

Blowback: The Effect of Sanctions on Democratic Elections*

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Abstract

In international relations, sanctions are meant to coerce political adversaries through economic measures. However, evidence of their effectiveness is scarce. In this paper we assess the impact of sanctions on a democracy — France — by studying the electoral consequences of the sanctions and countermeasures imposed between Russia and Western countries. Contrary to most existing literature, we find clear evidence that exposure to the sanctions causes an increase in the vote share for pro-Russian (and far-right) candidates during the French 2017 presidential election. Locally, the impact on voting is substantial. Back-of-the-envelope calculations indicate that about 15,700 votes for the main far-right candidate can be directly attributed to the sanctions' impact. This is the total number of votes cast in a medium-sized French city. However, it is not nearly enough to have affected the outcome of the election at the national level.

Keywords: Sanctions, Elections, Embargo, Russia

JEL Classification: F51, D72, D74, F13.

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1 Introduction

Do international sanctions work? The answer to this question largely depends on the precise definition of the sanctions' expected and credibly achievable objectives. Even if effectiveness is narrowly defined as the ability to erode popular support for the targeted country's leaders and induce policy changes, the debate in political science and economics is lively, and most evidence is inconclusive or contradictory.¹ There is some evidence that sanctions can lead to a — counterproductive — strengthening of popular support of the targeted political power,² especially in illiberal regimes.³ Sanctions by Western democracies could hence be less effective in adversarial illiberal regimes, while paradoxically leaving them more exposed to political “blowback” in case of countermeasures. Assessing the sensitivity of democracies to (counter)sanctions is therefore critical to measuring the effectiveness of this instrument, and to better prepare democracies for potential responses.

In this paper, we investigate this question by studying the political impact of imposing a trade embargo on a large democratic target country. Specifically, we examine the case of France, which, in response to its own sanctions against the Russian Federation for its invasion and annexation of parts of Ukraine in 2014, was targeted — along with 37 other countries — with an embargo on select food and agricultural products. The policy measures from both sides, Western sanctions and the Russian embargo, had non-negligible economic costs in France (Crozet and Hinz, 2020; Crozet et al., 2021). Politically, relations between France and Russia therefore remained a hot topic: In the presidential election in 2017, a number of contenders campaigned against the sanctions. Among them, the candidate with the most explicit support for Putin's Russia - and the most successful at the polls - was Marine Le Pen, of the far-right party *Front National*. She went so far as to visit Russian President Putin, just one month before the election, in a highly visible media stunt.⁴

The question we are addressing in this paper is whether exposure to the embargo had a measurable causal impact on the outcome of the 2017 French presidential elections. We do so by combining georeferenced French customs data and highly-detailed election data. The former dataset contains firm-level information on exported products and their destinations, thus providing a local measure of exposure to the Russian embargo. The latter dataset then provides the details of the election results for 30,910 municipalities in mainland France. In a difference-in-differences setup we assess whether changes in

¹See, e.g., Allen (2005), Lektzian and Souva (2007), Escribà-Folch and Wright (2010), Bapat et al. (2013), and Felbermayr et al. (2020) for comprehensive reviews of empirical findings and original results.

²See Peksen and Drury (2010), Grossman et al. (2018), and Alexseev and Hale (2020) for evidence of this kind of “backfiring” effects.

³E.g., Escribà-Folch and Wright (2010), Bapat et al. (2013), and Gold et al. (2023). This does not mean that there is no “backfiring” in democracies (Grossman et al., 2018).

⁴See, e.g., <https://www.theguardian.com/world/2017/mar/24/vladimir-putin-hosts-marine-le-pen-in-moscow> for the corresponding media coverage.

the political outcomes can be attributed to the local exposure to the Russian embargo, exploiting rich spatial heterogeneity in the data.

As such, our paper is closely related to a lively literature that analyzes the connection between trade and electoral outcomes. Dippel et al. (2022), e.g., find that exposure to imports from low-wage origin countries helps nationalist parties, whereas export exposure shows the opposite impact. Malgouyres (2017) supports this finding, analyzing fine-grained French election data — the same we employ in this paper.⁵ These results are complemented by findings of Colantone and Stanig (2018), who show for 15 Western European countries that districts with greater exposure to import competition from China increased political support to isolationist parties — primarily through a general shift to the right of the electorate. In a similar vein, Che et al. (2021) find that China’s integration into the world trading system helped US Democrats — then seen as rather protectionist. In a context closely related to sanctions, Blanchard et al. (2019) show that Republican candidates in US electoral districts that were targeted in response to the Trump administration’s trade war fared comparatively worse. Fetzer and Schwarz (2021) show this targeting was likely a deliberate policy choice.

Most related to this present research endeavor are two papers studying the impact of the 2014 Western sanctions on elections in Russia. Using polling station-level data and a structurally estimated local sanctions shock, Gold et al. (2023) show that the regime’s support *increased* in those districts experiencing higher exposure to sanctions. Peeva (2018) also studies this sanctions case, looking at geographic proximity between sanctioned firms and polling stations in Russia. She confirms that Western sanctions have had the opposite impact to that intended. Both papers suggest that the illiberal nature of the Russian political system has played a part in generating this “rally-around-the-flag” effect.

