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WHEN INCENTIVES CROSS SOCIETAL TYPES: WHY SANCTIONS, AID, AND RIGHTS PRODUCE NON-EQUIVALENT RESPONSES

Abstract

Sanctions, development assistance, and legal rights are often evaluated as if their behavioural effects were stable across recipient societies. This article argues that the same instrument can produce different responses because it passes through institutions that determine what counts as value, who controls resources, how losses are distributed, and whether individuals can leave the structures that mediate access. Drawing on the author's H-model, the study develops a conceptual account of transmission across Consumer, Legal, Dogmatic, and Rigidly Hierarchical configurations. Economic damage, operational-capacity reduction, and political-goal revision are treated as separate outcomes. The argument is developed through four illustrations: sanctions and leadership disruption in Iran, wartime resource allocation in Russia, reconstruction assistance to Afghanistan, and the relationship between individual rights and mediated access to support in European integration policy. Four mechanisms explain why intended and observed effects may diverge: doctrinal recoding of external pressure, hierarchical displacement of losses, aid capture through existing coordination structures, and the dependence of practical autonomy on effective freedom of exit. The cases illustrate the framework rather than establish comparative causal effects; alternative explanations and falsification requirements are specified explicitly. The principal implication is that intervention should be evaluated through verified

changes in function and control, rather than damage inflicted, money disbursed, or protections enacted alone. An economy can suffer while its governing priority remains financed; an organisation can grow without becoming autonomous; and a right can exist while the intended beneficiary cannot exercise it. Transmission compatibility therefore becomes a necessary question in the design and assessment of sanctions, aid, and rights.

Keywords: societal types; economic sanctions; foreign aid; institutional transplantation; axiological transmission; rigid hierarchy; dogmatic institutions; freedom of exit; budget filter; integration policy

Problem statement

External interventions are habitually designed around an implicit sequence: economic losses generate dissatisfaction, dissatisfaction creates political pressure, and political pressure changes policy. Assistance is expected to build institutional capacity; legal rights are expected to expand individual autonomy. These expectations are plausible where welfare, accountable government, and individual choice carry substantial weight. They become less reliable when transferred to institutions organised around doctrinal fidelity, centralised command, patronage, or control over members.

The recurring error is to assess an instrument through the values and feedback mechanisms of the society that deploys it, although its effects unfold within the institutions of the recipient. This is more than cultural misunderstanding. It is a misspecification of the transmission channel: who decides what a resource is worth, who controls it, who bears a loss, and whether the intended beneficiary can act independently.

The problem connects otherwise separate policy debates. Sanctions can impose costs while a governing core protects its military priorities. Reconstruction can finance ministries and security organisations that cannot function independently of donors. Rights can protect an association while leaving

individual members dependent on its internal authorities. In each instance the input is observable, but the intended behavioural change requires a further institutional step.

Analysis of recent research and publications

Galtung questioned the assumed passage from deprivation to accommodation [1]. Kaempfer and Lowenberg explained sanctions' redistributive incentives, while Jones examined the social relations through which pressure is transmitted [2; 3]. Grauvogel and von Soest showed why pressure can reinforce claims to legitimacy [4]. The present argument builds on these mechanisms.

The aid literature exposes a related distinction between resources and institutional function. Berkowitz, Pistor, and Richard show that transplanted institutions depend on the conditions of their reception [5]. North, Wallis, and Weingast explain how restricted access to resources sustains elite coalitions [6]. SIGAR's reconstruction lessons and evaluation of the Afghan government's collapse document the consequences of donor dependence, weak sustainability, and misaligned incentives [7; 8]. Increasing the volume of assistance does not by itself change the coordination structure that converts it into outcomes.

The rights literature addresses a corresponding tension between group protection and individual autonomy. Shachar examines the vulnerability produced when cultural accommodation strengthens internal authority, while Kukathas gives freedom of exit a central place in the defence of association [9; 10]. Hirschman's distinction between exit and voice helps identify how individuals can respond to institutions that fail them [11]. Formal permission to leave is therefore analytically different from the practical capacity to do so.

