



Do Economic Sanctions Cause a Rally around the Flag?

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Economic sanctions have become an increasingly important tool of statecraft, but there is still much debate on whether and how they work. Supporters argue that sanctions can help raise the costs to states that threaten international stability, send signals to allies and target countries about the strength of US commitments, and reinforce international norms of good behavior by naming and shaming violators. Critics argue that sanctions rarely induce changes in state behavior, typically impose costs on US firms, and often punish innocent civilians in the target country. With President Trump recently signing bipartisan legislation placing a new round of economic sanctions on Russia, Iran and North Korea and the U.S. Treasury Department imposing new sanctions on several current and former members of Venezuelan President Nicolas Maduro's regime (including Maduro himself), understanding the impact of sanctions is especially important.¹

One longstanding criticism of economic sanctions is that they induce a “rally around the flag” effect in the target country—that is, they allow leaders to use sanctions as a scapegoat for any difficulties that may or may not have been caused by the sanctions. For critics, Russia presents a prime example. The Kremlin has faced economic sanctions from the United States and the European Union since the middle of 2014, yet nonetheless, President Putin’s approval ratings have stayed in the stratosphere.² These high approval ratings are even more puzzling given the poor performance of the Russian economy over the last five years and the historically high correlation between the economy and presidential approval in Russia.³ As then Trump advisor and former White House director of communications Anthony Scaramucci noted, “I think the sanctions had in some ways an opposite effect because of Russian culture. I think the Russians would eat snow if they had to survive. And so for me the sanctions probably galvanized the nation with the nation’s President.”⁴ Others point to Fidel Castro’s long reign in Cuba in the face of crippling US sanctions as another example of a ruler manipulating economic sanctions to increase his political support at home.

Despite the frequency of this criticism of economic sanctions in Russia and in other cases, evidence in support of the claim is hard to come by. Countries under sanctions, such as North Korea, Sudan, and Saddam Hussein’s Iraq, are not usually synonymous with best standards in public-opinion polling. Russia presents an excellent and rare case for studying how the public responds to economic sanctions. It has relatively high-quality public opinion polling. The Kremlin

¹ <https://www.congress.gov/bill/115thcongress/senate-bill/722>

² <http://www.levada.ru/en/ratings>

³ https://www.sscnet.ucla.edu/polisci/faculty/treisman/PAPERS_NEW/Putins%20popularity%20draft%20Jan%202014%203.pdf

⁴ https://www.rbth.com/news/2017/01/17/trumps-advisor-says-us-sanctions-against-russia-had-opposite-effect_682543



responds (at times) to trends in public opinion, and respondents are willing to answer potentially sensitive questions despite Russia's authoritarian political system.⁵

I studied this issue in a recent working paper and found little evidence that economic sanctions influenced levels of support for the Russian leadership.⁶ To reach this conclusion, I conducted a nationally representative survey of 2,000 respondents in Russia in November 2016 just following the US presidential election, in which I randomly assigned respondents to receive questions with different prompts.⁷ In the baseline condition, respondents were asked, "To what extent do you support the Russian leadership (*rukovodstvo*) on a 5-point scale where 1 equals very negative and 5 equals very positive?" In the baseline condition where respondents received no additional information, the average level of support for the Russian government was 3.52.

Prior to receiving this question, one group of respondents was reminded that "since 2014 the United States has levied sanctions against Russia," and another group of respondents were told that "since 2014 the European Union has levied economic sanctions against Russia." If the "rally around the flag" argument was correct, we would expect support for the Russian government in these two groups to be higher on average than in the baseline group. Instead, in these groups the level of support for the Russian government was 3.40 and 3.46, respectively—lower than the support in the control group. Reminding respondents that the United States and the European Union had levied economic sanctions against Russia produced no discernible effect on the respondents' support for the Russian government.

To test the robustness of the finding, I repeated the survey in January 2017 with 1,600 respondents in a nationally representative survey across Russia. I found that in the baseline condition where respondents received no additional information, the average level of support for the Russian government was 3.59 on a scale of 1 to 5. Reminding respondents of the US sanctions increased support for the Russian government to 3.71—a small increase but not one that is significantly different in a statistical sense ($p = .24$). Two successive surveys found little support for the "rally around the flag" argument.

