



Lebanese American University

Department of Social Sciences

POL499 Senior Study

The Relationship Between a State's Domestic Factors and Its Implementation of Economic Sanctions: A Study of the Obama Administration's Economic Sanctions On Iran, 2009-2012

By

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Abstract

Coercive diplomacy is one of the foreign policy strategies used by states to solve problems peacefully. Negative economic sanctions are a policy within coercive diplomacy that has been newly used by states to impair the adversary's economy. There are many external and internal factors that affect and cause the use of economic sanctions. This Senior Study investigates the domestic factors that led the Obama Administration to initiate economic sanctions against Iran. Two hypotheses are posed: first, high unemployment rates lead to economic sanction implementation; second, low job approval rates lead to the implementation of economic sanctions. These two hypotheses are explored through studying the initiation of economic sanctions by the Obama Administration on the Iranian regime in two time frames: between 2009 and 2010, and between November 2011 and November 2012. The two time frames enriched analysis and removed the proximity of elections as a factor affecting economic sanction implementation. During both times, economic sanctions, unemployment rates and job approval rates were recorded. Analysis of presented information shows that sanctions were implemented in both time frames. In addition, in both times, unemployment rates were high which affected negatively job approval rates that were recorded to be low. Therefore, the Obama Administration's position internally was suffering and was losing the public's support. Hence, the Obama Administration initiated economic sanctions not just to accomplish foreign interests, but also to reach the domestic goal of restoring the public's approval. These results prove a relationship between domestic factors and the formation of foreign policies.

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Abbreviations

US	United States
EU	European Union
UK	United Kingdom
UN	United Nations
JCPOA	Joint Comprehensive Plan of Action

Introduction

After the Second World War, inter-state wars have declined considerably. This does not mean that wars have disappeared, instead this means that states have found new foreign policy strategies that satisfy their interests.¹

Coercive diplomacy is one of these new foreign policy strategies. According to Alexander George, coercive diplomacy is a “political-diplomatic strategy” that aims to make an adversary comply peacefully with one’s demands by changing or stopping an action.² This strategy includes the threats to use force, the actual use of limited force when necessary, and the use of inducements.

Economic sanctions are inducement tools used as part of coercive diplomacy. An economic sanction is a financial constraint initiated against the adversary’s economy.³

Since 1979, after the seizure of the American Embassy in Tehran, the US started using coercive diplomacy against the Iranian regime.⁴ During the first term of the Obama Administration (2009-2012), the US imposed many economic sanctions against Iran because of the latter’s attempts to build a nuclear program.⁵

Scholars mostly stress on the external causes of economic sanctions. But, what I am interested in the most are the domestic factors, especially the presidential job approval ratings, and the unemployment rates.

¹ Alan Collins, *Contemporary Security Studies* (Oxford, UK: Oxford University Press, 2019), 287.

² Jack Levy, “Deterrence and Coercive Diplomacy: The Contributions of Alexander George,” *Rutgers University*, n.d., 539.

³ Hossein Askari et al., *Case Studies of U.S. Economic Sanctions: The Chinese, Cuban, and Iranian Experience* (Westport: Praeger, 2003), 1.

⁴ “Iran Sanctions - United States Department of State,” U.S. Department of State (U.S. Department of State, n.d.), <https://www.state.gov/iran-sanctions/>.

⁵ “Fact Sheet: Sanctions Related to Iran,” National Archives and Records Administration (National Archives and Records Administration, n.d.), <https://obamawhitehouse.archives.gov/the-press-office/2012/07/31/fact-sheet-sanctions-related-iran>.

The goal of this Senior Study is to answer the following question: Given the US's use of coercive diplomacy against Iran, what are the domestic factors that led the US, under the Obama Administration (2009-2012), to initiate economic sanctions against Iran?

This question creates and introduces a new perspective in studying factors that initiate economic sanctions against an adversary especially that internal factors in coercive diplomacy are usually under-researched. Therefore, one could have a full understanding of both the domestic and external factors that lead to economic sanctions. This new point of view that the question established enriches the literary domain and opens a new horizon for both IR scholars and students.

In this case, a bad economic situation, seen through high unemployment rates, leads to the decline in a president's popularity which decreases his/her approval ratings. When this happens, Obama tends to act externally against an "evil" state such as Iran to repair his position internally. Thus, Obama is more likely to initiate economic sanctions against Iran when unemployment rates are high and job approval rates are low.

Scope of Study

First, in my Senior Study, I will present what the written literature has discussed about the factors that affect economic sanction initiation. Second, I will display the economic sanctions employed once when election were far and again when elections were near. Then, I will put forward the unemployment and approval rates in both time frames. The two time frames are used to eliminate the proximity of elections as a factor affecting the implementation of economic sanctions. Next, I will prove first that, during both times, unemployment rates were high and approval rates were low. Second, I will prove a relationship between high joblessness and the decline in approval rates. Afterwards, I will examine, compare and link the two factors in both instances with how they affected the implementation of economic sanctions against Iran.

My time frame is the first Obama Administration (2009-2012) which represents the period that came before the JCPOA nuclear deal between the US and Iran. It was a period full of economic sanctions where the US tried this foreign policy strategy as a way to hurt Iran's economy and make it change or stop its nuclear program.

To retrieve needed information I will be using LAU online databases, google scholar, reliable news outlets and official governmental reports. A boundary I have tackled during the research is that the domestic factors I am studying were recorded but were never analyzed or mentioned in the context of coercive diplomacy or economic sanctions. Thus, domestic factors affecting Obama's initiation of economic sanctions are highly marginalized and the stress is mostly put on the external factors. In addition, the unemployment and job approval rates recorded by many credible sources vary a little bit, so I have to follow one credible source for each to use during both time frames.

Literature Review and Gaps

Scholars have reached a consensus when it comes to the definitions of coercive diplomacy and economic sanctions. Coercive diplomacy is considered a peaceful way to compel opponents through the limited use of force and inducements. Economic sanctions are considered economic punishments on an opponent's economic activities. In addition, some scholars explain the implementation of economic sanctions through external factors such as alliances, the opponent's regime type, and human-rights abuses. On the other hand, other scholars stress on the domestic factors such as culture, geography, resources, economy, beliefs, and elections that affect economic sanctions. Finally, literature analyzes that election proximity, presidential approval ratings, ideology, economic wellbeing, and beliefs are US domestic factors that lead to economic sanctions against Iran.