These literatures share a problem that is often studied separately: an instrument changes available resources or legal opportunities, but the recipient's institutions determine their use. The contribution is a common account of conversion through evaluation priorities, coordination, allocation, and exit.

Purpose of the article

The purpose is to explain why sanctions, aid, and rights can produce non-equivalent responses across institutional configurations, and to identify conditions under which they change behaviour, are absorbed, or reinforce existing control. The method combines conceptual modelling with illustrations from Iran, Russia, Afghanistan, and European integration policy, using a historical frame through 2025.

Presentation of the main material of the study

Societal configurations and the transmission function

Four ideal types organise the argument. A Consumer configuration gives priority to income, consumption, and economic opportunity. A Legal configuration gives priority to individual autonomy, equal standing, accountability, and procedural legitimacy. A Dogmatic configuration privileges doctrinal fidelity, conformity, and reproduction of the normative order. A Rigidly Hierarchical configuration privileges command continuity, mobilisation, and preservation of the governing core. Following the logic of Weberian ideal types, these are analytical constructions rather than exhaustive descriptions of actual societies [12].

Configurations coexist within polities, institutions, and households; they are not attributes of nations or religions. Their defining practices must be independently observable. Assigning a country a label after observing its response would merely rename the outcome.

The author's H-model treats resources as inputs whose effects depend on production and institutional conversion. Money does not automatically become capability. It can finance public services, purchase client loyalty, support a military function, or reproduce doctrine. The axiological component specifies which of these outputs the controlling institution values; coordination determines how decisions are made and implemented.

A budget filter makes those priorities material. It distributes controlled resources among productive activity, defence and security, enabling infrastructure, and reproduction of the value system. The filter is constrained by available resources but remains partly a choice of those who control allocation. Reducing the total does not determine which function loses funding. This distinction is the central reason why aggregate damage can coexist with preservation of a governing priority.

The argument can be expressed in one schematic relationship:

$$\Delta Y = T(\varepsilon, A, C, B, E) \quad (1)$$

Here ΔY is the outcome change, ε the external impulse, A the weighting of valued outcomes, C coordination, B the budget filter, and E effective exit. T describes institutional conversion. Equation (1) is conceptual, not an estimated causal equation.

Three outcomes must remain separate: economic damage, operational-capacity reduction, and political-goal revision. Lost income establishes damage; it does not establish loss of a specified military or administrative capability. Reduced capability does not establish abandonment of the objective for which resources are mobilised. An intervention may succeed on one dimension and fail on another. Evaluation must therefore specify the intended outcome before observing the response.

Doctrinal recoding and the Iranian illustration

Research on Iran establishes economic effects of sanctions without making those effects equivalent to political accommodation. Laudati and Pesaran trace sanctions shocks through the economy, while Dizaji and van Bergeijk examine how early effects can change as adaptation develops [13; 14]. These findings justify examining transmission over time rather than interpreting either initial contraction or subsequent adjustment as a complete verdict.

Doctrinal recoding occurs when an external loss is interpreted as the price of fidelity, a test of collective worth, or confirmation of a hostile environment. Under this mechanism, pressure can supply arguments for the order it seeks to weaken. Material welfare still matters, but its decline need not impose the political obligation that the sender expects. Whether recoding succeeds depends on institutions that produce, distribute, and enforce the interpretation.

The allocation counterpart is equally important. Sanctions can expand the value of restricted trade and informal access. Actors controlling those channels may strengthen their position even while society becomes poorer. Farzanegan's analysis of Iran's informal economy provides a basis for investigating this redistribution [15]. The relevant question is not simply whether resources decline, but whether the institutions central to doctrinal and coercive reproduction lose control over them.

