, events subject to inspection would likely be small and may not produce noticeable ground effects. The lack of physical evidence may be taken as false assurance that no explosion had occurred. The prospect of an on-site inspection would only serve as a small deterrent to a potential violator. It is more likely that a potential violator would withdraw from a treaty rather than violate it. Moreover, any significant nuclear testing program would eventually be detected through remote means due to a large number of tests.⁴⁴

Clandestine evasion schemes, though theoretically possible, are not plausible due to the various detection methods that can be applied to suspicious sites, the cost of such operations, and various other factors. Conceived methods include muffling the explosion by conducting the test in a certain underground material, modifying the character of seismic waves through a series of nuclear detonations, and testing in the aftermath of a large

earthquake.⁴⁵ The practicality of all imagined evasion techniques is questionable. The concealment of a nuclear explosion has not yet occurred to our knowledge.⁴⁶ Regardless, a lack of quantitative estimates evaluating the risk of non-compliance has created consternation among American politicians and citizens. Despite more recent developments in verification technology, the perception that clandestine nuclear-test activities would be a significant issue persists.

The overall failure of the CTBT was made clear in the United States unwillingness to ratify the treaty. In 1999, the Clinton administration failed to obtain even a majority vote for the CTBT in the Republican-majority Senate. A key obstacle to ratification in the U.S. was the problem of ensuring the safety and reliability of U.S. nuclear warheads without a reliance on testing. This concern reflects a margin of safety argument against the treaty due to the perception that the U.S. would suffer a tactical disadvantage if it complied with the terms of the CTBT while others defected. Disagreement regarding verification methods also contributed to the lack of domestic support. Some Republicans feared that U.S. national security would be undermined if other countries violated their obligations under the CTBT. Under the leadership of Senate Majority Leader Trent Lott, the time allowed for hearings was constrained, limiting the ability to mobilize public support in favor of the CTBT.⁴⁷ Despite a basis for public support, the CTBT is unlikely to be brought into effect

Numerous other factors affected the Prisoner's Dilemma in this case. Unlike the PTBT, the CTBT no longer dealt with a bilateral dynamic. The multilateral nature of this agreement reflects a larger number of actors, complicating the prospect of cooperation. Additionally, this treaty was negotiated in an era of nuclear politics that was distinctly different from that of the PTBT. The new reality of multiple nuclear powers is built into the treaty; specific nations need to ratify the CTBT in order for it to take effect. The verification component of the treaty also concerns national sovereignty due to the inclusion of on-site inspections. Such factors in the negotiation of the CTBT are reflected in its terms. Ultimately, the nature of the agreement made in the CTBT hindered the ratification effort in the U.S.. Moreover, the agreed terms of CTBT jeopardizes the effective application of the treaty if it were to go into effect.

Despite their common issue area, the PTBT and CTBT deal with two distinctly different negotiation

environments. This difference is reflected in the Prisoner's Dilemmas that characterize each respective negotiation. The success of the PTBT rests on its verification measures and the environmental dimension to its appeal. Conversely, the failure of the CTBT lies in verification issues and the lack of a clear environmental incentive. The desire to stop the contamination of the atmosphere is a powerful motive, but it is not applicable to underground testing. It follows that the mutuality of interest backing the PTBT was strong in comparison to the CTBT. The PTBT and the CTBT attempt address issues on the periphery of nuclear arms-control. These treaties essentially serve the mutual interest of nonproliferation among major nuclear powers.

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Sovereignty as the Key to Revitalizing Europe after WWII

Tyler Morris

Introduction

World War II resulted in genocide and the destruction of nations across Europe. Over 6 million Jews lost their lives, which forever altered this minority population. The war displaced over 60 million people and by the end Germany had succumbed to over 2.7 million tons of aerial bombardments. This was a result of the Allied Powers conducting strategic bombing campaigns. While there was initially agreement on military targets, the United Kingdom (U.K.) would shift also to civilians. The war devastated and divided most of the European continent.

Among the United States' (U.S.) greatest interests in the aftermath of the war was to help rebuild Germany and Europe. The U.S. created the European Recovery Act, which is widely referred to as the Marshall Plan. It was named after the chief architect of the plan, Secretary of State George C. Marshall. The Marshall Plan distributed \$13.3 billion in aid, which would be valued at \$150 billion today. This aid was motivated to help establish a stable continent and to also be a tool to promote democracy. Unfortunately, this would be opposed by the Soviet Union (USSR). Their goal was to gain territory to spread their sphere of influence and punish Germany. The Soviets wanted to expand communism and with this being a threat to Western thought a culture war between the East and West would start. This would later fuel the Cold War where tensions between the East and West would rise to an all-time high.