We examine the other side of the coin, studying the impact of Russian counter-sanctions. Our contribution therefore lies in identifying and quantifying the effectiveness of sanctions against a liberal democracy. We document and econometrically show that electoral districts in France that were exposed to the Russian embargo on certain food and agricultural products saw a shift to the electoral right — an increase in support for parties being perceived or openly stating as being “pro-Russian”. For the first round of the 2017 presidential election, we can ascribe about 15,700 additional votes in favor of Marine Le Pen to the Russian embargo. This is both a little and a lot. On the one hand, the absolute number is far too small to have significantly influenced the results of a national election (Le Pen qualified for the second round of the 2017 presidential election with a lead of more than 460,000 votes over the third-placed candidate). On the other hand, however, it is certainly not an insignificant amount, as it is equivalent to the total number of votes

⁵Another paper employing this local-level election data from France is Schneider-Strawczynsk (2021), who studies the impact of the presence of migration centers for far-right support.

cast in a medium-sized French city, like Biarritz. Moreover, this back-of-the-envelope quantification is the result of a difference-in-differences estimation that is, by its nature, a lower bound estimate of the overall effect. Finally, it is important to notice that the average treatment effect on the treated units is substantial. If the overall impact of the embargo is modest, it is not because its influence on votes is weak, but because the scope of the treatment is limited. The number of treated municipalities is quite small (172), which additionally, are, on average, relatively small in terms of population. We obviously cannot know what the impact would have been in case of sanctions affecting activities accounting for a larger fraction of the working population and cities of France.⁶ Yet, as our results show, at the very least, it is possible for sanctions to influence electoral outcomes in a large democracy. Our analysis highlights a vulnerability that democracies should not ignore if they are to prepare for the possibility of more severe sanctions.

The remainder of the paper first presents the political context of the analysis, the data and the identification strategy (sections 2 and 3). We then present the econometric results and various robustness tests and extensions in sections 4 and 5. Technical details and complementary analyses are provided in an online appendix

2 Political context

2.1 The Russia sanctions and countermeasures

In March 2014, an internationally non-recognized referendum endorsed the annexation of the Ukrainian province of Crimea to the Russian Federation. In response, 37 countries (including all EU countries) put in place a series of economic and diplomatic sanctions against Russia. Russia retaliated with a simple and clear action: An embargo on imports of select food and agricultural products from sanctioning countries. Exports to Russia of embargoed products, especially those from the European Union and France, were stopped suddenly and almost completely (see, e.g., Cheptea and Gaigné, 2020; Hinz and Monastyrenko, 2022).

Our empirical strategy is based on the fact that this embargo is both narrowly focused on a limited list of products and highly effective in its implementation. This allows us to identify those French municipalities that have been directly affected by the measures taken by the Russian Federation. It was also adopted very quickly and implemented uniformly on imports from 38 Western countries. We can therefore safely consider this to be an exogenous shock, neither anticipated nor designed to explicitly target specific French municipalities.

⁶See List (2022) on the risk of extrapolating the consequences of scaling up an experiment.

2.2 French presidential elections

Our empirical analysis is based on the electoral results of the 2017 French presidential election at municipal level. This is a fairly detailed geographical breakdown. The French territory is divided into more than 35,000 municipalities.⁷ We focus on mainland France only, excluding overseas territories and Corsica. This leaves us with a comfortable sample of 30,910 municipalities.

French presidents are elected every 5 years by direct universal suffrage, in two rounds. The two candidates who come first and second in the first vote are competing once again in the second round. Its winner then becomes the new French president. In 2017, the two candidates who qualified for the second round were Emmanuel Macron and Marine Le Pen, with Emmanuel Macron winning the final election.

Somewhat surprisingly for a foreign policy topic, Franco-Russian diplomatic relations were hotly debated and featured prominently in the 2017 presidential elections. This was used by the campaign teams and the medias to draw a dividing line between the mainstream / pro-EU candidates and the more anti-system / populist ones. A great deal of time was devoted to this subject during the televised debates and it was one of the specific points of the program comparison tool offered by France's leading daily newspaper, *Le Monde*. Although a number of candidates were more or less in favor of a reconciliatory attitude towards Russia, two candidates stood out for explicit calls for a unilateral exit from the sanctions regime.⁸ These are two populist, far-right candidates: Nicolas Dupont-Aignan ("*Debout la France*") and Marine Le Pen ("*Front National*"). Dupont-Aignan is a fringe candidate who received less than 5% of the votes in the first round of the 2017 election. He officially rallied to Marine Le Pen for the second round. The latter holds a much more prominent position in French politics. In 2011, she succeeded her father as head of the *Front National*, France's main far-right party. Since then, her popularity has steadily grown. In 2017, she had the second-highest first-round score (21.3% of the vote, just behind Macron's 24%.) She received 33.51% of the vote in the second round.