Leadership disruption tests a different part of the same mechanism. The Congressional Research Service's account of the initial Israeli attacks in June 2025 reported strikes against nuclear and military infrastructure and senior personnel [16]. Such losses can reduce operational capacity. They do not alone establish a change in governing objectives: that requires evidence about succession, replacement of expertise, institutional continuity, and subsequent decisions. Personnel removal and institutional transformation must not be treated as interchangeable results.

Iran also supplies an essential counter-case. The negotiations culminating in the 2015 JCPOA show that pressure can contribute to bargaining within a system with doctrinal commitments. Agreed restrictions and monitoring were substantive policy outcomes. The framework cannot dismiss them as irrelevant merely because the wider political order survived. It distinguishes revision of a specific policy from transformation of the value system; either may be the sender's actual objective.

Hierarchical displacement and the Russian war economy

The Russian illustration concerns protection of a priority under pressure. Cooper estimated planned military expenditure for 2025 at 15.5 trillion roubles, equivalent to 7.2 per cent of GDP [17]. This budget estimate shows the scale of the protected priority; it does not establish that sanctions imposed no constraint.

Hierarchical displacement describes the capacity to transfer losses away from the governing priority. Civilian investment, household purchasing power, and non-priority public services can absorb adjustment while military functions receive preferential funding, labour, or credit. Centralised allocation changes the relationship between an economy's aggregate condition and the resources available to the particular function an external actor seeks to constrain.

The financing mechanism extends beyond the visible budget. Domestic borrowing and directed credit can defer costs and distribute them across banks, firms, and households. Fiscal dominance would require evidence that financing the priority persistently constrains monetary choices; liquidity provision alone does not establish it.

Political feedback is a separate channel. If institutions suppress dissent or insulate decision-makers from the groups bearing the largest costs, material losses need not become effective pressure for policy revision. Selective compensation can further alter the distribution of incentives. The resulting proposition is conditional: the greater the capacity for coercive reallocation and insulation from accountability, the weaker the expected link between aggregate damage and revision of the governing objective.

This does not imply unlimited resilience. Financial buffers, specialised inputs, productive capacity, and willingness to comply can be exhausted. A system may preserve a priority at rising latent cost until a bottleneck interrupts it. The empirical task is to trace that cost and identify the constraint, rather than infer imminent capitulation from falling welfare or permanent immunity from

continued expenditure. Trade substitution, enforcement gaps, and military conditions remain competing explanations.

Aid capture and Afghanistan

Afghanistan illustrates why organisational stock and autonomous function must be distinguished. Reconstruction financed ministries, security forces, infrastructure, and services. SIGAR's lessons show that achievements coexisted with unrealistic timelines, weak sustainability, and institutions dependent on external support [7]. The government's collapse in 2021 cannot be explained solely by the amount of aid delivered; the withdrawal of support, political decisions, security conditions, and institutional dependence must be considered together [8].

The transmission mismatch lay partly in what the resource reproduced. In a patronage structure, controlled access to assistance can purchase loyalty and sustain intermediaries. This is not necessarily failure from the intermediary's standpoint: the resource has produced the output that preserves the coalition. Donors may see an administrative organisation, while those managing it use appointments, contracts, and payrolls to reproduce personal obligations.

Parallel delivery systems create another difficulty. Donor contracting can provide services rapidly, yet leave domestic financing, accountability, and maintenance underdeveloped. A ministry's formal existence does not show that it can raise revenue, pay staff honestly, sustain logistics, or make decisions without external support. Disbursement and headcount measure inputs and stocks; they do not establish a self-reproducing function.

The resulting proposition is that assistance tends to reproduce existing coordination where gatekeepers control access and performance is not independently verified. Designs that reduce this dependence should be assessed through observed function: reliable payrolls, maintained infrastructure, services reaching intended users, and credible financing. Direct delivery may help in

some settings, but bypassing intermediaries is not automatically equivalent to building durable public institutions.

Rights and effective freedom of exit

The fourth illustration concerns the distinction between legal entitlement and effective control. Rights, benefits, and associational protection can expand individual capabilities. Where access is mediated, however, the person legally entitled to support may not control the account, documents, information, or decisions through which it is used. The same formal protection can therefore enlarge personal choice or strengthen the authority of an intermediary.