Coercive Diplomacy

Coercive diplomacy has been tackled by scholars in the same manner. According to Alexander George, coercive diplomacy is the contrast of a military strategy. He considers it as a “political-diplomatic strategy” that is used to compel an opponent’s will to comply with one’s desires.⁶ Coercive diplomacy includes threats to use force, limited use of force, and inducements. For him, this strategy solves problems without the escalation into war.⁷ Furthermore, for Peter-Viggo Jakobsen, coercive diplomacy combines threats of force, limited use of force and the use of stimuli.⁸ This strategy is used to stop an action or initiate another action by the adversary. He adds that this strategy is used when diplomacy fails.⁹

Economic Sanctions

Scholars reach a consensus when it comes to the definition of economic sanctions. An article finds that economic sanctions are financial barriers that confine trading ties between the opponent and another entity.¹⁰ Economic sanctions include trade-embargoes, blocked travel, limitations on assets, and barred investments.¹¹ Additionally, another scholar finds that economic sanctions are the retraction of commercial relations and trade.¹² Sanctions may stop economic relations with the whole state or may be targeted, which ceases economic activities with specific companies, persons or groups.¹³ Cooper Drury describes economic sanctions as “economic means to a political-end”.¹⁴ Furthermore, another author defines economic sanctions as a foreign policy tool used to pressure the adversary economically to

⁶ Levy, “Deterrence and Coercive Diplomacy, 539.

⁷ Ibid.,

⁸ Collins, *Contemporary Security Studies*, 287.

⁹ Ibid.,

¹⁰ Askari, *Case Studies of U.S. Economic Sanctions*, 6.

¹¹ Ibid.,

¹² Jonathan Masters, “What Are Economic Sanctions?,” *Council on Foreign Relations*, 2019, <https://www.cfr.org/backgrounder/what-are-economic-sanctions>.

¹³ Ibid.,

¹⁴ Cooper Drury, “Sanctions as Coercive Diplomacy: The U. S. President's Decision to Initiate Economic Sanctions,” *Political Research Quarterly* 54 (2001), 488.

force a change.¹⁵ Moreover, the article presents some forms that sanctions can come in such as tariffs, embargoes, non-tariff barriers, and asset-seizures.¹⁶

External Factors Affecting Economic Sanctions

Some scholars discuss the external causes of economic sanctions. A literary work finds that the opponents' acts lead to the implementation of economic sanctions.¹⁷ For example, the US imposed economic sanctions on Russia in 2014 because of its annexation of the Crimean region in Ukraine.¹⁸ In addition, the opponent's regime-type affects the implementation of economic sanctions. Thus, democratic states are more likely to initiate economic sanctions against non-democratic states.¹⁹ For instance, one can observe the US's economic sanctions against Syria, China, and Yemen which are all non-democratic states.²⁰

Another scholar indicates that sanctions can be initiated to revenge another country's economic activities. In addition, the article suggests that sanctions can be used as a means to stop human rights abuses.²¹ For example, since 2011, the US has continuously imposed economic sanctions on the Syrian regime to limit its resources and make it stop its violence against civilians.²² In another article, the international environment was found to be especially important for the US's implementation of economic sanctions against Iran.²³ The

¹⁵ Brent Radcliffe, "How Economic Sanctions Work," Investopedia (Investopedia, 2019), <https://www.investopedia.com/articles/economics/10/economic-sanctions.asp>.

¹⁶ Ibid.,

¹⁷ Alex Mintz and Karl DeRouen Jr, "International, Domestic, and Cultural Factors Influencing Foreign Policy Decision Making," *Cambridge University Press*, 2012, 1.

¹⁸ Rebecca Nelson, "U.S. Sanctions and Russia's Economy," *Congressional Research Service*, 2017, 1.

¹⁹ Mintz and DeRouen Jr, "International, Domestic, and Cultural Factors Influencing Foreign Policy Decision Making," 1.

²⁰ "U.S. Department of the Treasury," Sanctions Programs and Country Information | U.S. Department of the Treasury, n.d., <https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information>.

²¹ Radcliffe, "How Economic Sanctions Work", <https://www.investopedia.com/articles/economics/10/economic-sanctions.asp>.

²² "Syria Sanctions - United States Department of State," U.S. Department of State (U.S. Department of State, n.d.), <https://www.state.gov/syria-sanctions/>.

²³ Nikolay A. Kozhanov, "U.S. Economic Sanctions against Iran: Undermined by External Factors," U.S. Economic Sanctions against Iran: Undermined by External Factors | Middle East Policy Council, n.d., <https://mepc.org/us-economic-sanctions-against-iran-undermined-external-factors>.

attitude towards US sanctions of Iran's trading allies and the willingness of US's allies to implement and initiate new sanctions on Iran are factors of the international environment that the US studies to decide whether to initiate sanctions or not.²⁴ To illustrate these ideas, the article studies how the US looks into the EU's willingness to stand with the US and implement sanctions against Iran. Moreover, the US must verify the Russian and Chinese stances towards Iran and towards the US sanctions.²⁵

Domestic Factors Causing Economic Sanctions

Related literature discusses the domestic factors that shape and affect coercive diplomacy. One article explores the domestic factors that lead to coercive diplomacy tactics. It mentions that Amer Rizwan found that culture, geography, history, economy, technology, and regime type, all represent the national capability and perspective of a country towards foreign policy which in turn may affect positively or negatively the implementation of economic sanctions.²⁶

Another article finds that the size of the state, the political regime, the economic and military capabilities, public opinion and personal traits of the leader are what constitute domestic factors.²⁷ For example, states with smaller sizes and less populations, tend to move away from implementing sanctions because they think that they do not have much weight in the international sphere.²⁸ In addition, states with greater military and economic capabilities tend to employ a more aggressive foreign policy and use heavy economic sanctions.

²⁴ Kozhanov, "U.S. Economic Sanctions against Iran", <https://mepc.org/us-economic-sanctions-against-iran-undermined-external-factors>.

²⁵ Ibid.,

²⁶ Nabin Kumar Khara, "Determinants of Foreign Policy: A Global Perspective," *IJARAS*, no. 3 (2018), 112-113.

²⁷ Bojang AS, "The Study of Foreign Policy in International Relations," *Journal of Political Sciences & Public Affairs*, 2018, 5-8.

²⁸ Ibid., 5.

Moreover, it finds that public opinion does affect and cause economic sanctions especially in democratic states.²⁹

Furthermore, an article presents that the rationality and personality of the head of state is one of the most important domestic factors affecting foreign policy decisions including economic sanctions.³⁰ It adds that the political system and the type of political regime is another domestic factor that affects the implementation of foreign policies. Depending on how much the political system invests power and rights in the head of state position, foreign policies may change with every new president.³¹ For example, since 1993, the Chinese president has gained more powers and is now able to take foreign policy decisions on behalf of the whole state. Having more powers in the hands of a president may lead to more economic sanction implementation.³²

US Domestic Factors Causing Economic Sanctions Against Iran

Related literature identifies some US domestic causes for using economic sanctions against Iran. Cooper Drury identifies three US domestic factors that affect economic sanctions implemented on many countries including Iran. First, he states that when elections are near, the president is more likely to use sanctions in order to be seen as more active and having power in his presidential duties.³³ For example, in 1996, six months before elections, President Clinton's staff wanted him to initiate new orders and policies every day until elections.³⁴

Additionally, Drury presents the idea that presidential high domestic approval rates create more incentives for him/her to initiate economic sanctions. High domestic approval rates

²⁹ AS, "The Study of Foreign Policy in International Relations," 7.