In the aftermath of the war there were two main components that determined whether a state was able to be set up for success. Financial aid to rebuild infrastructure and sectors of the economy was essential. The other necessary component was sovereignty, which had significantly greater implications. These strategies will be explored in the case of Austria, which received Marshall Plan aid with no strings attached. Meanwhile, Germany was divided into two different states, one with Marshall Plan Aid and the backing of the West. The East German state would be annexed by the Soviets, which led to drastic repercussions and alienated the Eastern Germans from the political system they desired. Finally, the case of the Czech Republic is the state that suffered the greatest. The Czech and Slovak region was annexed by Germany in WWII and later by the Soviets after the war. This would ultimate-

ly create an identity crisis in the Czech Republic as the nation continues to navigate its sovereignty today. Since the state was isolated under Soviet control, and unable to promote self-determination the state has grown to be anti-Europe. The term for this is Euroscepticism and in the Czech case there have been actions that have had consequences across the continent. A core question I will answer are the implications that a lack of sovereignty after WWII created. Ultimately, while aid for revitalization was essential, sovereignty and self-determination were the greatest factors that enabled a state to be successful after WWII.

Literature Review

There has been extensive research about the Marshall Plan and the different strategies conducted with the revitalization of Europe. Barry Eichengreen, and co-authors wrote the journal article, *The Marshall Plan: Economic Effects and Implications for Eastern Europe and the Former USSR*. They describe how the Marshall Plan was one of the most drastic economic investments in world history. They point out how this aid between 1948 and 1951 authorized \$13 billion to revitalize Europe and parts of Asia.¹ Moreover, a key focus of this text is explaining how the Marshall Plan was utilized to help establish Western alliance priorities across Europe to combat Soviet influence. While there were multiple motivations behind the significant financial contributions under the Marshall Plan there were decades of high economic growth in the countries that received aid. The authors conclude that the countries that received the most significant contributions from the Marshall Plan had the greatest forms of recovery. There wasn't a lack of investment in the continent, but rather a lack of ability to bring products to market to help grow trade. The Marshall Plan helped stimulate economies, but with countries struggling to grow their industrial sectors many states stagnated. The Marshall Plan lacked specifications and as a result, certain sectors were hurt more than others. The Soviet bloc countries suffered the most given that they received little to no aid.

¹ Barry Eichengreen, Marc Uzan, Nicholas Crafts, and Martin Hellwig, "The Marshall Plan: Economic Effects and Implications for Eastern Europe and the Former USSR," in *Economic Policy*, Vol. 7, No. 14, (Oxford University Press, 1992), p.21.

Another key area of study are the implications the Cold War had on the revitalization of Europe. Christian Ostermann wrote the journal article “*Keeping the Pot Simmering: The United States and the East German Uprising of 1953*.” Ostermann explores the difference in lifestyle and recovery in East Germany. The U.S. and the West wanted to rebuild a stable Germany to prevent pushback as this was a major consequence after WWI. Ostermann points out how the German Democratic Republic (GDR) faced major challenges under Soviet rule. This ultimately led to uprisings within the GDR and the U.S. recognized this as an opportunity to help cause disturbance and divide within the Soviet state.² Ultimately, Ostermann demonstrates how the divide between the East and West led to strategies by the U.S. to undermine Soviet rule in hopes of establishing an anti-communist Europe.

Josef Janning wrote *Keeping Europeans Together Assessing the State of EU Cohesion*, which explores Euroscepticism in the Czech Republic. Janning explores how the European continent is united and that states pushing back against it can cause major repercussions. The Czech Republic first demonstrated its pushback with the ratification of the EU Lisbon Treaty. A major issue today that concerns the continent is the refugee crisis. The Czech Republic and other small states are concerned about an influx of migrants that may alter their political status quo, and shift identity. The Czech Republic has numerous political parties that are Eurosceptic and Janning demonstrates even small states can cause drastic setbacks for the EU.

Finally, Laura Detr’s *The Marshall Plan—Saving Europe Rebuilding Austria: The European Recovery Program—The ERP Fund—The Austrian Marshall Plan Foundation*,” discusses how Marshall Plan aid was given to Austria, but political ties with the West were limited. Detr discusses how Austria was largely allowed to rebuild its own regime without expectations by either the Western Allies or the USSR. This would ultimately help pave way for its large success in building a stable government.

The gap in existing literature consists of the issue of sovereignty in relation to the revitalization of Europe. Many nations that received Marshall Plan aid were subjected to Western interference to combat the spread of communism. However, the far more extreme cases stem from the states that became a part of the Soviet bloc and had

2 Christian F. Ostermann, “‘Keeping the Pot Simmering’: The United States and the East German Uprising of 1953,” in *German Studies Review*, Vol. 19, No. 61, (Johns Hopkins University Press, 1996). p.61.

regimes forced upon them. The implications from lacking sovereignty continue to impact these states today. For example, nations that lacked sovereignty faced an identity crisis after the collapse of the USSR. The Czech Republic continues to try and find its ideology and as a result has pushed back against the EU and its governing bodies. This project will explore three different countries where aid and sovereignty varied in each, which led to drastically different outcomes. The underlying goal is to explain how sovereignty in the aftermath of WWII was in many ways more important than aid to rebuild the destruction that resulted from the war.

Background of the Marshall Plan

The Marshall Plan was introduced in April 1948 as industrial levels in Europe had drastically diminished because of WWII. The Truman administration believed that European recovery was not only best for the continent, but for American prosperity as well.³ For example, output levels decreased between 30-40% of pre-war levels. Additionally, only 5% of France’s waterways were accessible for transportation.⁴ Railways across the continent were greatly damaged and means of trade and transportation were in disarray. The continent was struggling to grow on its own, which subsequently limited the U.S. economy. This was in large part due to the European continent having little to trade.

