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Trading with the Enemy

A Reflection on the Debate on Commercial Ties among Different Political
Regimes

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Esto bonus miles, tutor bonus, arbiter idem integer.

Decimus Iunius Iuvenalis

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Extended Abstract

The recent wave of globalization has resulted in an increase of commercial exchange among different political regimes, sparking an intensive debate on the morality of commercial exchange with non-democracies. Two competing narratives dominate this discourse: Some express the view that morality prohibits commercial engagement with non-democracies, others assert that commercial exchange with all forms of government is crucial for maintaining international stability and realizing social development.

In order to provide a more nuanced picture on the matter, the dissertation reflects on the normative principles and causal theories, which manifest in the context of commercial ties with non-democracies. Many observers regard non-democracies as norm violators and as incapable of addressing key moral issues including development, human rights and international peace. The relevance of these moral aspects does not equally matter for all observers, though. Realists tend to structure commercial ties according to national interest, irrespective of the regime type of the partner country. On the contrary, idealists are inclined to streamline commercial ties to normative concepts and to factor in moral concepts in their agenda for international commerce. Furthermore, the dissertation examines the models of minds, which explain the ascribed role of commercial ties for realizing the major objectives on international cooperation. Here, we encounter that the dominating views on commercial ties with non-democracies are influenced by fundamentally different economic theories such as development theory, Marxism or dependency theory.

Based on the preceding elaborations, the thesis reflects on the main reasons for the disagreement on commercial ties with non-democracies. Here, the dissertation sheds the light to the interplay of normative and causal premises and the key meta-ethical concepts, forming the moral judgment of the observer.

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“Every society must have a conception of how it is related to other societies and of how it is to conduct itself towards them.”

John Rawls, Law of Peoples

Introduction

The debate on commercial ties with authoritarian regimes, dictatorships, or rogue states - summed up in the following as non-democracies - has gained momentum over the past three decades (Donaldson & Dunfee, 1999; Santoro, 2000, 2009, 2010; Ramasastry, 2015; Homann et al., 2016). Against the backdrop of the globalization wave following China's economic liberalization and the fall of the Iron Curtain, economic exchange and financial interactions among countries with different political regimes have intensified (Quinn & Inclann, 1997; Keohane, 2005), giving rise to a polarizing debate on the ethicality of commercial ties among different political regimes. This dispute is largely dominated by the question of how democracies should design commercial ties with non-democracies (see Santoro, 2000, 2009) and by the search for a common ground bridging moral expectations in the context of transnational commercial activities (Donaldson, 1992; Küng, 2014). However, the *modus vivendi* of democracies and non-democracies in the global economy and the search for a common basis of international economic relations remain subjects of dispute. Whereas some scholars include human rights and democratization as part of the moral agenda of globalization (Donaldson 1992; Hsieh, 2015; Ruggie, 1993; Sen, 1999; Wettstein, 2015), others favor structuring commercial ties in accordance with geopolitical priorities (see Krasner, 1976).

Likewise, the reflection on the advantages and disadvantages of specific policy measures to address moral issues in international commerce such as conditional trade agreements or sanctions has received increased academic interest (see Grauvogel & von Soest, 2014; Schmieg, 2014, 2015; Singh & Zammit, 2000). Over the years, the scope of this debate has widened, encompassing economic aid for European countries hit by COVID-19 (Erlanger, 2020), bilateral energy projects such as North Stream II (Shalal, 2020) or technological transfer through academic collaboration (Murgia & Shepherd, 2019).

The dissent on these matters notwithstanding, some theories in political sciences and economics claim that perceptions of and narratives on right and wrong conduct could unfold a powerful impact on policy making in general (see Wendt, 1992, 1998, 1999) and on investment decisions in specific (see Blanton & Blanton, 2007, 2012). Given the potential economic impact of moral perceptions on commercial ties (Kucera, 2002; Garriga 2016), the purpose of the dissertation is to detail the debate on the normative and causal claims made in the discourse on commercial ties with authoritarian regimes. The polarized view of how to structure economic ties to countries regarded as non-democracies begs questions on the guiding assumptions or concepts behind the value judgments made about this context. Which norms form the basis for judgments on commercial ties with non-democracies? Which causal theories connect postulated norms with trade and commerce?