³⁰ Zaara Zain Hussain, "The Effect of Domestic Politics on Foreign Policy Decision Making," E, February 7, 2011, <https://www.e-ir.info/2011/02/07/the-effect-of-domestic-politics-on-foreign-policy-decision-making/>.

³¹ Ibid.,

³² Ibid.,

³³ Drury, "Sanctions as Coercive Diplomacy" , 493.

³⁴ Ibid., 494.

mean that the president can risk implementing sanctions that may upset internal interests.³⁵

Finally, this scholar alludes that a rough economic situation with high unemployment and inflation rates act as obstacles for sanctioning.³⁶

Furthermore, Ostrom and Job identify that high partisan support and popularity for the US president encourages the use of force and economic sanctions.³⁷ On the other hand, they find that if the president feels that his popularity is declining, he/she might initiate force and economic sanctions to divert attention away from his failures in other places.³⁸

Another book identifies the president's party and ideology as one of the US domestic factors affecting economic sanctions against Iran.³⁹ For example, Donald Trump is in the republican party and asserts that the US has suffered enough while encouraging more aggressive economic sanctions on Iran. On the other hand, Democrats like Hillary Clinton and Obama might disagree with the extent of aggressive sanctions and their persistence that Trump is imposing against Iran.⁴⁰

Another domestic factor that the book presents is the constraints that internal institutions have on the powers of the US president to make foreign policy decisions and initiate economic sanctions against Iran.⁴¹

Furthermore, a literary work mentions that the lack of domestic support or the inability to build support for the implementation of sanctions against Iran leads the president to inhibit

³⁵ Drury, "Sanctions as Coercive Diplomacy", 494.

³⁶ Ibid.,

³⁷ Patrick James and John R. Oneal. (1991). The Influence of Domestic and International Politics on the President's Use of Force. *The Journal of Conflict Resolution*. 35 (2), 314.

³⁸ Ibid., 315.

³⁹ Daniel Hamilton and Teija Tiilikainen, "Domestic Determinants of Foreign Policy in the European Union and the United States," Center for Transatlantic Relations, n.d., <https://archive.transatlanticrelations.org/publication/domestic-determinants-foreign-policy-european-union-united-states-daniel-s-hamilton-teija-tiilikainen-editors/>, 5-6.

⁴⁰ Ibid.,

⁴¹ Ibid., 8.

and slow down sanctions implementation.⁴² Another literary scholar finds that inside the US there are fierce and intense voices calling for the use of force and sanctions against Iran and refusing any compromise with it.⁴³ This shows the importance of internal voices and supporters in the implementation of foreign policy and economic sanctions. Similarly, Liangxiang established that academics, professionals, and politicians are part of the internal voices affecting foreign policy in the US. For example, Thomas Pickering and William Ruhlfs, two American diplomats, had similar views when it came to Iran's nuclear program in enriching uranium.⁴⁴ Thus, Liangxiang observed that Obama had to change Bush's policies, and promised to respect Iran's right to enrich uranium.⁴⁵

Additionally, an article stresses on the importance of the economic wellbeing of the US which, if struggling, may lead the president to get pre-occupied with it and forget about economic sanctions. It also finds that this may push the president to try to move the attention abroad and use more economic sanctions.⁴⁶ Similarly, another article mentions that the US may also use economic sanctions against countries especially Iran to distract the public from any domestic turmoil that may be happening whether economic, social or political.⁴⁷

A scholar states that domestic factors and foreign policy are inseparable. A leader cannot conduct foreign policy while ignoring the domestic context of his/her actions.⁴⁸ The scholar identifies several US domestic factors that affects foreign policy decisions including

⁴² Raymond Tanter and O'Sullivan, "Sanctions and U.S. Foreign Policy," The Washington Institute Improving the Quality of US Middle East Policy, 2001, <https://www.washingtoninstitute.org/policy-analysis/view/sanctions-and-u.s.-foreign-policy>, 8.

⁴³ Ramin Jahanbegloo. (2009). The Obama Administration and Iran: Towards a Constructive Dialogue. *International Diplomacy.*, 8.

⁴⁴ Liangxiang JIN. (2018). Analysis on Obama Administration's Policy Adjustment of Iranian Nuclear Issue. *Journal of Middle Eastern and Islamic Studies (in Asia).*, 18.

⁴⁵ Ibid.,

⁴⁶ James and Oneal, The Influence of Domestic and International Politics on the President's Use of Force, 314.

⁴⁷ Radcliffe, "How Economic Sanctions Work," <https://www.investopedia.com/articles/economics/10/economic-sanctions.asp>.

⁴⁸ Kornel B. Dura. (2014). Internal determinants of foreign policy domestic politics and foreign policy in the Soviet Union and the United States, 1945-1948. *UMass Amherst.*, 10.

economic sanctions. Some of those factors are regime type, resources, geographical location, economic wellbeing, and the belief system of the leaders.⁴⁹ A president's goal is to achieve his plans and remain in office as long as he/she can, thus in democratic and open regimes, public sentiments are very important. So, a convenient and favorable domestic context will make foreign policy an easier task for the US president.⁵⁰ On the other hand, great opposition would make it harder for him/her to initiate economic sanctions and implement foreign policy decisions.⁵¹ Additionally, when it comes to resources, it is important for the country to have enough and strong resources but, more importantly is for the country to be able to efficiently use such resources in its foreign policy tactics especially economic sanctions. For example, a country must have the needed resources to initiate economic sanctions without hurting its overall wellbeing.⁵²

Gaps

Scholarly literature has hugely tackled coercive diplomacy while stressing on the use of force aspect of coercive diplomacy rather than specifically on economic sanctions. The use of economic sanctions is an old phenomenon but is newly and chiefly used by states as a tool in their foreign policies. However, relative literature has under-theorized their use. In my Senior Study, I will be stressing on the inducement aspect of coercive diplomacy, especially the use of economic sanctions, in order to have a full understanding of all aspects of this particular foreign policy strategy. In addition, the articles and books that discussed economic sanctions, stressed mostly on their effect on the sender or the target entities. Very few articles examined the causes that lead to economic sanctions.⁵³ Furthermore, even if some

⁴⁹Dura, Internal determinants of foreign policy domestic politics and foreign policy in the Soviet Union and the United States, 6-8.

⁵⁰Ibid., 11.

⁵¹Ibid., 14.

⁵²Ibid., 12.

⁵³ Radcliffe, "How Economic Sanctions Work,"
<https://www.investopedia.com/articles/economics/10/economic-sanctions.asp>.

articles dealt with the causes of economic sanctions, most of them stressed on the external causes and not on the domestic causes. Therefore, in my Senior Study, I will be tackling the causes of economic sanctions while stressing only on the domestic factors in order to expand our inquiry about this topic and understand the full picture surrounding the use of economic sanctions. Moreover, tackling the domestic causes of economic sanctions builds upon previous theories and paradigms in IR such as Liberalism and Neoclassical Realism that stress on domestic considerations rather than only on structural and external ones. This research will also challenge existing Realist assumptions regarding state motives and interests and the separation between internal politics and foreign policy.⁵⁴

Argument, Hypotheses, Variables, and Concepts

While implementing coercive diplomacy against Iran, Obama initiated economic sanctions when presidential elections were far and another time when presidential elections were near. In both instances unemployment rates were high and job approval ratings were low. Hence, my argument is that high unemployment rates and low job approval rates caused the Obama Administration to initiate economic sanctions against Iran.