Agriculture was the sector facing the greatest challenges. In 1946, for example, the agricultural sector of the European economy was below two thirds of what it was in 1938.⁵ This mixed with cities needing to be rebuilt led to a lack of food, housing and resources for a large portion of the European population. The growth across the continent greatly varied, especially prior to the release of Marshall Plan aid. For example, the UK, Ireland, and Scandinavia had the most amount of success after the war in restoring to pre-war levels of industry. Meanwhile, Germany, Italy, Greece, and the Netherlands struggled. These countries were failing to restore pre-War levels of industry and commerce. Issues in each country would greatly vary, and a major cause would be the inability to transport goods. Countries struggling to receive enough oil faced dire winters as people struggled to heat their homes.⁶

3 Ibid 1.

4 Ibid 1.

5 Ibid 1, p. 17.

6 Ibid 1, p. 18.

Austria

Austria was a nation that received a significant amount of Marshall Plan aid and managed to have complete sovereignty after the war. In order to contextualize Austrian politics, sovereignty, and foreign aid after the war it is important to understand their ideology prior to and during WWII.

In 1938, Austria welcomed Anschluss, which is defined as a united Germany. When the German annexation of Austria took place in 1938, 99% of Austrians voted in favor of the two nations unifying.⁷ The German annexation of Austria was a direct violation of the Treaty of Versailles.⁸ Furthermore, Austria needed authorization from the League of Nations to join Germany, which it lacked.⁹ Hitler would go on to give his famous Anschluss speech at Heldenplatz in Vienna. The streets were filled with Austrian citizens cheering and welcoming their new Nazi identity under Hitler. In the aftermath of the War, Austria would quickly begin to change its tone on Anschluss. This continues today as Austria continues to claim that it was the first victim of the German occupation. With that said, how did Austria change in the aftermath of the war beyond its victim myth?

Like Germany, Austria was divided into four occupation Zones between the four Allied Powers. Joseph Stalin would accept Karl Renner as leader of Austria in the final months of WWII. However, the West would not accept this as they sensed that Stalin was attempting to promote a puppet government to expand Soviet influence. Renner was in Eastern Austria and had little information about the Western side of the country; the Western Allies similarly lacked information regarding Renner's Eastern side. Ultimately, despite negotiations, the nation was initially set to be divided into four occupation zones along with Vienna.

By November of 1945, Austria held formal general elections, demonstrating its commitment to establishing a democracy, as well as its independence as a state. Julius Raab, a member of the Christian Democratic Party, would go on to become the Chancellor of Austria. Furthermore, the coalition of the Christian Democratic Party and Social Democrats would emerge as the public's favor-

7 "The Anschluss: Germany occupies Austria," the Ann Frank House, (1938).

8 Herbert Wright, "The Legality of the Annexation of Austria by Germany," in *The American Journal of International Law*, Vol. 38, No. 4, (Cambridge University Press, 1944), p.621.

9 Ibid 5, p. 622.

ite with the majority of votes. This highlighted Austria's commitment to achieving sovereignty after the War, and the Allied powers' support in this endeavor. The Soviets became greatly irritated as the Communist Party in the general election only earned a minority of votes, which was counter to their European interests.

Austria was a special case: even though it had received significant Marshall Plan aid, it was able to receive aid and pursue its own political identity. Austria went on to prosper economically in the decades following WWII. Austria was "the only place where all four Allied powers were present and where the country was not sharply divided by that occupation."¹⁰ Even prior to the Marshall Plan, there was already a precedent of a sovereign government that the U.S. was supporting through the shipment of critical supplies.

A major reason for the success of Austria and its sovereignty was its geographical location in relation to the USSR. The Soviets were attempting to spread their sphere of influence, and given the Austrians priority of sovereignty, the country was able to collect Western aid without sacrificing its political goals. The Marshall Plan helped redevelop major industry in Austria such as the United Austrian Iron and Steel Works. Moreover, it helped rebuild the tourism industry in Austria; an effort which, if successful, would drastically boost Austria's integration into Europe.

While Austria heavily benefitted from the West's economic revitalization efforts, it was one of the only nations that did not succumb to great political challenges during the Cold War. Austria received nearly \$1 billion in Marshall Plan aid and did not become a political pawn of the West.¹¹ Its sovereignty was ultimately accepted by the East and West, further isolating it from most European states at the time. Moreover, industrial output grew 269% during the Marshall Plan years, one of the greatest increases during the time period.¹² While Austria benefitted greatly from Western Aid, the greatest attribute to its success was the ability of a sovereign government to determine how to recover. A democratic government respected by the people allowed acceptance of this aid and its distribution to the proper channels. This was unique

10 Laura Detr, "The Marshall Plan—Saving Europe Rebuilding Austria: The European Recovery Program—The ERP Fund—The Austrian Marshall Plan Foundation by Günter Bischof and Hans Petschar," in *Journal of Austrian Studies*, Vol. 51, No. 2, (University of Nebraska Press, 2018), p.104.

