

Sanctions: Strike as a War, Perceived as an Economic Crisis

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ABSTRACT: This research note provides preliminary results, observations, and insights from an ongoing project investigating the impact of sanctions, particularly following the 2018 U.S. withdrawal from the Joint Comprehensive Plan of Action (JCPOA), on Iranian public opinion. The project aims to explore why these sanctions did not trigger a "rally around the flag" effect, commonly seen in times of foreign intervention or conflict. Instead, the sanctions revealed deep internal divisions and widespread dissatisfaction with the Iranian government's mismanagement of the economic crisis. The central hypothesis of this research is that sanctions exhibit a dual nature. On the one hand, sanctions act as a form of foreign intervention that could potentially lead to the unifying "rally around the flag" effect. On the other hand, they function as an economic crisis, which amplifies public frustration and dissatisfaction with the sitting government. This research emphasizes the importance of understanding Iranian public opinion and behavior, in order to determine whether sanctions were perceived primarily as an act of war or as an economic catastrophe.

KEYWORDS: sanction, nationalism, public opinion, JCOPA

Introduction

The study focuses on Iranian public opinion and behavior, seeking to determine whether sanctions were perceived primarily as an act of war or as an economic catastrophe. By analyzing public responses through this dual lens, the research seeks to shed light on the broader implications of how sanctions shape national sentiments and government legitimacy. This study begins with a brief review of the elements that traditionally influence public opinion and behavior in support of a wartime campaign, also known as the "rally around the flag" effect. It then examines the key factors that shape public responses during economic crises. Finally, it provides preliminary observations suggesting the validity of the research problem, paving the way for further investigation.

Elements Influencing Public Opinion During Wartime: The Rally Around the Flag Effect

Public opinion during wartime is shaped by several key factors, which determine whether societies support or oppose military campaigns.

Casualties of War

Mueller (1973) posits that war casualties directly influence public approval, with higher casualties generally leading to declining support for conflict. Geys (2010) expanded on this by highlighting the role of financial costs, finding that economic burdens also impact public opinion. Both studies suggest that as the human and financial losses increase, public support for war diminishes.

Likelihood of a Favorable Outcome

Public perception of the likelihood of victory is another critical factor. Gelpi (2010) argues that support for military action rises when citizens believe in a favorable outcome, but it declines when success seems uncertain. Thus, maintaining public confidence in the prospects of success is essential for sustaining support.

Justification for War

The rationale for military action plays a significant role in public opinion. Eichenberg (2005) found that wars perceived as responses to external threats are more likely to garner public backing, while

interventions in other countries’ internal conflicts tend to have less support. The legitimacy of the conflict, therefore, is a crucial determinant of public sentiment.

Partisan Leadership and Elite Consensus

Berinsky (2007) showed that public opinion often aligns with the positions of political leaders and elites. When leadership is united, public support for war increases. However, when elites are divided, public opinion also fragments, reflecting the leaders’ disagreements (Lunch and Sperlich 1979; Jacobson 2010).

Media Influence

Media plays a crucial role in shaping public perception by framing conflicts. Studies on the Iraq War, such as Gershkoff and Kushner (2005), highlight how media coverage, particularly government narratives, can significantly influence public support for war. The alignment of media messaging with government propaganda, as seen in the post-9/11 context, often leads to stronger public backing for military action. Table 1 presents a summary of the key factors influencing public rallying around the flag during wartime.

Table 1. Public Rallying Around the Flag Elements

Element	Description
Casualties of War	Public support tends to decrease as war casualties increase.
Likelihood of a Favorable Outcome	Public support is higher when the war is perceived as winnable.
Justification for War	The public is more likely to support war if it is justified as a response to an external threat.
Partisan Views Among Leaders and Elites	Unified leadership tends to increase public trust and support for war; divided leadership creates divided public opinion.
Media Influence	Effective media framing can increase public support for war, especially when connected to broader national narratives like the war on terror.

Public Response to Economic Crises: Key Elements of Behavior

Economic crises have far-reaching effects on society, influencing mental health, unemployment, poverty, and more (Wahlbeck et al. 2011; Ramesh 2009). This section reviews the public’s reactions to these stressors, focusing on ideological divisions, trust in institutions, support for democracy, the rise of populism, and social unrest.

Ideological Divisions

Economic crises tend to exacerbate existing ideological divisions. Uslaner (2010) argues that rising inequality during such crises deepens political polarization, making compromise difficult and hindering economic recovery efforts.

Public Trust

Economic downturns also erode public trust in institutions. Uslaner (2014) and Roth (2009) highlight that as inequality grows, trust in governments and financial institutions declines. The 2008 financial crisis, for example, led to a significant drop in public confidence in institutions like the European Central Bank.

Support for Democracy

Economic crises can weaken support for democracy, especially in newer democracies. Morlino & Quaranta (2016) and Klingemann (2018) found that while established democracies were more resilient, countries with newer democratic traditions experienced significant declines in support for democratic values during economic downturns.

Populism and Political Polarization

Economic insecurity often fuels populism. Algan et al. (2017) and Becker, Fetzer, and Novy (2017) found that the 2008–2009 global economic crisis boosted support for anti-establishment parties, with factors like unemployment and low income driving populist sentiment, as seen in the U.K.'s Brexit vote.

Social Unrest and Regime Change

Severe economic crises can lead to social unrest and even regime change. Gasiorowski (1997) and Linz (1991) link economic crises in developing countries to political instability and regime collapse, showing that when governments fail to address economic issues, their legitimacy and stability are threatened. Table 2 provides a summary of the elements that outlines public reactions to economic crises.