High unemployment rates indicate the roughness of the economic situation in the country. Therefore, a bad economic situation leads to low job approval ratings which indicate the worsening position of the president domestically. For Obama to rectify his position domestically, he tends to act externally by initiating economic sanctions on a country that the US citizens perceive negatively such as Iran. Thus, my first hypothesis is that Obama is more likely to use economic sanctions when unemployment rates are high. My second related hypothesis is that low job approval ratings, which are affected by the high unemployment rates, will also make Obama more likely to use sanctions.

⁵⁴ Radcliffe, "How Economic Sanctions Work," <https://www.investopedia.com/articles/economics/10/economic-sanctions.asp>.

The independent variables are unemployment and job approval rates. The unemployed are people of working age (15-64) and searching for a job but not finding one. The total labor force is the number of employed and unemployed people. The unemployment rate is an indicator calculated by taking the number of unemployed people as a percentage of the total labor force.⁵⁵ Moreover, job approval rate is a group of survey questions that measures the percentage of respondents who approve a politician or another public figure.⁵⁶

Unemployment and job approval rates can be retrieved through reliable sources that initiate studies, polls, and surveys across the country on a representative sample in order to come up with a general rate for the whole country.⁵⁷

The dependent variable is the initiation of US economic sanctions against Iran when unemployment rates are high and job approval ratings are low. For it to do so it must initiate trade embargoes, financial restrictions on assets and investments belonging to Iran or to a country sponsoring or helping Iran, and travel barriers.

Coercive diplomacy is a concept I will be using throughout my research. As mentioned before, coercive diplomacy is a foreign policy strategy that entails the threat to use force, the limited use of force, and inducements against an adversary. This strategy is used by states to make others comply peacefully with their demands by stopping or changing an action that has already been done.⁵⁸ In this case the US is initiating economic sanctions against Iran to compel it to stop building a nuclear program. Another concept I will be using is economic sanctions. Economic sanctions are financial restraints that a state uses as negative inducements to implement coercive diplomacy and compel an adversary.⁵⁹ Economic

⁵⁵ "Unemployment - Unemployment Rate - OECD Data," theOECD, n.d., <https://data.oecd.org/unemp/unemployment-rate.htm>.

⁵⁶ "Approval Ratings," Sage Research Methods, 2008, <https://methods.sagepub.com/reference/encyclopedia-of-survey-research-methods/n21.xml>.

⁵⁷ Ibid.,

⁵⁸ Levy, "Deterrence and Coercive Diplomacy", 539.

⁵⁹ Askari, *Case Studies of U.S. Economic Sanctions*, 1.

sanctions put barriers on commercial relations between the opponent and any other entity. Furthermore, economic sanctions entail limitations on travel, barriers on financial and non-financial assets, trade bans, and restrictions on investments.⁶⁰

Methodology

In this research I will focus on one case where the first term of the Obama Administration employed economic sanctions on the Iranian regime. Thus, I will use the case study research methodology.⁶¹ I will study two time frames within the Obama Administration's first term where economic sanctions were used against Iran: once when presidential elections were near (<1 year before presidential elections), and once when presidential elections were far (>1 year before presidential elections). In the US, the average time that presidential candidates start their campaigns is one year before elections. Thus, I consider a year until elections to mean that elections are near and more than a year until elections to mean that elections are far.⁶²

For this purpose, I will collect qualitative data about US economic sanctions on Iran and analyze them through content analysis. Thus, my sources of data will be credible news reports, official political decisions, archives, and policy documents.⁶³ In addition, I will collect quantitative information and data concerning the domestic factors: job approval ratings and unemployment rates. I will rely on dependable statistics, calculations and empirical data collected by surveys, polls and researches so I can analyze and link the factors to economic sanctions. Therefore, I will be combining both quantitative and qualitative

⁶⁰ Askari, *Case Studies of U.S. Economic Sanctions*, 1.

⁶¹ B. Guy Peters et al., *Research Methods in Politics*(Basingstoke, Hampshire: Palgrave Macmillan, 2008)), 63.

⁶² Mervosh, Sarah, and Matt Flegenheimer. 2018. "How Early Do Presidential Campaigns Start? Earlier Than You May Think." *The New York Times*. December 31, 2018. How Early Do Presidential Campaigns Start? Earlier Than You May Think, <https://www.nytimes.com/2018/12/31/us/politics/presidential-campaigns-2020.html>.

⁶³ Peters, *Research Methods in Politics*, 64.

data.⁶⁴ This mixed methodology helps me narrow my scope of study and analyze one single case. Thus, I found this case appropriate since studying several cases in one time will be overwhelming and take more time which, in my case, is limited.⁶⁵ The US portrays the suitable example of a strong state with a dynamic and active domestic sphere that initiates economic sanctions to compel another state such as Iran. Additionally, this case offers two time points which is rich for analysis and could demonstrate different conditions and results in the same study especially that I will be comparing them.

Analysis and Findings

From 2009 till 2012, the Obama Administration was involved in the initiation of heavy economic sanctions on Iran to compel it to alter or stop its nuclear program. The initiation of economic sanctions was done directly through the US, through the UN, or through agreements with US allies to initiate joint sanctions. I will be demonstrating the important historical events that led the US to be involved in coercive diplomacy and heavy economic sanctions with Iran. In addition, as mentioned in the previous literature, there are many external and internal factors that cause the initiation of economic sanctions. But, my concern in my Senior Study is to study the effect of domestic factors such as unemployment rate and presidential job approval rates on the Obama Administration's initiation of economic sanctions against Iran. First, I will demonstrate that economic sanctions were initiated twice: once when presidential elections were far and once when presidential elections were near. The purpose of these two time frames is to eliminate the proximity of presidential elections as a factor affecting the introduction of economic sanctions. Then, I will present the data on unemployment and presidential job approval rates during these two time frames. After that, I will analyze and show that there is a link first between unemployment rates and job approval

⁶⁴ Peters, *Research Methods in Politics*, 64.

⁶⁵ *Ibid.*,

rates, and then prove that there is a link between those two domestic factors and the Obama Administration's initiation of economic sanctions against Iran.

Historical Background on the US-Iran Relations

The US and Iran were very close allies in the 1950s, 1960s, and even in the first few years of 1970s. Shah Mohammad Reza Pahlavi's reign in Iran constituted a very tight alliance with the US which was translated in the CIA assisted coup in 1953 against Mossadeq, the democratically elected, anti-Shah and anti-West prime minister.⁶⁶ In addition, this alliance resulted in an oil agreement in 1954 which gave the US, France and UK 40% ownership of the Iranian oil industry.⁶⁷ One of the most important agreements done between the US and Iran was the "Atomic For Peace Program" in 1957 which laid the foundation of Iran's nuclear program through nuclear education and technology given by the US. Furthermore, the US provided Iran with weapons and reactors rich in uranium.⁶⁸ Thus, Iran's nuclear program first started under US cover and help.