11 Ibid 1, p.19.

12 Ibid 1, p. 19.

to Austria as other states succumbed to expectations with aid or became a part of the Soviet bloc.

Germany

The case of Austria's neighbor, Germany, started off with a similar fate as it was divided into four occupation zones by the Allied Powers. However, in the years to come, Germany would set off on a sharply different path than Austria. The U.S., U.K., and France recognized that their interests were all in alignment with each other. Meanwhile, the Soviets wanted to gain territory and punish Germany for causing two world wars. This led to the Western powers combining their territories into the Federal Republic of Germany (FRG), which would receive significant Marshall Plan aid. Meanwhile, the Soviets would form the German Democratic Republic (GDR) and adopt it under its sphere of influence. As a result, Germany would have two sharply varying states in the aftermath of WWII.

Federal Republic of Germany

In 1949 a formal democratic government in the FRG was established. The FRG aligned with Western priorities as a democratic state. This was largely a priority of the Western powers to eliminate potential roots for any future conflict in Germany. This meant that Marshall Plan aid was largely dependent on the political scene in the FRG being democratic.

As a result, a coalition would emerge, and Theodor Heuss was appointed as the first president of FRG. The FRG became a vital interest for the Western Allies as it was intertwined with the revitalization strategy for the rest of the continent. This is reflected in the immense amount of Marshall Plan aid the FRG received. While Germany had been devastated by the Allied bombing efforts at the end of WWII, the rationale behind the Marshall Plan aid in the FRG stemmed beyond this. The push to contain communism and create an interconnected European continent would lead to Marshall Plan Aid growing industrial output in the FRG by 312%.

The Western interest in interconnecting the European continent and promoting democracy would ultimately pave the way of life in the FRG. The continent benefited from being interconnected through trade. Growing the state politically and economically would also help create stability and connection with its neighbors. This was especially important given that only a few years prior, a weak, divided continent paved the way for Hitler's Anschluss. Through this aid, as well as the growth of an

independent government aligning with Western priorities in the FRG, the economy was able to grow and become self-sufficient.

In addition to the immense aid, and political identity that the FRG received, the skilled workforce that made up Western Germany was a major contributor to its success. The Western school of thought imposed on the FRG led to a priority of growing a free and equitable market economy. The Freiburg School was a pioneer in the FRG and throughout the 1960s, it helped move the country away from Nazi totalitarianism and stand up against socialism.¹³ The Freiburg School recognized the failures in the 1930s that paved the way for Nazism. Many members of the Freiburg School who held these liberal values were forced into hiding during the Nazi period. However, they rose and became key components in the reconstruction of Western Germany. They were able to rise to key positions in the reconstruction of Germany as they aligned closely with U.S and Western interests.¹⁴ The reconstruction of Western Germany is attributed to a liberal school of thought from the Freiburg school, Marshall Plan Aid, a skilled German workforce, and Western political influence in the establishment of its democracy.

The FRG in the aftermath of WWII would face a sharply different path from its Eastern neighbor. While a free market economy, and the establishment of an independent democratic government were priorities in the FRG, its counterpart, the GDR, was almost the opposite.

German Democratic Republic

The GDR was under Soviet control in the aftermath of WWII. The people of Eastern Germany were forced to succumb to Soviet interests and ideology. The goal for the Soviets was to limit the influence of the Western powers and establish a sphere of influence. As a result, the ideology that was prioritized by the West with the FRG was one of many conflicts across the globe during the Cold War. The Soviets wanted to build communist blocs, while the West sought to counter these efforts. The divide in Germany ultimately highlights this war of ideology that occurred between the West and the USSR in the aftermath of WWII.

Under Soviet control, the GDR lacked the ability to establish its own government and political identity. This

13 David J. Gerber, "Constitutionalizing the Economy: German Neo-Liberalism, Competition Law and the, 'New' Europe," in *The American Journal of Comparative Law*, Vol. 42, No. 1, (Oxford University Press, 1994), p.25.

14 Ibid 5, p. 31.

raised a key issue of sovereignty as the people that inhabited the GDR had a system of government forced upon them. The Soviets viewed the GDR as part of its buffer zone to protect its ideology. Since the GDR lacked independence, it had a sharply different experience compared to its western neighbor. Many viewed it as the last state mimicking the Soviet empire under Joseph Stalin. This is because the GDR appeared “backward, sullen and resentful: a Marxist aberration on hallowed German soil.”¹⁵ As a result, the GDR started numerous uprisings since it lacked sovereignty but disagreed with the Soviet regime.

The U.S. was initially surprised by these efforts within the GDR, and President Eisenhower recognized an opportunity. The U.S. believed that it could create a psychological warfare tactic to create turmoil for the USSR. This demonstrates that the U.S. acknowledged that sovereignty was a key issue and would weaponize it throughout the Cold War. While the U.S. was motivated to fuel these uprisings, it was partially responsible for Germany being divided into two republics. In 1952, the U.S. and its Western allies turned down the opportunity for a unified Germany to take place in exchange for re-armaments to the FRG being halted. This demonstrated that the U.S. and West prioritized their security interests over the revitalization of Germany as one nation.

