The EU-US Sanctions Dispute over the Helms-Burton and D'Amato Acts

This study examines the EU-US sanctions dispute over the Helms-Burton and D'Amato Acts from 1996 to 1998. In this study the focus is on analysing whether during the sanctions dispute the US was hastening the end of its favourable unipolar position in the international system due to its own foreign policy choices or whether the dispute qualifies as a balancing attempt by the EU.

The systemic level theoretical framework consists of neorealism and sanction studies. Unit level factors are used as explanatory factors without a theory. The general EU-US relationship is used to reflect tendencies stated in the research question. Earlier sanctions and sanctioning patterns are reviewed.

The study concludes that the US made a dual error in its decision to impose extraterritorial sanction laws against the EU. Firstly, the US confused the targets of the sanctions laws. Secondly, the US confused its foreign and economic policy strategies. This meant using confrontational economic strategy towards a foreign policy objective. Taken together, the US succumbed to arrogance of power and ended up possibly deteriorating its future systemic position.

The EU's response was a twofold implicit balancing. The EU's first reaction was to shield itself against the US sanctions with Blocking Statue and Joint Action and so to protect its sovereignty and retain independent capacity to act. The EU's second implicit balancing reaction was meant to discipline the US against its arrogance of power by initiating a dispute settlement procedure in the WTO.

The conclusion is that the sanctions dispute had both the effects of deteriorating the US future position as well as possibly increasing the position of the EU in the future. Yet, the US as an initiator of the sanctions dispute gives more explanatory power to the former.

The source material of this study consists of neorealist theories. The most important source has been the edited book of Ethan Kapstein and Michael Mastanduno 'Unipolar Politics'(1999) Also sanction studies have been used. An important source has been 'Feeling Good or Doing Good with Sanctions – Unilateral Economic Sanctions and the US National Interest' (1999) by Ernst Preeg.