Normative Judgments on Commercial Ties in History

Normative statements concerning commercial ties with non-democracies are embedded in a historical context. Examining history does not only illuminate the role of commercial ties as part of economic statecraft, but also sheds light on the interest of philosophers and scholars in the moral evaluation of commercial ties in general and with other societies or civilizations in specific.

Regulation of Commercial Ties in History

Whether to enhance or to reduce commercial ties by political measures has always been subject to controversy. History shows that societies regulated not only the expansion and reduction of commercial ties in general, but also commercial ties with specific trade partners (see Baldwin, 1985; Minter & Schmidt, 1988; Peksen & Drury, 2009). These preferences for more or less trade expressed themselves in the invention of different political and economic instruments for coordinating, limiting or supporting commercial engagement with foreign entities. Although they became more refined over time, the basic intention behind these policies did not change substantially (see Baldwin, 1985; Brown, 2004; Kern, 2009). Typically, the means to reduce economic ties are protectionism, sanctions, and boycotts, whereas the

means to enhance commercial ties are bilateral trade or investment agreements, international organizations, and economic liberalization.

A deliberate and coordinated reduction of commercial ties manifested for instance, when the Athenians imposed economic sanctions on Greek city-states for trading with Sparta during the Peloponnesian War, to maintain naval supremacy in the Aegean Sea (Brunt, 1951; Tuplin, 1979). Further examples are the public boycotts in the city of Mecca against the Banu Hashim (Brown, 2004), or sanctions of the protestant Swiss cantons against Catholic cantons based on religious persecution of protestants (see Kern, 2009). In the 19th century, the Slavery Trade Act (1807) empowered the British navy to enforce the ban on African slave trade. Likewise, the 20th century has seen similar attempts to impose economic disintegration, such as the boycotts of and sanctions on Rhodesia and South Africa in the 1980s (see Minter & Schmidt, 1988) or the Coordinating Committee for Multilateral Export Controls, which aimed to cut off the USSR from Western dual-use technologies.

By contrast, liberalization of economic integration aims at facilitating economic ties and implies the reduction of trade and investment barriers. Economic liberalization can be a large-scale phenomenon. The Silk Road connecting large parts of the Eurasian landmass was a way of economic and cultural exchange among societies and contributed to the spread of religions and philosophies. Likewise, the contemporary wave of globalization sparked a strong decline in trade barriers and intensified global cultural exchange (see Keohane, 2005; Santoro, 2009). Coordinated efforts to increase commercial ties manifested in regional alliances, such as the ASEAN, the European Union, or the Eurasian Union. These organizations aim to enhance trade with countries that accept the respective entry conditions espoused by these organizations. Liberalization of commercial ties with particular countries has also been fostered to enhance commercial ties, sometimes by the use of military force, sometimes through peaceful negotiations. The United States expedition to Korea sought to open up the Joseon dynasty to American economic influence by force, whereas the Clinton administration actively

lobbied for economic integration of post-Mao China (New York Times, 2000). Likewise, the “Ostpolitik” of Willy Brandt sought to integrate countries of the Soviet bloc into the global economy, as attempted the South Korean “Sunshine policy” decades later with North Korea (see Paik, 2002). It therefore follows that the dispute on more and less trade has accompanied political practice since the advent of international affairs begging questions on the arguments and moral objectives behind these measures.

Commercial Ties in the History of Ideas

The observation that nations, but also private entities or groups of individuals, regulate the extent of commercial ties poses questions on the normative theories on commercial ties, in general, and commercial ties to other regimes, specifically. Normative theories inform human beings about how to act morally and how they derive normative judgments (see Homann et al., 2016; Pies, 2020). Applied to our context, normative theories explain when it is morally mandated to reduce or enhance commercial ties.