The East being cut off and forced into Soviet occupation naturally led to great displeasure within the GDR.¹⁶ The objective of the USSR was to turn the GDR into a satellite state and convert the population to socialism. The primary strategy behind this was targeting the middle and rural classes. The Soviets began implementing immense tax policies and acted against private sector businesses. Farmers were forced to work in production cooperatives or meet quotas for the state. These shifts caused major food shortages, and the economy began to shrink.¹⁷ The Soviet regime also took extreme action against the churches in the GDR. This ultimately led to East Germans fleeing the country since they were denied sovereignty. In fact, 15,000 to 25,000 GDR citizens fled each month and protests, and revolts continued to grow.¹⁸ The GDR was a state that inflicted a way of life on a state hoping to grow from its Nazi past. This way of life caused complete disarray for the population as they struggled

to recover in the aftermath of WWII, and resources declined because of the communist system. This is a key demonstration that lacking aid and sovereignty can bear drastic repercussions.

The fall of the Berlin Wall would ultimately lead to a major shift for the population in the GDR. The GDR attempted to make drastic changes to separate itself from the Soviet ideology. For example, the GDR dramatically decreased its hostility towards the state of Israel and the Jewish population. Since the Soviets had occupied the GDR, the Jewish population continued to face antisemitism.¹⁹ The collapse of the Berlin Wall enabled East and West Germany to reunite as one nation. This process would not be easy, given the sharply varying experiences the two states had in the aftermath of WWII. With a stable democracy established by Western Germany, however, enabled the GDR to have significant success when compared to other Soviet satellite states. Western Germany was able to provide the sovereignty and way of life that the East Germans had been seeking for years.

Unfortunately, other Soviet occupied states were not as fortunate as the East Germans following the collapse of the USSR. The Czech and Slovak regions have struggled to find their identities for nearly a century. While East Germany was annexed by the Soviets, the state of Czechoslovakia had been persecuted numerous times and as today has split into two different republics. The Czech Republic’s political identity continues to suffer the consequences of this fractionalization.

Czech Euroscepticism, a Repercussion

Like Eastern Germany, the Czech and Slovak regions would be annexed by the USSR. A key difference, however, would be the history of annexation in the Czech, Slovak region. This is because in 1938, the Munich agreement was signed, which granted Adolf Hitler Sudetenland, which bordered what was Czechoslovakia. This took place shortly after Anschluss and was aimed at appeasing Hitler in an attempt to prevent future territorial gains. Despite this goal, within a matter of months Hitler would go on to annex Czechoslovakia and start WWII. In the aftermath of the War, revitalization took place slowly, and the Soviets followed in Hitler’s footsteps by annexing the region in 1968.

The root of this annexation was the West’s efforts to spread democracy across Europe and other parts of the

¹⁹ Robin Ostow, “German Democratic Republic,” in *The American Jewish Year Book*, Vol. 92, (American Jewish Committee; Springer, 1992), p.374.

¹⁵ Edward Smith, “The German Democratic Republic and the West,” in *International Journal*, Vol. 22, No. 2 (Sage Publications, 1967), p.231.

¹⁶ Ibid 2.

¹⁷ Ibid 8.

¹⁸ Ibid 8.

globe. The Soviets prioritized the Warsaw Pact, which was a defense treaty among Eastern European satellite states for the USSR. The invasion of Czechoslovakia posed “a sharper choice between security based on military force and security deriving from the consent of populations. It made far more difficult the task of getting a European settlement able to survive a substantial reduction in the level of military confrontation.”²⁰ The Soviet occupation of Czechoslovakia demonstrated the major tension that grew sharply after WWII. Without cooperation, tensions rose and Czechoslovakia became part of a Soviet buffer zone.

A major repercussion of these Soviet interests has now been the political scene in the Czech Republic. Since the USSR was focused on gaining territory in the aftermath of the war and maintaining its sphere of influence, it created long-term sovereignty issues that endure today. As a result, the Czech political scene has widely varying political ideologies. This is the product of the Czech Republic’s struggle to find its own political ideology.

The Czech Republic initially joined the European Union (EU) a few years after it became a sovereign state in an effort to distance itself from its former Soviet identity. By joining the EU, it would promote its Western acceptance and commitment to change. The Czech population, however, was greatly divided over issue, resulting in major pushback. The Czech Republic demonstrated that a major consequence of formerly being a part of the Soviet bloc would be its struggle for sovereignty. In contemporary Czech politics, the issue of sovereignty influences many key issues, especially in terms of foreign policy. As a result, there are numerous parties in the Czech Republic that promote Euroscepticism.

A major example of this was Czech President Václav Klaus’s opposition to the Lisbon Treaty in 2009. The Lisbon Treaty aimed to give more power to the EU parliament, which grew the EU’s power over international policy. There was great controversy over the Treaty as it afforded larger EU member states more power.²¹ This ultimately fueled Klaus and many Czechs’ pushback against the Treaty. Ultimately, the Treaty was passed and required Klaus’ signature. Despite the passage of the

20 Richard Davy, “Soviet Foreign Policy and the Invasion of Czechoslovakia,” in *International Journal*, Vol. 33, No. 4, (Sage Publications, 1968) p.798.