In 2017, both Dupont-Aignan and Le Pen campaigned for the end of the sanctions against Russia. Dupont-Aignan called for a deep partnership with Russia and openly called for lifting the sanctions.⁹ Marine Le Pen also repeatedly expressed her admiration for Vladimir

⁷We use the terms "city" and "municipality" interchangeably.

⁸For a detailed description of each candidate's position on Russia and France's participation in the sanctions regime, see the appendix.

⁹"Unilaterally exit the sanctions regime against Russia" is point 6 of the "Foreign Affairs" chapter of Dupont-Aignan's 2017 programme.

Putin and called for closer relations with Russia.¹⁰ The *Front National* also obtained several loans granted by Russian banks for various campaign funds in the last decades. Moreover, Marine Le Pen had a widely publicized official meeting with Vladimir Putin in the Kremlin in March 2017, which was a significant campaign event.¹¹

3 Identification strategy

3.1 Exposure to sanctions

We seek to assess the extent to which exposure to the Russian embargo on food and agricultural products influenced voter choices and, in particular, votes for Marine Le Pen, the main “pro-Russian” candidate. Our identification strategy is based on the observation of votes in cities directly affected by the Russian embargo. For information on the exposure to this sanction, we use firm-level custom data.

The French customs database provides all French export declarations, by firm, 8-digit classification product, destination and year. For non-EU destinations, the database covers the universe of export flows, with more than 2.6 millions observations per year. We use the product codes to precisely identify exports of products embargoed by Russia.¹² In the dataset, each firm has a unique identifier. This allows to merge the customs data with the SIRENE database (INSEE), which provides information on the location of the firm’s headquarters and its various establishments, as well as an indication of the number of employees in each establishment. For exporters located in multiple municipalities, we allocate the trade flows in proportion to the local employment of the firm. In this way, we compute the structure of exports, by product and destination country, of each of the French municipalities.

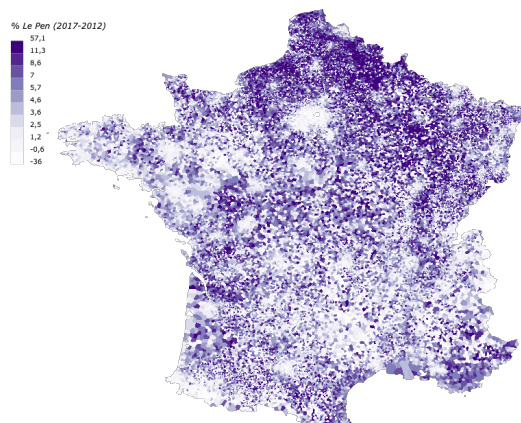
Our treatment variable characterizes municipalities exposed to the Russian sanctions: They are those hosting one or several firms that exported embargoed products to Russia in either

¹⁰Marine Le Pen, for example, claimed that the annexation of Crimea in 2014 was not illegal, suggesting that sanctions against Russia were not justified: “There has been a referendum in Crimea [...] The population has decided, by an overwhelming majority, to return to the bosom of Russia [...] Crimea has always been Russian.” (CNN, 2017). She also pointed out the inefficiency of the sanctions and the cost to French agribusiness: “The sanctions [...] ruined part of our agricultural sectors and they had no impact in reality on the Russian economy. [...] So, yes, when it’s not good for France [...], of course, we defend the French.” (BFM-TV, 2017).

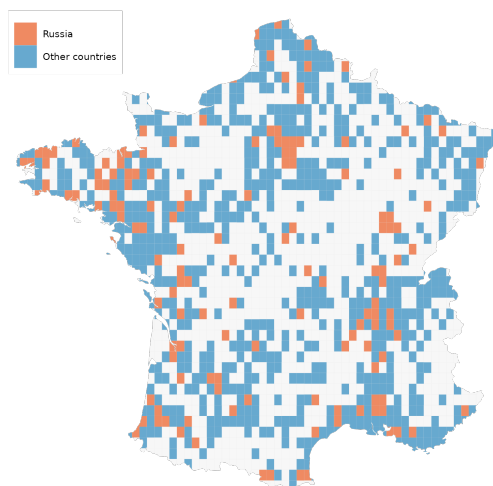
¹¹Jean-Luc Mélenchon (La France insoumise) is the only left-wing candidate to have displayed opinions that can be described as pro-Russian. But his opinion was clearly not one of definitive and strong support for Russia. Rather, it was motivated by a vision of international relations marked by structuralism, which tends to lead to anti-Americanism and opposition to interventionism by Western powers.

¹²The list of embargoed products is of course public. It is shown in the online appendix. It consists of a series of 4-digit products of the Harmonized system classification, which can be matched exactly with the product categories in the French custom data.