Since it was the Cold War era, in the last few years of the Shah's reign and under the Nixon Doctrine, Iran evolved from being a US client to becoming a US partner. Both the US and the Shah welcomed this partnership to contain Soviet influence, especially in the Middle East, and to establish Iran's regional primacy in the Gulf.⁶⁹

The relationship between the US and Iran began deteriorating since 1979 after the Iranian revolution which ousted the pro-West Shah. Then, an anti-West, conservative Shiite leader called Grand Ayatullah Ruhollah Khomeini returned to Iran and took power.⁷⁰ In November 1979, a group of radical college students stormed the US embassy in Tehran and

⁶⁶ "U.S. Relations With Iran, 1953–2020." n.d. Council on Foreign Relations. <https://www.cfr.org/timeline/us-relations-iran-1953-2020>.

⁶⁷ Ibid.,

⁶⁸ Ibid.,

⁶⁹ Roham Alvandi, *Nixon, Kissinger, and the Shah: The United States and Iran in the Cold War*, Google Books (Oxford University Press, 2016), 3.

⁷⁰ "U.S. Relations With Iran, 1953–2020.", <https://www.cfr.org/timeline/us-relations-iran-1953-2020>.

took fifty two American hostages for 444 days. They were demanding that the US extradite the Shah who fled to the US earlier in 1979. Since then, the US started introducing economic sanctions such as sanctioning oil imports and freezing Iranian assets.⁷¹

During the last few years of the Cold War (1980s), and after the Iranian Revolution, the US-Iran relationship remained very poor. During the 1980-1988 Iran-Iraq war, both countries were convinced that the US was manipulating them. Ironically, the US had several rapprochement trials with both parties to try to build a strategic partnership with them. But, the Iranians believed that the US imposed this war on them.⁷² In 1985, after Hezbollah took seven American hostages in Lebanon, the US started selling weapons to Iran despite the arms embargo to ensure their release. US officials used the money from the illegal deal to fund right-wing Contras rebel groups in Nicaragua even after Congress inhibited its funding.⁷³ The collapse of the Soviet Union created an important geopolitical context. Khatami, Iran's president at the time, adopted the "dialogue among civilizations" approach rather than the "clash of civilizations".⁷⁴ But, in 1991, the Persian Gulf War started in which the US suspected that Iran wanted to replace Iraq as the regional power.⁷⁵ This war furthered US-Iran tensions especially that they did not trust each other's intentions. Then, from 1992 till 1996, US intensified economic sanctions against Iran through the Arms Nonproliferation Act and Iran and Libya Sanctions Act.⁷⁶

In 2002, President Bush, in his State of the Union Address, described Iran among the countries that belong to the "axis of evil" which clearly indicates the severity of relations

⁷¹ "U.S. Relations With Iran, 1953–2020.", <https://www.cfr.org/timeline/us-relations-iran-1953-2020>.

⁷² Alvandi, "*Nixon, Kissinger, and the Shah*", 4-5.

⁷³ "U.S. Relations With Iran, 1953–2020.", <https://www.cfr.org/timeline/us-relations-iran-1953-2020>.

⁷⁴ Saeid Naji and Jayum A. Javan, "US-Iran Relations in the Post-Cold War Geopolitical Order," *Asian Social Science* 7, no. 9 (August 31, 2011), <https://doi.org/10.5539/ass.v7n9p94>, 1.

⁷⁵ "U.S. Relations With Iran, 1953–2020.", <https://www.cfr.org/timeline/us-relations-iran-1953-2020>.

⁷⁶ *Ibid.*,

between them.⁷⁷ The severity of such relations could be explained by the turmoil and anger that was filling the US after the 9/11 attacks.

Then came President Obama's Presidency which is important since his approach towards foreign policy differed from Bush's approach. He promised to rebuild America's alliances and follow a more diplomatic and peaceful route in his negotiations and relations with other countries.⁷⁸ Therefore, it is important to study the different domestic aspects that shaped Obama's foreign policy and which eventually led him to initiate economic sanctions against Iran.⁷⁹

Far-Elections Period

US Economic Sanctions Against Iran 2009-2010

The years 2009 and 2010 represent the time frame where presidential elections were far since there is more than one year until presidential elections in 2012. During this period, the Obama Administration administered economic sanctions on Iran. At the end of 2008 and beginning of 2009, the UNSC passed Resolution 1803 which requires all states to take the necessary measures to make Iran stop all uranium enrichment activities through inhibiting the supply, transfer or sale of material used in uranium enrichment.⁸⁰ In September 2009, the US, France, and UK discovered that Iran has been secretly constructing a second uranium facility in Qom.⁸¹ After several trials to reach an agreement with the Iranian regime, the US, along with its allies and the UN, started initiating economic sanctions.

⁷⁷ "President Delivers State of the Union Address." 2002. Archives.Gov. February 1, 2002.

<https://georgewbush-whitehouse.archives.gov/news/releases/2002/01/20020129-11.html>.

⁷⁸ Unger, David. 2016. "The Foreign Policy Legacy of Barack Obama." *The International Spectator* 51 (4): 1–16. <https://doi.org/10.1080/03932729.2016.1227914>, 1.

⁷⁹ "U.S. Relations With Iran, 1953–2020.", <https://www.cfr.org/timeline/us-relations-iran-1953-2020>.

⁸⁰ "S/RES/1803 (2008) | United Nations Security Council." 2008. Un.org. 2008.

<https://www.un.org/securitycouncil/s/res/1803-%282008%29>, 3.

⁸¹ Davenport, Kelsey. 2020. "Timeline of Nuclear Diplomacy With Iran | Arms Control Association." Armscontrol.org. 2020. <https://www.armscontrol.org/factsheets/Timeline-of-Nuclear-Diplomacy-With-Iran#2008>.

In June 2010, the UN Security Council adopted Resolution 1929 which requires Iran not to be involved in any action that involves uranium mining, nuclear material and technology, and ballistic missiles with any other state.⁸² Furthermore, all states were prohibited from engaging in any form of help such as sale or transfer to Iran of any heavy weapons.⁸³ Later in June, the US Congress signed the Comprehensive Iran Sanctions, Accountability, and Divestment Act (CISADA). CISADA put sanctions on persons, firms, and entities that help export, import or expand petroleum products to Iran.⁸⁴ Moreover, it sanctioned exports of US-origin supplies to Iran while exempting food, medicine, and humanitarian supplies. It also sanctioned imports of Iran-origin goods to the US. Afterwards, in July 2010, the EU was influenced by the US so it followed its footsteps and strengthened its sanctions by blocking trade with Iran's transport and energy sector, and restricting European institutions from interacting with Iranian banks.⁸⁵ Next, in September 29, 2010, under Executive Order 13553, the properties and assets of Iranian officials responsible or involved in human rights violations were blocked. Eight Iranian individuals were named under this list. Among them came Mohamad Ali Jafari, Commander of the Revolutionary Guard, Sadeq Mahsouli, Minister of Welfare, and Heydar Moslehi, Minister of Intelligence.⁸⁶

⁸² "S/RES/1929 (2010) | United Nations Security Council." 2010. Un.org. 2010. <https://www.un.org/securitycouncil/s/res/1929-%282010%29>.