There is no single European payment or integration system. Household-based and individual arrangements vary across countries and programmes. The question requires programme-level evidence: does support reach individuals in a form they can use independently? Community identity cannot supply the answer.

Freedom of exit provides the decisive connection. Leaving an association or household may be formally permitted yet entail loss of income, housing, childcare, legal security, or physical safety. In that situation, group autonomy and individual autonomy can diverge [9–11]. A bank card in a person's name does not establish practical control when another person controls its use. Conversely, household support need not imply capture where members retain meaningful choice and protection.

The rights–resource duality is therefore conditional. Independent access to income, enforceable protection against coercion, credible alternatives, and contact with public institutions can make rights usable. When these conditions are absent, an entitlement may increase resources under an existing authority without increasing the beneficiary's autonomy. Effective exit is a practical condition whose components can be measured, not a demand that individuals abandon their communities.

Propositions and conditions for falsification

Six propositions summarise the framework. First, targeting an outcome valued little by the controlling institution should have less influence on its objective, conditional on comparable damage. Second, capacity to reallocate losses should weaken the link between aggregate decline and resources reaching the priority function. Third, successful doctrinal recoding should favour mobilisation or repressive legitimation rather than automatic accommodation.

Fourth, aid routed through unaccountable gatekeepers should reproduce their coordination structure more readily than autonomous function. Fifth, rights should expand practical autonomy more reliably where beneficiaries control resources and have credible exit options. Sixth, variation among sectors, organisations, and households should limit the predictive value of a single national label. These propositions concern conditional tendencies, not necessary outcomes in every case.

Measurement must precede classification. Allocation records and succession practices can indicate institutional priorities; decision concentration and accountability can indicate coordination; divergence between civilian and priority funding can indicate displacement. For exit, relevant observations include control of income and documents, access to independent advice, alternative housing, and enforceable protection. Public rhetoric alone cannot establish either institutional values or successful doctrinal recoding.

The framework would lose explanatory force if instrument magnitude and enforcement fully explained outcomes; if its component measures added nothing beyond income, state capacity, and regime characteristics; or if similar losses produced comparable goal revision across configurations. Evidence that effective exit had no relationship to the exercise of rights would challenge its micro-level mechanism. Reclassifying every inconvenient case after the event would make the typology unfalsifiable.

Dated process tracing, explicit counterfactuals, and negative cases are essential: sanctions that produce concessions, aid that sustains independent services, and benefits that remain under beneficiaries' control. The illustrations are purposive and unequal in evidential depth; they cannot establish causal magnitude or population frequencies.

Implications for intervention design

For sanctions, the practical implication is to specify whether the aim is economic damage, reduced capacity, or a particular concession, then identify the channel connecting the instrument to that aim. Where priorities are protected through reallocation, pressure on aggregate consumption may have weak leverage. Where interpretation is institutionally controlled, escalation can become an input into mobilisation. Neither mechanism removes the need to assess enforcement and substitution.

For assistance, the relevant standard is verified function rather than disbursement alone. Evaluation should establish who controls access, what incentives govern delivery, and which operations survive changes in external support. For rights, it should establish whether the beneficiary can actually use the entitlement, seek protection, and choose alternatives. Across all three domains, the task is to examine conversion before treating a larger input as a better policy.

Conclusions

Sanctions, aid, and rights are not socially invariant inputs. Their consequences depend on which outcomes institutions value, who controls resources, how losses are allocated, and whether individuals can act outside the structures that mediate access. A policy can damage an economy without changing a governing objective, finance an organisation without creating autonomous function, or protect an association without making its members free to leave.

The central discipline is to keep damage, capacity, and goal revision separate, and to judge assistance and rights by changes in function and effective control. The sender's own evaluation is an unreliable substitute for that analysis. An incentive crossing into another configuration can split apart outcomes that its designer expected to move together.

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