Figure 1: Change in vote shares for Le Pen and exports of embargoed products



(a) Percentage points difference in vote shares for Le Pen, 2012-2017



(b) Exports of embargoed products by destination

Note: To preserve the confidentiality of firm-level data, municipalities are grouped in figure (b) by aggregation so that there are no fewer than 5 firms per cell. The econometric analysis is based on the detailed spatial breakdown visible on map (a)

2013 or 2014.¹³

There are two potential problems with the choice of this treatment. The first is that the treatment variable may include municipalities for which the export of embargoed products — and, even more, the export of embargoed products to Russia — is hardly relevant. It will be the case, for instance, for all major cities that host a large and highly diversified set

¹³Including only municipalities that exported these products to Russia in 2014 alone would be too restrictive. Since the embargo was enacted in August 2014, this would exclude from the treatment group municipalities that host firms that had planned to export only in the fall.

of exporters. Smaller municipalities may be also of concern if they host one establishment of a big company with a large export portfolio (e.g. wholesale or retail firms). In these cases, the exposure to the Russian embargo is so diluted that we cannot expect that voters will perceive it. We therefore enforce a (very small) threshold on the importance of these exposed exports. The treated municipalities are the ones for which exports of embargoed products to Russia account for more than 0.01% of the total city exports. This excludes 50 cities from the treatment group.

Second, one may be concerned that our treatment is defined by the location of the firms affected by the embargo, and not by the location in which the employees or the owners of these companies vote. In fact, it is very likely that some of the people who suffered directly from the embargo do not live — and do not vote — in the city where they work. There is no right way to deal with this problem, as we do not have information on the polling stations where the people working in the affected firms are registered. Nevertheless, it is not clear that this should be a legitimate concern. Actually, we consider that this treatment is actually the most relevant. If a local company has suffered from the embargo, it is not only a blow for its employees and owners, but potentially also all the surrounding businesses and households. Firms that are large enough to export often play an important role in municipalities' economic and social life, especially in small, rural towns. They sometimes make a significant contribution to the town's budget, and their employees share important news with residents by taking part in social gatherings. Town hall staff, shopkeepers or, for example, members of the local sports associations can be just as impacted by a negative shock affecting a major company in the municipality. Therefore, assigning the shock resulting from the embargo to the cities that host the affected firms does not seem to be a risky approximation.¹⁴

Our treatment group contains 172 municipalities exposed to sanctions. They are shown on map 1b, along with those that export embargoed goods to other destinations.¹⁵ A careful analysis of the study sample is available in the appendix. It confirms that the socio-economic characteristics of the treated cities do not differ significantly from the ones of the control group and that the votes for Le Pen's party over 15 years verifies the parallel trend assumption.

3.2 Econometric specification

Our econometric analysis relates the municipalities' exposure to the Russian embargo to the electoral results in the 2017 election. An interesting and useful feature of this election

¹⁴Note that the impact of the embargo can extend over larger areas, the limits thereof are hard to define. In a robustness test, we extend the treatment to all employment zones where affected firms are located. The results show no significant effect, which suggests that the perception of the economic consequences of the sanctions remains spatially limited within the municipalities.

¹⁵For confidentiality purposes, this map shows aggregates of municipalities. However, the empirical analysis is based on the municipal divisions shown in map 1a.

is that the main “pro-Russian” candidates were also candidate in 2012. This paves the way for a difference-in-differences identification strategy that controls for unobservable local characteristics by comparing electoral performance across elections.¹⁶ Our benchmark specification is:

$$[Vote_{c,i,2017} - Vote_{c,i,2012}] = X_i + [Z_{i,2016} - Z_{i,2011}] + \theta_{i \in z} + \mu_{c,i}, \quad (1)$$

where i denotes a municipality and c a candidate. $\mu_{c,i}$ is an error term. The dependent variable is the change in the share of votes cast for candidate c in municipality i between 2012 and 2017. As said above, the two candidates who most advocated a “pro-Russian” leaning during the 2017 campaign – Le Pen and Dupont-Aignan – were candidates in both elections, and the vote shares they received in 2017 are matched with those they received in 2012 to construct our first-difference dependent variable, $[Vote_{c,i,2017} - Vote_{c,i,2012}]$. It is also the case for the radical left candidate, Jean-Luc Mélenchon. For other candidates we match the 2017 line-up to the 2012 one based on party affiliation. We match François Fillon (2017) to Nicolas Sarkozy (2012), both belonging to the same party. Emmanuel Macron (2017) received the official backing of the 2012 centrist candidate François Bayrou. In the years preceding the election, Macron was also a member of François Hollande’s socialist government. In 2017, he received the support of several Socialist Party leaders, and post-election polls showed that voters who had voted for Hollande in 2012 split between Macron and Hamon, with Macron capturing about 40 percent of this electorate (Dabi, 2018). So we match Macron with François Bayrou and 40% of the votes for François Hollande. Benoît Hamon (2017) was the official candidate of both the Socialist party and the Greens. We match his 2017 score with an aggregate made of the 2012 votes for Eva Joly from the Green party, and 60% of the ones for François Hollande.¹⁷

The vector of control variables $[Z_{i,2016} - Z_{i,2011}]$ captures the changing demographic and economic characteristics of municipalities that may influence voting. It includes the log of population; the log of median income per household consumption unit; the unemployment rate; the share of the working population of the city in agricultural, blue and white-collar employment; the share of residents above 65; the share of residents below 25; exports per capita, and the share of the foreign-born population. Data for all these variables are provided by the French statistical institute, INSEE.