One stream of arguments appears to derive from a more general moral perspective on commerce and trade (see Homann et al., 2016). Plato condemned trade for its fundamentally private nature and criticized it for distracting citizens from the common good (see Skultety, 2006). Aristotle differentiated between economic actions that serve the community and economic actions that destabilize the polis (Aristotle, ca. 350 B.C.E./1905). Individual profit orientation and common cause were perceived, to different degrees, as representing an insurmountable tradeoff (see Cato, ca. 150 B.C.E./2014; Cicero, 44 B.C.E./1913; Max et al., 2020). By contrast, modern theories on trade largely recommended the expansion of international commercial exchange and provided moral arguments for free trade. In the 18th and 19th century, proponents of utilitarian theories established the benefit for the greatest number of people as a criterion for the evaluation of economic policies (see Bentham, 1780) and began to endorse free trade for its perceived positive effect on social welfare (Krasner,

1976). One example of how these beliefs translated in political decisions are the efforts of Robert Cobden to facilitate trade between England and France, which were driven by the objective of ending pauperism and the conviction that trade contributes to economic wealth. (Cobden, 1842; Krasner, 1976).

Another stream of arguments revolves on the conduct of commercial ties with specific entities or states. In the first chapter of Plato's Republic, Polemarchus defines justice as "acting good to friends and evil to enemies."¹ At the same time, the first theorists of political strategizing, such as Sun Tzu, Thucydides, and Machiavelli, advised state political leaders to consider economic statecraft as a weapon to weaken their rivals (see Peksen & Drury, 2009). Over time, the dispute on the measures discussed became much more nuanced and gravitated from a focus on measures against states to restrictions against individuals accused of human rights or international law violations. Since the 1990s, the current moral and legal debate has been revolving around the enactment of individual, "smart" sanctions, as many scholars (e.g., Hufbauer et al., 1990; Gordon, 2011) have demanded that individuals violating international norms must be held accountable. It is possible to observe a similar trend in contemporary legal frameworks, such as the UK Modern Slavery and Human Trafficking Act or the U.S. Global Magnitsky Act, addressing human rights conduct in the supply chain of Western enterprises and the ongoing discussion on these legal measures (see Mantouvalou, 2018). This tendency of individualizing sanctions and other forms of trade restrictions notwithstanding, comprehensive sanctions against nation states still belong to the instruments of economic statecraft and global governance (see Resolution 2397 of the UN Security Council).

¹ This is a rough translation by the author of Socrates' summary of Polemarchus' earlier statement on justice ("Τὸ τοὺς φίλους ἄρα εὖ ποιεῖν καὶ τοὺς ἐχθροὺς κακῶς δικαιοσύνην λέγει;"[Politeia, Book I, 332d 5]).

Reflection on Moral Judgments

Examining the preceding reflection on the morality of trade, it follows that the question of more or less commercial ties with countries considered as deviant from moral standards requires a deeper reflection on the arguments and their origins in the discourse. This applies in specific to the use of comprehensive measures such as trade agreements or sanctions, which are not directed against individuals, but bear implications for the entire economy of the targeted country. Similar examples of the literature reflecting—and even critiquing prevailing moral judgments—can be found in the contexts of morality and markets (Brennan & Jaworski, 2015) or commercial human smuggling (Müller, 2018). To resolve the question of why we argue for more or less commercial ties with non-democracies, this thesis examines the guiding normative and empirical assumptions in the discourse on commercial ties to non-democracies. The division into these two levels serves the purpose of deciphering the moral perceptions of scholars, policy makers, economic decision makers, and observers, who make judgments on commercial ties with non-democracies, and illustrating how they derive arguments for or against commercial ties with non-democracies. The practical syllogism serves here as a tool for analysis of and for the critique on moral judgments (Pies, 2000; Suchanek, 1999), which explains how and why normative conclusions differ. Pies (2020) differentiated here between normative and positive premises, which form the basis of normative conclusions. Accordingly, the explanation of the prohibition of interest, which characterized the moral perspective on the economy in pre-modern Europe (see Aristotle, ca. 350 B.C.E./1905), may be derived from the combination of

- the *normative premise* that the main aim of political leadership is to safeguard political stability and
- the *causal premise* that charging and taking interests stands in conflict with political stability, as individual profit maximization conflicts with the interests of others.