⁸³ Ibid.,

⁸⁴ US Senate. n.d. "Summary of Comprehensive Iran Sanctions, Accountability and Divestment Act of 2009."

https://www.banking.senate.gov/imo/media/doc/Summary_of_Comprehensive_Iran_Sanctions_Divestment_and_Accountability_Act_of_2009FINALSUMMARY.pdf, 1.

⁸⁵ Laub, Zachary. 2015. "International Sanctions on Iran." Council on Foreign Relations. July 15, 2015. <https://www.cfr.org/background/international-sanctions-iran>.

⁸⁶ "Executive Order 13553-- Designating Iranian Officials Responsible for or Complicit in Serious Human Rights Abuses." 2010. Whitehouse.Gov. September 29, 2010. <https://obamawhitehouse.archives.gov/the-press-office/2010/09/29/executive-order-13553-designating-iranian-officials-responsible-or-compl>.

US Unemployment Rates 2009-2010

When President Obama first took office, the US economy was in a very bad shape. The first couple of years in the first Obama Administration were hard. The economy was shrinking and the labor market was declining at a rate of 700,000 to 800,000 jobs per month.⁸⁷ Entire communities were destroyed amid the massive wave of unemployment and the closure of many businesses.⁸⁸

According to the Bureau of Economic Analysis (BEA), which is an agency in the Department of Commerce, in the beginning of 2009, the unemployment rate started at 7.8%.⁸⁹ This rate kept on increasing to reach 9.5% in June 2009. In October, the rate of joblessness reached its peak and hit 10%.⁹⁰

In 2010, BEA found that in January, unemployment rate slightly decreased to become 9.8%. The decrease continued to reach 9.4% in mid 2010. In September unemployment rates marked 9.5% but, increased to reach 9.8% in November 2010.⁹¹

US Presidential Job Approval Rates 2009-2010

When Obama was elected in 2009, his first year started out with high job approval ratings. But, as months went by, job approval ratings started decreasing and fluctuating. His average approval rate in 2009 was 56.5%.⁹² To dig a little deeper in the year of 2009, according to Gallup's monthly tracking polls, in January 2009, Obama's job approval rating

⁸⁷ Weller, Christian E., and Brendan Duke. 2017. "Obama's Legacy on the Economy Is Anything But a Mess." Center for American Progress. June 1, 2017. <https://www.americanprogress.org/issues/economy/reports/2017/06/01/432923/obamas-legacy-economy-anything-mess/>.

⁸⁸ Ibid.,

⁸⁹ Floyd, David. 2019. "Obama's Economic Legacy in 8 Charts." Investopedia. June 25, 2019. <https://www.investopedia.com/news/obamas-economic-legacy-8-charts/>.

⁹⁰ Ibid.,

⁹¹ Ibid.,

⁹² "President Obama Job Approval." n.d. www.Realclearpolitics.com. https://www.realclearpolitics.com/epolls/other/president_obama_job_approval-1044.html.

was 67%. Then, in June 2009, his job approval rate had decreased to 62%. Next, it hit an all-time low in this year to reach 49% both in November and December.⁹³

In 2010, Obama's nationwide approval rates dropped from 56% in 2009 to 47%. His approval rates declined even in states where he won above-average marks during elections. Between 2009 and 2010, Obama's job approval rates decreased more than 10 points in more than 30 states.⁹⁴ Examining the year in detail, according to a Gallup poll, January 2010 marked 51% job approval rating for President Obama. Then, in June, mid 2010, Obama's job approval rating dropped to reach 45%. Next, it reached its lowest this year in August to reach 43%. Finally, at the end of 2010, Obama's job approval rating marked 46%.⁹⁵

Near-Elections Period

US Economic Sanctions Against Iran 2011-2012

Since presidential elections were held in November 2012, then the end of 2011(November 2011) until November 2012 mark the period where elections are considered near. The Obama Administration initiated various economic sanctions against Iran during this period.

In November 2011, President Obama signed Executive Order 13590 which imposed sanctions on Iran's petrochemical sector. This sanction made it more difficult for Iran to maintain and operate its gas and oil sectors.⁹⁶ Then, in December 2011, the Obama Administration enacted FY2012 National Defense Authorization Act (NDAA). To reduce

⁹³ Gallup, Inc. 2016. "Presidential Approval Ratings -- Barack Obama." Gallup.com. April 21, 2016. <https://news.gallup.com/poll/116479/barack-obama-presidential-job-approval.aspx>.

⁹⁴ Epstein, Jennifer. 2011. "Gallup: Obama Approval Fell in 2010." POLITICO. 2011. <https://www.politico.com/story/2011/02/gallup-obama-approval-fell-in-2010-050038>.

⁹⁵ Gallup, "Presidential Approval Ratings -- Barack Obama.", <https://news.gallup.com/poll/116479/barack-obama-presidential-job-approval.aspx>.

⁹⁶ "Fact Sheet: Sanctions Related to Iran." 2012. Whitehouse.Gov. July 31, 2012. <https://obamawhitehouse.archives.gov/the-press-office/2012/07/31/fact-sheet-sanctions-related-iran>.

Iran's ability to export and sell oil, NDAA sought to limit financial transactions with Iran's Central Bank, which receives worldwide oil payments.⁹⁷

In February 2012, the Obama Administration issued Executive Order 13599 blocking the Iranian Government's assets and financial institutions within the US. This Order is meant to make it harder for Iran to work through financial institutions to fund its nuclear program.⁹⁸ Then, in April 22, 2012, President Obama signed Executive Order 13606 which initiated sanctions and visa bans on those who help commit or commit human rights violations through information technology. This Order also targets the companies that provide such technologies for the Iranian regime which are used to track and torture citizens.⁹⁹ Furthermore, for the Obama Administration to ensure that the sanctions will continue on having an impact, it issued Executive Order 13608 in May 1, 2012. This Order launched new sanctions on those who try to avoid American sanctions.¹⁰⁰

US Unemployment Rates 2011-2012

As mentioned before, when Obama first took office, the economy was in turmoil. Jobs were lost and businesses were closing. In the second half of Obama's first presidential term, Obama was able to make unemployment rates decline and add jobs as much as the administration can through many policies and strategies.¹⁰¹ By 2011, the labor market was able to add 90,100 jobs which set it into a pace of job growth.¹⁰²

⁹⁷ "Fact Sheet: Sanctions Related to Iran.", <https://obamawhitehouse.archives.gov/the-press-office/2012/07/31/fact-sheet-sanctions-related-iran>.