The employment zone fixed effect $\theta_{i \in z}$ ensures that the electoral outcomes in a municipality

¹⁶See section 5.1 below for a discussion of the limitations of this specification and alternative approaches.

¹⁷This pairing between candidates in two different elections – and the DID approach that ensues – is rightfully debatable. In the online appendix, we use the Manifesto project (Lehmann et al., 2023) to compare the political positions of the 2012 and 2017 candidates and confirm the relevance of the matching. Moreover, the section 5.1 below presents an alternative empirical specification that does not require such a match.

are compared to the ones in neighboring, likely very similar, municipalities.¹⁸ We are therefore controlling for all time-invariant local — cultural or economic — particularities, but also for local public policies (carried out at the level of departments or regions) and the involvement of political activists.

Finally, X_i is a vector of dummy variables that characterize municipality i 's involvement in exporting activities. Identifying the municipalities affected by the embargo is not sufficient to properly estimate the impact of the sanctions because this treatment overlaps with other municipality characteristics that may be associated with voting behavior. Therefore, X_i consists of four dummy variables taking respectively the value 1 if municipality i hosted firms that (i) exported any product to any country in 2013 and/or 2014; (ii) exported any product to Russia in 2013 and/or 2014; (iii) exported embargoed products in 2013 and/or 2014; and (iv) exported embargoed products to Russia in 2013 and/or 2014. The latter dummy is our variable of interest.¹⁹

4 Benchmark results

Table 1 shows the estimates of equation (1) for each of the main candidates running in the 2017 election and the abstention rate.

As the results clearly show, local exposure to the Russian embargo has had a significant — and very specific — impact on votes: Municipalities that host firms directly hurt by the Russian embargo significantly increased their vote share for Le Pen and Dupont-Aignan, the two major candidates who called explicit for an end to the sanctions against Russia. Interestingly, we find an impact for these two candidates only. The absence of a significant effect on votes for Mélenchon or on the share of abstentions is also relevant. It suggests that what we observe for the two main pro-Russian candidates is not the result of a mere rejection of politics or mainstream parties.

Politically, the order of magnitude of the estimated impact on far right votes is also meaningful. We estimate that the increase in percentage points of votes cast for Le Pen was 0.536 percentage points higher in the exposed municipalities than elsewhere. On average across all French metropolitan municipalities, the percentage of votes for Le Pen increased by 4.57 percentage points between the presidential elections of 2012 and 2017. Therefore, exposure to the embargo boosted Le Pen's performance by 12% in the treated cities. Another way to assess the size of the impact is to compare its magnitude to the influence of the control variables. One of the most important variables in the vote for Le Pen is

¹⁸Employment zones are quite small areas, containing 10,000 to 4 million jobs. The French metropolitan territory is divided into more than 280 employment zones, which are much smaller than the regions and departments (i.e. NUTS2 and NUTS3 respectively in the Eurostat classification), which are the official administrative divisions.

¹⁹An alternative approach is to restrain the control group to cities with export activity comparable to that of the treated cities. See Table 2.

Table 1: Exposure to the embargo and voting in the 2017 presidential elections (First differences)

	Le Pen	Dupont Aignan	Mélenchon	Fillon	Macron	Hamon	Abstention
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Export Embargoed Products to Russia	0.536a (0.204)	0.175c (0.093)	-0.406 (0.272)	-0.278 (0.192)	0.259 (0.193)	0.443 (0.286)	-0.121 (0.159)
Export Embargoed Products	-0.520a (0.078)	-0.233a (0.041)	0.511a (0.116)	0.353a (0.079)	-0.375a (0.084)	-0.811a (0.112)	0.083 (0.070)
Export Any Product to Russia	-0.497a (0.078)	-0.309a (0.043)	0.822a (0.095)	0.293a (0.074)	-0.631a (0.080)	-1.170a (0.105)	0.318a (0.070)
Export Any Product	-0.326a (0.068)	-0.115a (0.030)	0.304a (0.057)	-0.064 (0.056)	-0.292a (0.055)	-0.550a (0.072)	0.176a (0.049)
$\Delta \ln$ Population	0.606c (0.353)	0.576a (0.187)	1.226a (0.293)	-2.275a (0.359)	-1.191a (0.261)	-0.605b (0.303)	-0.570c (0.322)
$\Delta \ln$ Income	-0.637 (0.749)	0.227 (0.328)	-1.204c (0.651)	0.718 (0.792)	0.987c (0.568)	0.645 (0.671)	0.657 (0.561)
Δ Unemp. rate	1.824b (0.833)	-1.170b (0.453)	1.106 (0.772)	0.180 (0.853)	-1.465b (0.638)	-1.452c (0.761)	1.652b (0.639)
Δ Sh. L-Skills	-0.592a (0.222)	0.358a (0.125)	-0.494a (0.184)	-0.317 (0.213)	-0.713a (0.144)	0.461b (0.184)	-0.182 (0.189)
Δ Sh. H-Skills	-1.457a (0.487)	0.340 (0.227)	-0.083 (0.439)	0.174 (0.433)	-0.686b (0.327)	0.031 (0.379)	0.720c (0.375)
Δ Sh. Farmers.	0.040 (0.497)	-0.568b (0.240)	0.389 (0.424)	0.589 (0.501)	-0.018 (0.340)	-0.938b (0.384)	0.310 (0.390)
Δ Sh Young	4.237a (1.513)	-0.535 (0.737)	-3.557a (1.311)	3.028b (1.379)	-1.371 (1.112)	-1.011 (1.123)	-0.466 (1.168)
Δ Sh Old	-12.652a (1.416)	-2.353a (0.707)	-7.130a (1.062)	12.826a (1.267)	-5.878a (1.098)	-6.197a (1.137)	1.673 (1.143)
Δ Sh. immigrants	-8.198a (2.577)	-1.863 (1.170)	3.525 (2.357)	2.787 (2.144)	-1.794 (1.856)	-6.124a (2.339)	3.110 (1.890)
Observations	30910	30910	30910	30910	30910	30910	30912
R^2	0.017	0.007	0.013	0.012	0.012	0.026	0.003