Table 2. Public Reactions to Economic Crises Elements

Element	Description
Ideological Divisions	Economic crises deepen ideological divisions, making it harder to pass recovery measures.
Public Trust	Economic crises erode trust in financial institutions and the government.
Support for Democracy	Economic crises often reduce support for democracy, particularly in newer democracies.
Populism and Political Polarization	Economic downturns fuel the rise of populism, often leading to political polarization.
Social Unrest and Regime Change	Severe economic crises can trigger social unrest, governance failure, and regime change.

Historical Precedents of National Unity: Why We Expected a Rally Around the Flag

Foreign intervention often triggers a surge in national sentiment and unity, as seen in various historical contexts. When a nation faces external threats or interference, citizens tend to rally in defense of sovereignty and national pride. This phenomenon, known as the "rally around the flag" effect, has historically played a significant role in shaping public support for governments not only during war, but also during periods of foreign intervention. In Iran, two key historical cases exemplify this pattern. The Tobacco Revolt in the 1890s saw widespread national resistance against a British tobacco concession. Iranians from various social classes, led by religious leaders and intellectuals, unified in their opposition, forcing the Shah to revoke the concession. This movement demonstrated the power of national sentiment in resisting foreign control (Amanat 2017).

Similarly, the Oil Nationalization Movement in the 1950s, led by Prime Minister Mohammad Mosaddegh, united Iranians against foreign dominance over the nation's oil industry. The nationalization of oil, seen as a matter of sovereignty and economic independence, sparked broad support across the country. This collective unity against external intervention was instrumental in shaping Iran's national identity at the time (Gasiorowski 2015). In the post-revolution era, self-determination and resistance to foreign influence became central tenets of Iran's state identity, deeply embedded in its foreign policy. The Islamic Republic has

consistently branded itself as a champion of resistance, framing its stance against foreign interference—whether political or economic—as a continuation of this historical quest for self-determination. Given this backdrop, it would be reasonable to expect that sanctions, particularly those imposed by foreign powers, might trigger a similar rallying effect. However, sanctions have not followed this pattern. Instead of unifying the nation, they have exposed internal divisions and dissatisfaction, suggesting that the dual nature of sanctions—as both foreign intervention and an economic crisis—complicates their impact on national sentiment.

Signs That the Rally Around the Flag Did Not Occur

There are several signs suggesting that instead of fostering unity, sanctions contributed to internal divisions within Iran. These trends help explain why the rally around the flag effect did not emerge.

Decrease in Trust in the National Government

Over time, public trust in the central government has weakened, as many Iranians became increasingly dissatisfied with how the government managed the economy and foreign policy. This decline in trust suggests that instead of rallying behind the government, citizens may have attributed their hardships to domestic leadership (Gallup Analytics 2010–2022).

Declining Confidence in Government Institutions

Public confidence in key institutions, once seen as strongholds of the regime, has gradually faded. This growing disillusionment with the state's ability to meet citizens' needs indicates that public unity behind the government was unlikely to emerge (Gallup Analytics 2010–2022).

Reduced Participation in Elections

A steady decline in voter turnout reflects a broader disengagement from the political process. This decreasing participation suggests that many Iranians may have lost faith in the government's legitimacy, a trend contrary to the expected rallying effect during national crises (Azimi 2024).

Increase in Protests and Uprisings

The growing frequency and intensity of protests across Iran, driven by economic struggles and political repression, further demonstrate a disconnect between the state and its citizens. Rather than unifying in the face of sanctions, many chose to express their frustration through public dissent (Uygur 2022; Zimmt 2019, 2020, 2022).

Insights from Preliminary Observations

The preliminary observations of this study reveal significant political divergence among the leadership of the Islamic Republic regarding the sanctions. Leaders differ in their narratives about why Iran is facing sanctions, how the country should respond to these economic measures, and the likelihood of achieving a favorable outcome. Some factions view sanctions as a direct result of foreign aggression, advocating for defiance and resistance, while others suggest a more diplomatic or economic response. This lack of consensus among political leaders has led to a fragmented approach, which complicates efforts to present a unified national front.

From the perspective of the Iranian public, we observe several key trends: lower participation in elections, a rising number of protests and uprisings, and decreasing confidence in the government and its institutions. These behaviors suggest widespread dissatisfaction and a growing disconnect between the government and its citizens. Instead of rallying around the flag, Iranians have increasingly distanced themselves from the state, opting for political disengagement or active dissent.

Taken together, these two categories of observations—on political leaders and public opinion—suggest that the hypothesis holds potential validity. The fragmented political

leadership and the disillusioned public make it unlikely for sanctions to trigger the rally around the flag effect, further reinforcing the idea that sanctions are perceived more as an economic crisis than a unifying external threat.

Conclusion

This research note aims to open the floor to a new perspective on the study of sanctions, particularly in the context of Iranian public opinion following the U.S. withdrawal from the JCPOA. Rather than providing definitive answers, the preliminary observations discussed here highlight the complex and dual nature of sanctions—as both foreign intervention and an economic crisis—that shape how they are perceived by the public and political leadership. While political leaders remain divided over the causes and responses to sanctions, the public has shown signs of growing discontent through declining electoral participation, rising protests, and eroding trust in government institutions. These early findings suggest that sanctions may not produce the expected rally around the flag effect but rather deepen internal divisions. This ongoing project invites further exploration, encouraging scholars of sanctions to engage in both quantitative and qualitative research to examine these dynamics in greater depth. By contributing to the broader discussion on the impact of sanctions, we hope to inspire more comprehensive studies that will shed light on how economic statecraft influences state-society relations.

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