21 Kathrin Keil, Tomislav Maršić, “The Ratification of the Lisbon Treaty in the Czech Republic,” (Research Unit EU Integration Stiftung Wissenschaft und Politik German Institute for International and Security Affairs, 2008) p.1.

Treaty, Klaus turned to his Eurosceptic tendencies and withheld his signature. This caused the rest of the EU to face a temporary standstill with the Lisbon Treaty. While the Treaty was inevitably signed, Klaus’ rogue actions highlighted how Czech sovereignty led to pushback. The EU’s goal is to promote peace across the continent and rogue actions such as those taken by Klaus demonstrate that the Czech Republic is still attempting to find stability in the wake of its complicated past. If the East and West in the aftermath of WWII were able to have a unified front, states such as the Czech Republic today would have been able to have a free political scene and work out these sovereignty issues decades earlier.

While Euroscepticism in the Czech Republic may appear to align with traditional political protests, there are great consequences to this struggle. The Czech Republic is a small nation that is significantly economically dependent on the EU. Following the Velvet Divorce, the shift to a free-market economy took place slowly in the Czech Republic. This is largely due to the country’s inability to receive Marshall Plan Aid because it was under the Soviet sphere of influence. Naturally, the country faced significant economic challenges after the War and the EU has helped the country combat these challenges. This is because the EU is responsible for nearly all of the Czech Republic’s foreign trade and was the primary party that helped the Czech Republic recover from its 1997 financial crisis.²² Furthermore, today 73.6% of all foreign trade in the Czech Republic consists of EU member states.²³ Moreover, in the first decade following its incorporation into the EU, the Czech Republic earned €115 billion from this trade.²⁴ While these economic benefits have aided the Czech Republic’s recovery, many feel once again that a larger governing body has forced a system upon them, as demonstrated by their economic dependence on the EU.

While the Czech Republic’s struggle for sovereignty and Eurosceptic tendencies peaked in 2006, it continues to be a major issue today. Progress has been made, but the Czech Republic acting as a rogue state attempting to find its own identity within the EU has major consequences. The U.S. and the West have prioritized establishing a united and economically interdependent Europe since

22 Viktor Bartovic, “Czech Republic Sending Mixed Signals,” in *Keeping Europeans Together* (Council on Foreign Relations, 2016), p.47.

23 Petr Kratochvíl, “The Czech Republic: Lacking Foreign Policy Consensus,” in *A Region Disunited?* Ch. 4, (2015), p.13.

24 Ibid 8.

the end of WWII. If member states of the EU are acting against this, it can lead to division and future devastating conflicts. The divide between the East and West in the aftermath of WWII has ultimately caused complex challenges regarding national identities today.

The Czech case is extremely unique as it was in the minority of states that had been annexed by both Hitler and then the USSR. While these conflicts first arose nearly a century ago, the Czech political scene today demonstrates that without aid and especially sovereignty, the consequences of annexation can be drastic. The Czech Republic continues to be frustrated with higher powers influencing their economy and foreign policy.

Conclusion

WWII left the European continent in disarray. There was a great divide between the East and West on how the continent should be revitalized. The differences between the U.S. and the Soviets became apparent in the final months of the war. President Franklin Delano Roosevelt recognized that the U.S. was dependent upon the Soviet Red Army in Europe. The Soviets were the first to be able to press toward the German capital at the final stages of the war, a fact that shaped sovereignty issues for decades to come. Some states were able to form their own regime, with the backing of Western aid setting them up for success. Meanwhile, others would suffer a second annexation, leading to consistent challenges for the establishment of a political identity that have endured to the present day.

Austria was among one of the few states that regained sovereignty after WWII that received Western aid while it established its own political regime. While Austria received nearly \$1 billion in Marshall Plan aid, it was free to establish its own democracy. The West viewed an Austrian democracy as a major success given its adoption of democratic principles. Austria's success is a demonstration of the importance of sovereignty following WWII.

The U.S. prioritized rebuilding a stable European continent through aid and democracy-building. The Soviets, however, were opposed to U.S. plans and wanted to gain territory. The Soviets had suffered from two German invasions and wanted to punish them for this. As a result, sovereignty and aid issues would arise in the GDR as the Soviets wanted to maintain a weak Germany. The Soviet seven committed war crimes against the German public such as mass rapes. These horrific conditions set upon the Eastern Germans would alienate it from the USSR and demonstrate the importance of sovereignty.

Meanwhile, the Western powers formed the FRG with Marshall Plan aid being used to help set up a stable democracy, but had expectations along with it. The Marshall Plan requirements did establish a stable democratic regime that was able to assist the East Germans after the war. Democracy being a key priority, mixed with the financial backing, the FRG experienced success when compared to The Weimar Republic, which failed following WWI. The success of the West Germans enabled the East to be adopted and revitalized. While the East Germans were bailed out by their Western neighbors following the Soviet collapse, many other states were not nearly as fortunate. West Germans eventually obtained their own sovereignty, ultimately setting the German nation up for success today.

