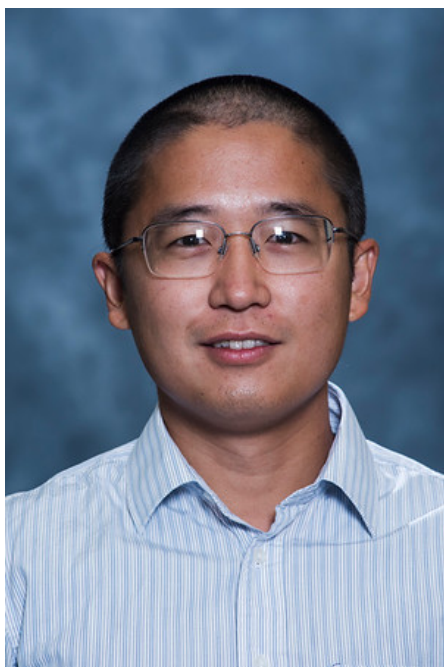


KU TRADE WAR LAB SPEAKER SERIES

Tuesday, July 27, 2021 @3:00-4:00pm CST

DUAL-USE EXPORT CONTROL AND US ALLIES' SANCTIONS-BUSTING BEHAVIOR



Dr. Yuleng Zeng, University of Salzburg

Abstract: The sanctions-busting literature suggests that United States allies are more likely than non-allies to sabotage US efforts to isolate sanction targets. Other research suggests that US sanctions can motivate third-party compliance with US-favored export controls against its sanction targets. Taken together, these findings leave open the question of how affinity with the US conditions dual-use exports to its sanction targets. We demonstrate that US allies are more integrated in the global dual-use goods trade networks and are more trusted by the US.

They thus have more opportunities to engage in sanctions busting behavior. Once controlling for this opportunity, we find that US alliance is associated with lower dual-use exports to US-sanctioned states. Furthermore, we show that target states' political distance from exporters, as well as their integration in global trade networks, are critical confounders of this association. Political distance with target states reduces incentives to engage in sanctions-busting. But when sanctioned states become sufficiently integrated in the networks of controlled dual-use goods, the initial negative impact of political distance dissipates.

Please **RSVP** to receive webinar login here: <https://forms.gle/837jyvpmt8evYG5M8>