Notes: All variables except for treatment dummies are in first-differences. Employment zone fixed effects. Heteroskedasticity-robust standard errors clustered at the employment zone level appear in parentheses. ^a, ^b and ^c indicate significance at the 1%, 5% and 10% confidence level respectively.

the unemployment rate, which reports a coefficient of 1.824 in column (1). Therefore, a comparable increase in the unemployment rate needed to boost votes for the Le Pen by as much as the embargo did is slightly over 29 percentage points ($0.536/0.01824 = 29.4$).

Importantly, the impact is strong locally, but it is illusory to imagine that it could have significantly influenced the results at the national level. There are only 172 treated cities, which account for 3.7 million voters all together, among which only 2.9 million cast a vote in 2017 (about 8.1% of the total number of French voters in 2017). A back-of-the-envelope calculation leads to the estimate that the Russian embargo gave 15,732 additional votes in favor of Le Pen — a non-negligible number equivalent to the total votes cast in 2017 in a medium-sized city like Biarritz. However, this is only 0.2% of the total votes cast at the national level for Le Pen, and about 1.6% of the difference in the number of votes between Macron and Le Pen in the first round of the election.

Finally, the coefficients associated with the dummy variables characterizing the municipality-level exposure to trade are also informative. They indicate that the far-right has grown

Table 2: Robustness checks: Alternative control variables, fixed effects and control groups

Dep. var. Model	Δ Vote share Le Pen (2012-2017) First-difference					Vote share Le Pen 2017 Lagged dependant variable	
Elections	1st rounds 2012-2017					2017 #1	2017 #2
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Export Embargoed Products to Russia	0.491b (0.210)	0.515b (0.208)	0.579b (0.208)	0.472b (0.202)	0.453b (0.209)	0.489a (0.165)	0.667a (0.245)
Export Embargoed Product	-0.553a (0.085)	-0.557a (0.085)	-0.614a (0.097)			-0.277a (0.058)	-3.50a (0.090)
Export Any Product to Russia	-0.528a (0.085)	-0.549a (0.088)	-0.638b (0.208)	-0.522a (0.186)		-0.326a (0.069)	-0.498a (0.090)
Export Any Product	-0.382a (0.081)	-0.352a (0.078)	-0.368b (0.167)			-0.145a (0.046)	-0.850a (0.768)
Control var.	No	Yes	Yes	Yes	Yes	Yes	Yes
Fixed Effects	EZ	Dep	Reg	Dep	Dep	EZ	EZ
Sample	A	A	A	B	C	A	A
Obs.	30910	30910	30910	1745	846	30910	30910
R^2	0.005	0.018	0.019	0.041	0.070	0.727	0.724

Notes: Sample A: All municipalities. Sample B: Municipalities exporting embargoed products. Sample C: Municipalities exporting embargoed products and at least one product to Russia. Cols 1-5: All variables except for treatment dummies are in first-differences. Non-reported coefficients: City-level variables as in table 1. Employment zone fixed effects. Heteroskedasticity-robust standard errors clustered at the employment zone level (cols. 1, 6 and 7), department level (col. 2, 4 and 5), or region level (col. 3) appear in parentheses. ^a, ^b and ^c indicate significance at the 1%, 5% and 10% confidence level respectively.

less in municipalities that host exporting firms, and even less when these firms exported to Russia in 2013 or 2014. Insofar as large firms (therefore, exporters, and in particular exporters large and competitive enough to reach distant countries) tend to locate in relatively big and economically attractive cities, this confirms the fact that the electorate of the far-right has grown mainly in peripheral and less dynamic localities. In this respect, the contrast with the results obtained for Mélenchon are striking. The latter relies on a very different electoral base, made up of young urban elites and the working classes of major cities (see, e.g. Algan et al., 2018; Ivaldi, 2018). This explains why, despite his skepticism about the sanctions, voters in cities affected by the Russian embargo did not see his candidacy as a credible political option.²⁰