Critiques on the conclusion “prohibition of interest”, which originates from the combination of the normative and causal premises, could address either the first level, the idea that political stability constitutes the main aim of political leadership, or the second level, the perception that money lenders acquire wealth at the expense of others. Both premises fundamentally differ from an epistemological standpoint (Pies, 2020). Whereas normative premise refers to the normative objective, empirical conditions (Homann, 1985; Pies, 2020; Suchanek, 1999) refer to causal relations, which we can verify or falsify through empirical research (see Pies, 2020). Breaking down these two levels for the subject of our thesis generates the following articulation of our elaboration (see Table 1).

Table 1

Levels of the Debate on the Ethicality of Commercial Ties with Non-Democracies

	<i>Questions</i>	<i>Positions</i>
Normative premise	Which norms do we want to realize in international commerce?	A, B, and C constitute moral principles in international law.
Causal premise	What effect do commercial ties and the deliberate absence of commercial ties have on the realization of norms?	Trade has a positive/negative influence on norms A & B. Sanctions have a negative/positive impact on C.

The structure of the thesis reflects the distinction between normative and causal premises. The section devoted to the *normative premises* addresses the norms, which define the moral norms for commercial exchange with non-democracies. Additionally, norms specify the legitimacy of means imposed by individuals and organizations on norm violators, to achieve their own moral desiderata. The moral desiderata range here from human rights to international stability and economic development. The subsequent chapter on *causal relations* examines the way individuals perceive the connection between causes and effects in the context of economic exchange with non-democracies.

The thesis does not provide a normative foundation of what we, as actors, scholars or observers, should actually do, nor does it intend to explain why certain actors have certain preferences or whether such actors are consistent in their judgments. Instead, the thesis focuses on two basic questions:

- Which norms form the basis for judgments on commercial ties with non-democracies?
- Which causal theories are assumed to connect norm realization with the quantity and quality of international commerce?

The papers attached to this dissertation, “Artificial intelligence and human rights: A business ethical assessment,” “The Xinjiang case and its implications from a business ethics perspective,” and “Foreign investment and North Korea's knowledge economy,” shed light on different aspects of the normative and causal debate on the matter. “Artificial intelligence and human rights: A business ethical assessment” examines the implications of human rights in the application of technologies, which includes the question of how to prevent human rights violations abroad that are enabled by AI-driven technologies. “The Xinjiang case and its implications from a business ethics perspective” addresses the question of how to tackle overseas operations of Western companies in regions with widespread and structural human rights violations. “Foreign investment and North Korea's knowledge economy” discusses the stance of the North Korean elite on the role of foreign investment as an instrument of technology transfer and the rationale behind transforming the country into a knowledge economy.

Assumptions on Commercial Exchange with Non-Democracies

From the observation that the regulation of commercial ties with foreign societies involves normative statements, it follows that judgments on commercial ties with non-democracies relate to certain implicit and explicit assumptions and premises, which form the “mental model” of the observer. The assumed impact of pre-existing ideas on policies was once encapsulated in Keynes's cynical description of politicians as “slaves of some defunct economist” (1936/2018, p. 327). In “Institutions and mental models”, Denzau and North (2000) integrated the idea of mental models, which inform individuals on “how the environment should be structured”, in their theory on the genesis and evolution of institutions (see North, 1991). As illustrated by Homann (1985), Suchanek (1999), and Pies (2000), these mental models on morality can be broken down into normative and causal assumptions, which both determine the moral conclusions drawn by observers and the policies recommended by scholars.