⁹⁸ Ibid.,

⁹⁹ Ibid.,

¹⁰⁰ Ibid.,

¹⁰¹ Jackson, Brooks. 2012. "Obama's Numbers." FactCheck.org. October 8, 2012. <https://www.factcheck.org/2012/10/obamas-numbers/>.

¹⁰² Weller, Christian, and Duke, "Obama's Legacy on the Economy Is Anything But a Mess.", <https://www.americanprogress.org/issues/economy/reports/2017/06/01/432923/obamas-legacy-economy-anything-mess/>.

In November 2011, unemployment rates marked 8.6%. Then, in December 2011, unemployment rate was 8.5%. Afterwards, it slightly decreased and stabilized at 8.2% from March until July 2012.¹⁰³ Finally, in late October and early November 2012, unemployment rates marked 7.8% which is the same rate marked when Obama first took office in 2009 before the unemployment rate spiked.¹⁰⁴

US Presidential Job Approval Rates 2011-2012

Since 2009, Obama's approval ratings have been declining. Only in the last few months before the presidential elections in 2012 did the job approval ratings rise slightly.

Obama's overall job rating in late 2011 was 46.5% approval and 47.9% disapproval.¹⁰⁵ Based on a Gallup monthly poll, in early November 2011, Obama's job approval rates recorded 43%. Then, in late December it was recorded that 42% approved of Obama's work while 49% disapproved.¹⁰⁶

In 2012, Obama's overall job approval rate increased to 48.6% while 47.3% disapproved.¹⁰⁷ In the same Gallup poll, the first three months of 2012, Obama's approval ratings fluctuated between 45% and 46%.¹⁰⁸ Approval rates slightly increased in April and May to mark 47%. Then, in October and early November 2012, job approval rates increased significantly and marked 52%.¹⁰⁹

¹⁰³ Floyd, "Obama's Economic Legacy in 8 Charts.", <https://www.investopedia.com/news/obamas-economic-legacy-8-charts/>.

¹⁰⁴ Brooks, "Obama's Numbers.", <https://www.factcheck.org/2012/10/obamas-numbers/>.

¹⁰⁵ "President Obama Job Approval." n.d. www.Realclearpolitics.com.
https://www.realclearpolitics.com/epolls/other/president_obama_job_approval-1044.html.

¹⁰⁶ Gallup, "Presidential Approval Ratings -- Barack Obama.",
<https://news.gallup.com/poll/116479/barack-obama-presidential-job-approval.aspx>.

¹⁰⁷ "President Obama Job Approval.",
https://www.realclearpolitics.com/epolls/other/president_obama_job_approval-1044.html.

¹⁰⁸ Gallup, "Presidential Approval Ratings -- Barack Obama.",
<https://news.gallup.com/poll/116479/barack-obama-presidential-job-approval.aspx>.

¹⁰⁹ Ibid.,

Link Between Domestic Factors and Initiation of Economic Sanctions

Unemployment Rate Analysis

The US's lowest unemployment rate throughout history was recorded in 1953 and marked 2.5%.¹¹⁰ On the other hand, the US reached a record-high unemployment rate in 2020 which marked 14.70% trespassing the previous highest percentage of 10%.¹¹¹ Studies have shown that zero unemployment was proven to overheat the economy which is bad on the long run. In addition, more than 5% unemployment would indicate that many people are jobless and that the economy is going in the wrong track. Then, the natural and ideal unemployment rate that the Federal Reserve estimates for the US is between 3.5% and 4.5%.¹¹²

Based on the numbers given previously, unemployment rates in the US when presidential elections were far (2009-2010) fluctuated between 7% and 10%. The American economy had not reached a 10% unemployment rate since 1982.¹¹³ Thus, based on the Federal Reserve estimate of the natural unemployment rate, the first two years of the Obama Administration witnessed unemployment rates more than 5% which means that joblessness was high.¹¹⁴

As mentioned before, late 2011 until November 2012, unemployment rates began decreasing and fluctuated between 7.8% and 8.6%. Even though unemployment rates decreased from 10% to 8%, this did not mean that the natural and ideal unemployment rate was reached. Based on the estimate set by the Federal Reserve, 7% and 8% is still considered

¹¹⁰ Ferreira, Joana. 2019. "US Jobless Rate Holds Steady at 3.8%." Tradingeconomics.com. TRADING ECONOMICS. April 5, 2019. <https://tradingeconomics.com/united-states/unemployment-rate>.

¹¹¹ Ibid.,

¹¹² "Why Zero Unemployment Isn't as Good as It Sounds." The Balance. 2019. <https://www.thebalance.com/natural-rate-of-unemployment-definition-and-trends-3305950>.

¹¹³ "Unemployment Rate." 2019. Stlouisfed.org. 2019. <https://fred.stlouisfed.org/series/UNRATE>.

¹¹⁴ "Why Zero Unemployment Isn't as Good as It Sounds.", <https://www.thebalance.com/natural-rate-of-unemployment-definition-and-trends-3305950>.

greater than 5%.¹¹⁵ Therefore, the years 2011 and 2012 also witnessed high unemployment rates.

Approval Rates Analysis

Based on a close observation of US presidential job approval ratings since 1933, the scale in which the job approval rating is considered high is between 55% and 75%.¹¹⁶ More specifically, in an observation of Obama's first term's job approval rating, the minimum recorded rating was 40% and maximum recorded rating was 67%.¹¹⁷ Thus, to take a middle ground between both observations, I will consider that between 40% and 55% job approval rating is low and between 55% and 70%, job approval rating is high.

The first months of 2009 recorded high approval ratings beginning at 67% which is higher than 55%. At the end of 2009, job approval ratings drastically decreased to become 49%, which, according to the scale, is considered a low rate. In 2010, job approval rates started at 51% to reach 46% at the end of the year. 51% and 46% are both under 55% and thus are considered low job approval rates. Therefore, the beginning of 2009 only recorded a high approval rate, while all other rates during the rest of 2009 and 2010 were low.

The years 2011-2012 had mostly similar approval rate results as 2010. Late 2011 recorded low approval ratings which marked between 42% and 43%. Then, in 2012, approval ratings fluctuated between a minimum of 45% and a maximum of 52%. All 2011-2012 figures indicate a number less than 55% which means that president Obama had low approval ratings.

¹¹⁵ "Why Zero Unemployment Isn't as Good as It Sounds.", <https://www.thebalance.com/natural-rate-of-unemployment-definition-and-trends-3305950>.

¹¹⁶ "Presidential Job Approval | The American Presidency Project." 2017. Ucsb.Edu. 2017. <https://www.presidency.ucsb.edu/statistics/data/presidential-job-approval>.

¹¹⁷ Gallup, "Presidential Approval Ratings -- Barack Obama.", <https://news.gallup.com/poll/116479/barack-obama-presidential-job-approval.aspx>.