To probe further, in the January 2017 surveys, interviewers reminded respondents that the United States had levied economic sanctions in response to the annexation of Crimea. This reminder yielded a whopping 36 percentage point increase in support for the Russian government from the baseline condition (3.95 versus 3.59, $p = .00$). In addition, this increase was statistically different from the treatment where respondents were only reminded of US sanctions (3.71 versus 3.59, $p = .02$). This result is not too surprising, as the annexation of Crimea has been extremely popular in

⁵ https://www.washingtonpost.com/news/monkey-cage/wp/2015/11/24/why-we-should-be-confident-that-putin-is-genuinely-popular-in-russia/?utm_term=.ce94afbeaa1e

⁶ http://docs.wixstatic.com/ugd/563ae0_589509cefef44e3598c298ab8b92799b.pdf

⁷ There is extremely little survey-based evidence of how economic sanctions shape public opinion in nondemocracies. To the best of my knowledge, no other study uses survey experiments to study this issue in a nondemocratic setting. The research was funded by the Center for Global Energy Policy and the Harriman Institute at Columbia University.



Russia. Russians are indeed rallying around the flag, but this is because of the reason were sanctions were put in place—the wildly popular annexation of Crimea—rather than the sanctions themselves.

Indeed, thinking more broadly, the actions that leaders take that result in economic sanctions—illegal annexation of neighboring territory, the development of nuclear weapons, the repression of ethnic or racial minorities—are often a good way for politicians to increase their domestic popular support. This may lead observers to mistakenly link increases in popular support for a ruler to economic sanctions rather than to the actions that brought on the sanction in the first place. Simply comparing the presence of sanctions and observing approval ratings for the government is likely to produce misleading results.

One reason that the economic sanctions in the Russian case may not have generated a “rally around the flag” effect is that they have been narrowly targeted toward firms and individuals directly involved in the decision to annex Crimea or subvert Eastern Ukraine, and they minimized the costs to the mass public. The narrow definition of the economic sanctions may have made it harder for the Russian government to use the sanctions to mobilize the public to their side on this issue. In this respect, “smart” sanctions may have worked as intended.

One Downside of Sanctions

At the same time, the effects of the sanctions on public opinion have not been completely benign for the US government. While the sanctions do not appear to have had much impact on attitudes toward the Russian government, they have significantly reduced support for the United States among the Russian public. In both surveys cited above, we used the same technique to explore how reminding respondents of the economic sanctions shaped attitudes toward the US government among the Russian public. In the baseline condition in the November 2016 survey, when respondents received no additional information, the average level of support for the United States on a scale of 1 to 5 was 2.10, but among those respondents who were reminded that the United States had levied sanctions against Russia, the average was just 1.92, a significant drop in support. I repeated the analysis in the January 2017 survey and found similar results. This is strong evidence that levying sanctions reduced support for the sanctioning government in the target country. This result is not surprising, but given the great dearth of evidence of the impacts of economic sanctions on popular opinion, it is helpful to confirm this intuition.

That said, this sanctions-induced decline in support for the United States may not be long lasting. In the January 2017 survey, one subgroup of respondents was told, “Many experts believe that Donald Trump will weaken economic sanctions against Russia once he takes office,” and then asked to rate their support for the US government. In this group, the average favorability rating of the United States was 31 percentage points higher than in the baseline condition. This result suggests that respondents are quite willing to change their stance toward the United States if sanctions are weakened.



Lessons for Policy

Because economic sanctions have a variety of effects on a variety of stakeholders, it is important for policymakers to consider the full impact of economic sanctions. They may consider how economic sanctions can signal US resolve and how they shape the attitudes of foreign policy elites and influence the economic outlook for US firms and the economy more generally. However, it is also important to understand the consequences on public opinion of levying sanctions in the target country, particularly in light of the criticism that economic sanctions are counterproductive because they induce a “rally around the flag” effect.

For policymakers, the results from these surveys suggest three broader lessons. First, when deciding whether to use sanctions, they should not be overly concerned about the “rally around the flag” effect. There is scant evidence from the case at hand that economic sanctions led to increased support for the Russian government. This is important, as critics of sanctions have often used this charge to make their case. The results also may speak in favor of so-called smart sanctions that are designed to punish specific economic and political elites rather than the mass public as a means of weakening “rally around the flag” effects.

Second, the imposition of economic sanctions may lead to lower levels of support for the United States in the target country. This may be less of a problem in nondemocratic countries where popular opinion plays a smaller, but not inconsequential, role in policymaking.

Finally, the negative effects of economic sanctions—at least in the case of the narrowly defined sanctions in the Russia case—do not appear to be long lasting. The prospect of weakening sanctions leads citizens to express higher levels of support for the United States than they do in the baseline condition.

These results come from Russia—a particularly good ground for studying the impact of economic sanctions—and more research is needed to determine whether they extend to other cases as well.

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