5 Additional results

5.1 Robustness tests

This section presents a series of robustness checks of our central result on the impact of the embargo on votes for Le Pen. Column 1 is a response to the concern about the inclusion of potential bad controls. The municipality-level characteristics used as control variables may be bad controls insofar as they may capture part of the effect of sanctions on voting for the *Front National* (e.g., if the embargo increased unemployment or reduced income) or

²⁰Moreover, a poll conducted in France in May 2017, just a few days after the presidential election, confirms that the left-wing electorate shows very little pro-Russian or pro-Putin leanings (ODOXA and IRIS, 2017). Only 24% of left-wing sympathizers say they have a "good" or "very good" opinion of Russia, compared with 65% of those who support the *Front National*.

magnify it (e.g., if a fraction of unemployed residents left the city). We therefore estimate a specification without control variables, retaining only the dummies describing the export activity of the municipalities and the fixed effects.

In columns 2 and 3 we use different sets of fixed effects. Instead of employment zones, which may be considered too small, we use department (column 2) and region (column 3) fixed effects.

In columns 4 and 5, we restrain the control group to municipalities whose export activity is comparable to that of the treated cities. In Column 4, the control group includes cities that export embargoed products (not to Russia). Column 5 further restricts the sample to cities that also export non-embargoed products to Russia.²¹

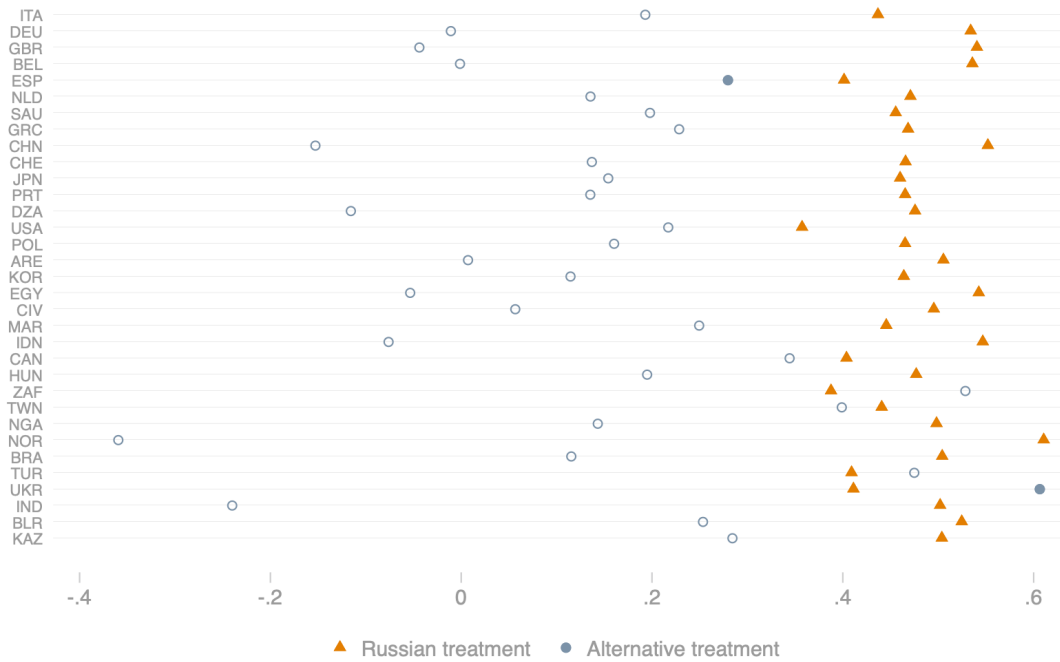
Columns 6 and 7 show the estimates obtained with a lagged dependant variable model. This specification is a cross-section for the year 2017. Rather than eliminating time-invariant co-founding factors with a first difference setting, we control for each municipality's pre-existing political situation using a vector of variables that includes the details of city's previous electoral results (i.e. the share of votes cast for each candidate in the 2012 presidential election, as well as the results obtained by the *Front National* in the 2015 regional elections). This specification offers a better control of omitted variables when they are not time-invariant (which may be the case here, as local electoral dynamics and campaigning efforts tend to build on the successes and failures of past elections). It also provides an answer to the concern that Le Pen's opinion and major campaign topics may have changed between 2012 and 2017. Finally, it offers the opportunity to estimate the impact of the sanctions on the second round of the 2017 election (column 7).

All these robustness checks, together with the results of the second round, unambiguously confirm the result shown in table 1.

Another robustness check consists of a series of placebo tests shown in Figure 2. Here, we add two dummy variables to our benchmark specification. They characterize municipalities exporting in 2013-2014 to another country than Russia, for non-embargoed products and embargoed products, respectively. The figure reports the coefficients associated to the latter dummy, for a selection of 35 alternative destinations. Those are either major destinations for French exports or middle income countries more or less comparable to Russia in terms of geographical location, political alignment or economic structure. As in the main specification, in all regressions the dependent variable is the change of votes (in percentage points) received by Le Pen between 2012 and 2017. Two conclusion emerge from this exercise. First, the introduction of these placebo treatment dummies does not change the results on our variable of interest. All the coefficients are very stable in magnitude

²¹The drawback is that identification with employment zone fixed effects becomes fragile, as we multiply the cases of treated cities with an extremely small (or even empty) control group. We therefore use department fixed effects.