Normative Premises

The following chapter addresses the normative premises in the discourse on more or less commercial ties with non-democracies. In the following, we separate the different value judgments made in the discourse and the aims of more or less trade desired by the actors. Here, we distinguish between the two matters of our observation, namely “non-democracies”

and “more or less commercial ties.” The first paragraph therefore deals with the question of how we define non-democracies and why they are widely regarded as deviant forms of governance, whereas the second paragraph examines the normative reasons for enhancing or reducing commercial ties with non-democracies.

Normative Statements and Political Regimes

The most general assumption is that non-democracies are regarded as deviant forms of government. Proponents of this position would argue, here, that:

The reason that commercial ties with non-democracies are immoral is that they constitute a deviant form of government.

A differentiation between “good” and “bad” forms of political government appears in the earliest treatises of political thought.² This might appear to thinkers in our contemporary world as the point at which “the distinction between good and deviant has come to be analogous to the distinction between democracy and non-democracy” (Liden, 2014, p. 51). That we use the technical term “non-democracy” rarely in discussion, instead relying on a plethora of alternative words - such as rogue state, dictatorship, outlaw state, and authoritarian regime - to express our discontent with a political regime, depicts the diversity of the methodologies of distinguishing between good and deviant forms of governance (see Sartori, 1970). In line with the variety of concepts to classify the morality of political organizations, the various terms used for non-democracies pertain to the disparate types of norm violations, which will be described in the following.

The terms “authoritarian regime” or “dictatorship” refer to power concentration at the expense of a large part of the population. The shared criterion of these two “deviant” forms of

² Aristotle (1905) distinguished between moral and immoral forms of political regimes based on the welfare they create for the community. [Politics, Book III, 1276a ff.]

governance are that political power is not rooted in “contested elections,” but vested in a few individuals, who exclude the majority from access to power and valuable resources (Linz, 2000; see Liden, 2014). Rigging elections, prohibiting political competition, and committing breaches against freedom of press are the actions ascribed to this type of regime (Arendt, 1973; Linz, 2000; North et al., 2009) and constitute in the eyes of their opponents fundamental norm violations. Others base their case against non-democracies on regime performance and opine that non-democracies are less able to realize economic growth than democracies (Barro, 1996, 1997; Acemoglu et al., 2019). This argument is based on the assumption that the political economy of non-democracies limits political and economic competition, in order to satisfy demands of regime-affiliated elites (Bayulgen, 2010; North et al., 2009).

On the contrary, the concepts of “rogue state” or “outlaw state” emphasize on compliance with international law as principal differentiating factor for good and deviant forms of governance. Both terms refer here to countries accused of violating fundamental moral standards of international affairs and destabilizing the international order (see Rawls, 1993). The idea is here that the regime type affects the foreign policy of the respective state and determines the mode of engagement with other entities in the international community. Based on her comparative analysis of totalitarianism, Hannah Arendt (1973) concluded that (unlimited) territorial expansion constitutes a shared criterion for totalitarian regimes. Similarly, John Rawls (1993) proposed that democratic nations should contain expansionist societies by exerting political influence. This idea manifested for example in designation of Iran, Iraq, and North Korea as an “axis of evil,” as they were accused of threatening world peace (Washington Post, 2002).

The analysis of the different arguments illuminates that non-democracies are regarded as deviant forms of political organization, because they are seen as incapable of realizing norms desired by moral spectators: They do not realize sufficient guarantees of human rights or sustained social development, and they represent a threat to the international order. The exact

principal differentiating factor for good and deviant forms of governance depends, however, on the moral preferences of the observer in terms of human rights, social development or international stability.

About National Interest and Moral Principles

The question, how to engage economically with non-democracies, depends on the norms one accepts as constitutive principles of international affairs. Although these norms largely overlap with the differentiating factors of good and deviant forms of governance, observers might question the role of morality and international law as principles of international affairs. Therefore, we differentiate between the realist view, which connects commercial ties to considerations of national interest, and the idealist view that commercial ties are bound by normative concepts.