Link Between Unemployment Rates and Approval Rates

As observed in the previous figures, when unemployment rates were high, job approval rates were low. For example, Obama's approval rates started in 2009 to be 67%. But, with the rise of unemployment rates which reached at one time 10%, Obama's approval ratings fell, sometimes reaching 40%. Thus, when unemployment rose, Obama's approval rates fell.

According to a Pew Research poll, job approval rate can be influenced by several factors such as national security, environmental problems, or health crises.¹¹⁸ But, recent history has also proven that public response towards all presidents is highly shaped by the fall or rise of unemployment rates.¹¹⁹ The link between approval rates and joblessness is strongest when unemployment rises abruptly. However, the link weakens when other big concerns become dominant issues in the country.¹²⁰ Since there were no evident salient public issues during Obama's first term, the link between unemployment and approval rates can be considered strong. Therefore, high unemployment rates affected Obama's popularity and led to low job approval rates.

Overall Relationship Between Domestic Factors and Initiation of Economic Sanctions

First, based on the data and analysis given previously, it is evident that economic sanctions were initiated when elections were far and then when elections were near. Second, it is also evident that in both time frames unemployment rates were high and Obama's approval rates were low. The downturn in the economic situation negatively affected the public's approval of Obama. This means that Obama's internal position and status in the US

¹¹⁸ ROSENTIEL, TOM. 2010. "It's All About Jobs, Except When It's Not." Pew Research Center. January 26, 2010. <https://www.pewresearch.org/2010/01/26/its-all-about-jobs-except-when-its-not/>.

¹¹⁹ Ibid.,

¹²⁰ Ibid.,

was not upstanding because of economic turmoil. In fact, Obama's approval rate status was found to have many commonalities with President Reagan's status in his first term in office. Reagan also suffered a low job approval rate as the joblessness rate rose. His rates recovered only when unemployment rates fell.¹²¹ The factual presence of sanctions, high unemployment rates, and low job approval rates proves the establishment of a relationship between them. Since repairing the economy needs much time and policies, therefore, mending the economic situation was not a suitable option for Obama to be able to adjust his internal popularity and acceptance. Thus, Obama chose to resort to other tools which would bolster his position. Obama's alternative strategy was to resort to foreign policies. Hence, he used economic sanctions against Iran as a way to compensate for the suffering economy and his poor position internally. In other words, this shows that Obama used this foreign policy tool not just to accomplish external goals and interests, but also to rectify and repair his position internally. Therefore, domestic factors such as unemployment and approval rates pushed Obama to take this foreign policy decision.

There are many foreign policy theories that may disapprove or approve the relationship between domestic factors and the formation of foreign policies. For example, Realism assumes many elements such as the anarchic nature of the international system, the importance of power, and the selfishness of states.¹²² One of Realism's core assumptions is that states assess each other in terms of power and capabilities not in terms of domestic factors and characteristics such as regime type, ideology, and nature of leadership.¹²³ Thus, the results of this study oppose the Realist paradigm's assumption which refuses to deal and link domestic factors to the formation of foreign policies. On the other hand, Neoclassical Realism, a sub-school within Realism, believes in the importance of domestic politics in

¹²¹ ROSENTIEL, "It's All About Jobs, Except When It's Not.", <https://www.pewresearch.org/2010/01/26/its-all-about-jobs-except-when-its-not/>.

¹²² Collins, *Contemporary Security*, 15.

¹²³ Ibid.,

altering the effect of a certain external trigger on the foreign policy choice.¹²⁴ In addition, Liberalism has similar views as Neoclassical Realism and therefore explains foreign policy as the projection of domestic preferences and aspects into the international arena.¹²⁵ Hence, the result of this study builds upon the Neoclassical Realist and Liberalist assumptions on the importance of domestic factors in shaping foreign policies.

Conclusion

Coercive diplomacy is one of the various strategies that states have been using to avoid full scale wars and solve conflicts in the most peaceful way possible. Coercive diplomacy entails several strategies. One of those strategies is the use of negative and positive economic sanctions. In my Senior Study, I tackled the use of negative economic sanctions, which is translated through the initiation of financial constraints to cripple the adversary's economy. The use of negative sanctions is an old instrument but is now highly used as a foreign policy tool to achieve external and internal goals.

The US has been one of the powerful states that have been heavily using economic sanctions against Iran. Throughout history, US-Iran relations have changed significantly. During 1950s until early 1970s, US-Iran relations were going smoothly. In 1979, the Iranian revolution occurred which ousted the pro-West Shah and brought an anti-West, Islamic conservative to power. After taking American diplomats hostages in November 1979, US-Iran relations were dreadful. Since then, the US has begun implementing economic sanctions against Iran. During the Bush Administration, after the 9/11 attacks, the relationship between the two states deteriorated even more than before. Then, the Obama Administration came

¹²⁴ Smith, Steve, Amelia Hadfield, and Tim Dunne. 2016. *Foreign Policy Theories Actors Cases*. 3rd ed. Oxford University Press, 39.

¹²⁵ Collins, *Contemporary Security Studies*, 32.

with an alternative view concerning foreign policies. Still, economic sanctions were used against Iran.

After several failed rapprochement trials between the first term of the Obama Administration and Iran, the Obama Administration was left with no choice but to initiate economic sanctions. My Senior Study tackled two time frames: from 2009 to 2010 and from November 2011 to November 2012. Those two time frames removed the proximity of presidential elections as a factor affecting the initiation of economic sanctions and enhanced analysis by introducing different conditions and results. During the two time frames, the Obama Administration issued several Executive Orders to employ sanctions on the Iranian regime. In addition, the US issued various economic sanctions on Iran directly, through the UN or through joint sanctions with its close EU allies. During both time frames, the US was going through one of the toughest economic situations in its history. Unemployment rates were very high and never reached a rate lower than 7%. The first takeaway of my Senior Study is that the rough economic situation negatively affected the popularity of the Obama Administration. This was translated in the recorded low job approval ratings. Thus, the second takeaway is that besides wanting to serve external interests and goals, the Obama Administration had to repair its position internally. Therefore, the Obama Administration used economic sanctions as a tool to accomplish external goals and, at the same time, attain domestic approval and compensate for the bad economic situation.

This research's results oppose the Realist paradigm assumption that domestic factors and characteristics do not affect how states view each other and hence do not affect foreign policies. But, on the other hand, these results build upon the Neoclassical Realist and Liberalist paradigms which believe in the significant repercussions of domestic characteristics and aspects on the formation of foreign policies.

The outcomes of my Senior Study contribute to the overall topic of coercive diplomacy. They present a new perspective in which scholars and students may study coercive diplomacy and the factors affecting it. Also, they establish a full understanding of both the external and internal causes of coercive diplomacy especially economic sanctions.

Finally, the increase in job approval ratings at the end of 2012, introduces the question of the success of economic sanctions to repair an Administration's position and popularity domestically and attain domestic goals and interests. This information opens new horizons for future research which may study the success or failure of economic sanctions to restore the popularity and approval of a president and accomplish internal goals.

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