Unfortunately, the Soviet annexation of Czechoslovakia has resulted in numerous repercussions. Having faced two annexations, the region is embedded with sovereignty issues. Since the Velvet Divorce, the Czech Republic has been attempting to find its political identity. The population is greatly divided over its acceptance of Europe and has led to numerous anti-EU policies and actions, despite EU trade dominance in the country. The Czech Republic is a small state that has long been forced to abide by another governing body's priorities. The divide between the Czech Republic and Europe is a consequence of it attempting to find its own identity.

Each of the three countries analyzed had drastically different outcomes following the end of WWII. The European Revitalization Act served to help rebuild the continent, as well as serve the West's interests. The Soviets hoped to grow their sphere of influence and communism, but in many cases it left states outdated and struggling economically. Austria was able to prosper under Western aid, while establishing its own democratic government. Meanwhile, the divide of Germany led to two sharply differing states. The FRG thrived from Western aid and had a successful democracy given the push the state had from the West. Meanwhile, the GDR struggled under Soviet occupation, despite opposition to Soviet ideology. The struggles highlight how imperative aid and prioritizing sovereignty was in European countries' post-War outcomes. The GDR was able to join the prospering FRG following the collapse of the Berlin Wall, enabling Germany to rise to the successful country it is today.

The implications of lacking sovereignty and self-determination is highlighted in the case of the Czech Republic.

Facing two annexations and lacking the ability to develop its own political ideology has led the country to Euroscepticism. The Czech Republic continues to be sharply divided. Pushing back against the EU, which has largely helped the nation, demonstrates how issues of sovereignty continue to impact the continent today. The revitalization of the continent was largely impacted by East and West motivations throughout the Cold War. This ultimately led to sharply differing sovereignty outcomes, and continues to play a key role in the success of each state today.

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Interview with Professor Patrice Franko

Sydney Pascal

Professor Patrice Franko is the Grossman Professor of Economics and Chair of the Global Studies Program at Colby College. Her areas of research are largely focused on Latin American and more specifically in Brazil. She is interviewed by Sydney Pascal '26 in a discussion centered on public-private partnerships in relation to social investment in the context of social and environmental issues affecting the world today.

Pascal: As the world continues to face social and environmental upheaval, I'd like to discuss the role of public-private partnerships in delivering social services, and most importantly, how this relates to the well-being of societies throughout the world and the environment.

If you had to explain the role of the public and private sectors and their partnership in relation to social investment to someone who wasn't informed, what are the main points you would raise? Further, this topic includes different types of investing; could you explain impact investing and how it differs or relates to more sustainable investing?

Franko: I think we are in a particular moment right now: a moment of change. We have to be thinking about new ways of understanding policy. We have had policy that is government directed, where the government is supposed to solve all of the social and environmental issues. We have had a real dominance of markets and market based approaches. And yet, when I think about the biggest challenges facing us as a nation, facing the world, it's really the interconnectedness and the ways in which both government and markets are failing.

I often in my classes talk about policy failures, government failures, where markets are failing to deliver. As I think about how we reconcile that, for me it's about how we think about the role of civil society and civil society organizations that can promote a more sustainable and inclusive growth. Now let me unpack that. If you take the perspective that over the past several centuries markets have been dominant and the economy has driven our economic behavior we can see that it has also failed. When you go back to the *why* of the failure, well you can go back to the government and say the government should regulate, but the government has to have the capacity to monitor and enforce and it may not have the financial ability or the knowledge. It's important for us to be thinking about civil society and different kinds of partnerships

between the public and the private that are mediated by community based organizations. At one level it's because the government can not finance it and they cannot make firms fully accountable without that. But on another level it's because civil society organizations have knowledge about communities. They can empower communities and people to change. They can help shape the dialogue in a way that a government and a corporation can not.

One of the things I am particularly interested in is the relationship between businesses and the social sector. If we go back to one of the key fathers of economics, Milton Friedman, Friedman will tell you that the purpose of the corporation is to deliver profit. We are at a particular juncture that corporations are understanding that if they don't deliver social value, they are not going to be able to continue to operate as they have over the past decades. So, we see more and more partnerships between corporations and civil society organizations. Corporations are becoming either defensive, defending their reputation, or strategic, creating new shared social value. Yet, corporations alone cannot move into a community. We are looking for ways in which the private sector can partner with civil society organizations to address the defined needs of communities.

So, it's in these partnerships, in the tacit knowledge that community organizations have, a better sense of what is happening in communities is gained. For the government, that is the place where you can scale.

There are some people, like Jane Nelson at Harvard, who think about this as "defining a new kind of capitalism." It's not just market based, it's the way we think about how we organize ourselves as communities and as nations to deliver sustainable social goods.

Pascal: What do you see are the main limitations of public-private partnership in delivering social services?