Figure 2: Placebo tests: Treatments using alternative countries



Notes: The figure reports our treatment variable (triangles) and a comparable treatment characterizing municipalities exporting to an alternative country (circles). Hollow markers denote non-significant coefficients (10% confidence level). Countries are ranked according to the value of French exports of embargoed products.

(around 0.5) and significant. This suggests that the link we observe between votes and exposure to the Russian embargo is not driven by a correlation between the geographical distribution of French firms exporting to Russia and that of exporters to other countries. Second, for almost all alternative destinations, the placebo treatment is small and not statistically significant. There are only two country for which we observe an effect on the electoral results comparable to that observed for Russia. One, interestingly, is Ukraine. The other is Spain. This is probably the consequence of the strong tensions that exist between farmers on both sides of the Pyrenees, which — in France — fuel an anti-European and protectionist sentiment among the most exposed farmers.²²

5.2 Treatment intensity

This last section expands upon our benchmark results which are based on simple treatment dummies, and investigate whether the *intensity* of the treatment is heterogeneous across treated municipalities. The political impact of the embargo is likely related to the

²²This was particularly the case in 2016 and 2017, when there were demonstrations by French wine makers against Spanish imports (e.g. The Guardian, April 2016). Interestingly, the coefficient observed for Spain is much lower when we eliminate from the sample the French departments close to Spain, whose agricultural production of wines and fruits is in direct competition with Spanish production.

Table 3: Treatment intensity

Candidate	Intensity measure	Intensity	Treatment coef.	s.e.	Nb. obs.
Le Pen	Share of agricultural workers	High	1.373a	(0.253)	30824
		Low	-0.297	(0.247)	30824
	Share of embargoed exports	High	0.562b	(0.276)	30824
		Low	0.511b	(0.252)	30824
	Value of embargoed exports p.c.	High	0.941a	(0.264)	30824
		Low	0.130	(261)	30824
	Drop in total exports	High	0.772a	(0.262)	30824
		Low	0.299	(0.299)	30824

Notes: Each line shows a regression. Coefficients not reported: All regressions include control variables as shown in Table 1); we only report the coefficient on our dummy indicating cities that exported embargoed products to Russian in 2013 and/or 2014. Heteroskedasticity-robust standard errors clustered at the employment zone level appear in parentheses. ^a, ^b and ^c indicate significance at the 1%, 5% and 10% confidence level respectively. For each intensity measure, in separate regressions, we retain cities with high and low intensity alternately in the treatment group. The control group remains unchanged.

importance, for the local economy, of affected exports. This is explored, for Marine Le Pen, in table 3.

Here we divide the treated group into municipalities that are highly exposed to the embargo and those that are less affected. We use the two treated subgroups alternately in separate regressions. The control group is unchanged. We construct four indicators of intensity of the treatment: The presence of farmers in the active population; The share of embargoed products exported to Russia in total municipality's exports in 2013/14; The value per inhabitant of embargoed products exported to Russia in 2013/14; The change in total exports between 2013/14 and 2015/16. For each of these four indicators, we simply divide the treated group according to whether the value is above or below the median.

The results match with expectations: The electoral benefits of the Russian embargo for Le Pen are greatest in cities where the treatment is most severe.²³

6 Conclusion

In this paper, we identify and quantify the impact of sanctions on democratic elections. We document and show econometrically that French municipalities that have been exposed to the Russian embargo since summer 2014 have seen a shift in the electorate towards far-right candidates, voicing their opposition to sanctions against Russia.

The overall impact on the general election outcome is non-negligible, but relatively small. In the 2017 French presidential election, local exposure to the Russian embargo on food and agricultural products led to an increase in the number of votes for the pro-Russian right-wing politician Le Pen by 15,732 — far from making a dent in the vote difference

²³However, there is no difference in impact depending on the share of exports directly affected by the embargo in the municipality's total exports.

of almost 1 million votes to the winner, Emmanuel Macron. It should be noted that the limited magnitude of this impact on the general election is not the result of a moderate reaction of voters. On the contrary, the average treatment effect is large, implying that citizens directly affected by the sanctions reacted quite strongly. If the embargo did not alter the final outcome of the election, this was due more to its limited scope than to any lack of influence on voting.

Russia was not a major destination for French exports, and the embargo targeted a relatively low number of products. As a result, the embargo impacted only a small fraction of French foreign trade, affecting relatively few exporting firms and municipalities. It is difficult to gauge the political consequences of sanctions with broader and more devastating economic effects (for instance, in the case of sanctions imposed by a major trading partner such as China). However, our results are a reminder that democracies can be fragile and easily destabilized. This should lead democratic governments not to neglect the possible consequences of countermeasures to their own sanctions and to take precautions accordingly, for example by providing compensatory aid to individuals and firms directly affected.

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