Franko: At the most basic level, with different segments of society, the state, the private or business sectors, and the community and social sector don't know how to talk to each other. Very often there is a problem simply in communication and style of working. How governments work are very different from firms and community participation; sometimes you've got to learn how to work together in partnership. If you're thinking of partnering

with a youth training program, you're talking to people who may be in schools, education ministries, companies, and the youth themselves. Everyone has their own different discourse. At some level it's a mess. To figure out how partnerships are going to happen, the culture of that change is evolving. This involves a lot of patience and thinking through how problems are addressed.

Pascal: Do you believe there is a productive balance between the private sector creating financial gains, while also delivering social and environmental impacts?

Franko: I think we are up against a few walls right now. A lot of the work in terms of the social-environmental engagement of firms has fallen under the ESG (Environmental Social and Governance) mantra. One of the key problems we are finding is the sense of distrust, and it's well placed. Some companies are doing this for greenwashing, reputational value, or as a way of avoiding regulations. So a question that comes up, as to rethinking this form of capitalism, is: Can we keep on going the way we are going? Does the state have enough capacity to change the outcomes in social and environmental systems without partnering with communities and without getting firms to alter their view of creating shared value and not just profit? So, for me, I just can't see this. We are not going back to the corporations being dominant and not having this sensitivity to Environmental Social Governance issues.

Where we are right now is really hard to measure. A lot of the frustration right now, even when companies are trying to "do good social work," when we are comparing green indices or ESG related funds, it's really hard to see what is going on in the black box of the corporation. They are putting up numbers that are not fully transparent, the metrics across different companies and sectors are not clearly measurable and observable. Some are saying we should pull out the environment from the social because they are different measures, so we should break up ESG. Governance is a little easier, it's clearer how firms should engage in better board governance; for example they should have more females or more people or color on the board. While governance can be more measurable, the environmental and the social get messy. They can always put out the facts they want you to hear, so it's harder to have actual metrics.

Pascal: How do you see transparency and inability to verify integrity and a larger issue in the narrative of corporate social responsibility?

Franko: So, if we can't measure it, we don't know wheth-

er firms are actually doing it. This really fuels the fire of greenwashing, or with the comments surrounding the world cup sportswashing. Simply, they can use this cover up the dirty things that are going on. So, I think until this field of ESG standards improves, until we have more experience, where we understand what we are actually observing or measuring over time. We already see that there are some good third-party verifiers and there are for-profit companies that are getting involved in this. I imagine that there will be a lot we are going to gain from AI and technology linkers that will help us understand what companies are really doing.

I think we are going to keep hitting these roadblocks. But again, what if we don't confront these head on, what if we just dismiss this as green or social washing? I just can't see the continuation of capitalism as it was because it has introduced so much inequality and the perception of inequality and lacking fairness in the system. Companies are not going to suddenly become equitable, so how do we think about the pressures of civil society while at the same time improving state regulation, assistance, and partnership?

Pascal: You've spoken a lot about collaboration and networks having to work together, what does this look like for countries that are struggling economically, or even with political organization? How do you see the development of social investments in these situations, and further, how does this impact the rest of the world, socially or environmentally?

Franko: My own work is largely in Latin America, more specifically in Brazil and it seems to me—I've done some preliminary interviewing in Brazil, Peru, and Colombia—where these gaps are even stronger, I sense that business has a clear economic responsibility to contribute. In Brazil they use the term, not just civil society associations, but the Third Sector. This is the third end of a triangle that needs to be a part of the discourse and the solutions to growth. In the U.S, firms talk more about private social investment. The firm has to engage in the social sector because the resources are not there, the state on its own cannot fund the kind of educational transformations and necessity that were laid bare under COVID. I think what we are seeing in the developing world is more of a commitment to have that necessity.

What intrigues me is the way that innovation is coming out of that. Companies are working with communities. You can find different Youtube Zooms online and they'll be talking about the incorporation of Afro-Brazilians into

work forces and the programs that are taking place. It can be pretty inspiring. Not perfect and still a high degree of marginalization, but some really interesting and transformative opportunities. What are the alternatives? I would love to see a very clear different way that is not authoritarian. We can see what's happening in China, this move of a political and economic space coming together, for me, in a frightening nondemocratic way.

Pascal: With so many people throughout the world living close to or under the poverty line and with fears of the impact of climate change on our environment and on ourselves, how do you see the world being forced to address these issues? How do you think the public and firms will come together through this?

Franko: I think it's going to take place differently in different spaces. If you're talking about the populations in much of Latin America that live in coastal cities, it's going to become super apparent. Or even with urban infrastructures that are not designed to accommodate the increasing force of extreme weather events. It's going to be right in your face. I don't understand how in that context, governments are going to have the resources to respond. So, I think we are going to be forced through climate itself to recognize that we have to come up with different models. Different ways at addressing sustainability issues, talking about things like the circular economy and the real green transition that can take place as a source of opportunity.

I think we are going to be forced by a crisis. They are going to be worse in the developing world because they have not reinforced much of the infrastructure; they have not had the money to do so. I've found conversation coming out of COP 27 to be encouraging, but the financing for that is still super weak. If governments don't have the money they just can't do anything. So, that's where I come back to the private sector again. Until we engage as well, in my view, we are going to be increasingly confronting extreme events without the resources to address them.



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