Realism and National Interest

The realist argument implies that states should enhance or reduce commerce with other countries according to their own economic and political interests and not based on universal moral arguments. A proponent of realism would argue that:

Commercial ties that support/contravene domestic economic or political interests of the state should be enhanced/reduced.

The argument is based on the idea that states must prioritize their own interests in foreign trade relations over moral considerations. A distinction between democracy and non-democracy would be *ceteris paribus* irrelevant for realists (see Friedman, 1995).³

³ The exact meaning of *ceteris paribus* depends —as illustrated later — on the understanding of national interest, which differs from author to author.

The thesis that trade that supports or contravenes domestic economic or political interests of the state should be enhanced or reduced appears to be based on three distinct theories on national interest, which derive from the right to self-defense, classical social contract theory, or sovereignty as a key norm of international affairs (see Jones, 2018). According to the traditional view, national interest originates in the competition of rival nations, which seek either to defend their own place in international affairs or rather to extend their territory and might (see Morgenthau, 1952, 1982; Navari, 2016). Facing the zero-sum game of international relations, the right to self-defense depicts the central norm for political decision-making (Morgenthau, 1952; Ruggie, 1993). The consequence is the perception that liberal dreams are hardly compatible with “international realities” (Mearsheimer, 2018) and that implementing “moral prescriptions without concern for equilibrium” poses a threat to national interest considerations (Kissinger, 2014, p. 367). Alternatively, national interest priorities may be derived from classical social contract theory, which generates moral implications based on a mutual contract among citizens of a state (see Locke, 1689/1947). The duty to defend the life, liberty and pursuit of happiness originating from social contract theory, can be understood as a constitutional mandate to protect the economic needs and liberties of the citizens. Richard Cobden (1842), for example, defended his position against the Corn Laws by pointing to their negative effect of the tariffs on French corn for the British working class. Finally, a focus on national interest can be derived from theories claiming that sovereignty constitutes the fundamental principle of foreign policy (see Cole, 1964). Given the differences among nations in terms of power and might, the exact interpretation of national interest appears to depend on the status of a state in international affairs, however. Alexander Dugin argued that nation states have a moral obligation to secure their position within international relations (Eltsov, 2019), what reflects the role of the Russian Federation as a great power in international affairs. The North Korean Juche ideology appears to be of more defensive character emphasizing on “foreign independence” as an integral part of its foreign policy approach (Lee, 2003).

The different origins and interpretations of the concept notwithstanding, national interest is still identified as a motivation for regulating the extent of commercial ties: The National Security Strategy of the United States (2017) outlines that “U.S. development assistance must support America’s national interests” (p. 39) and includes “economic tools—including sanctions, anti-money-laundering and anti-corruption measures, and enforcement actions” as means to deter adversaries” (p.39). The argument does not necessarily only involve political competitors, but economic rivals as well. Donald Trump’s case for protectionism was based on the perceived economic negative outcomes of existing trade agreements, even affecting trade relations with long-standing allies such as the Republic of Korea (Lee, 2017). National interest considerations might appear as an argument against sanctions as well. On the basis of their perceived negative effect, German politicians criticized sanctions imposed by the EU on the Russian Federation (Ernst, 2018). The exact interpretation of national interest depends therefore on concrete respective situation policy makers are confronted with and not on abstract moral principles.

The main difference among national interest theories is the role of innocent bystanders in the realization of national interest. Promoting democracy by sanctioning human rights violators might not be a mere self-purpose, but could be beneficial for the strategic long-term considerations of a democratic nation. These appear for example in the writings of Milton Friedman (1995), who explicitly referred to economic collaboration as an instrument of national interest and referred to situations in which national interest and human values coincide. Nevertheless, from the perspective of a strict adherent of national interest, the form of political organization would be of secondary relevance and many proponents of national interest might prefer allied dictatorships to competing democracies.

Idealism and Moral Principles

In contrast to realism, the idealist argument stresses that normative principles stand above national interest arguments and ought to be supported even if they collide with national priorities. An advocate of idealist views could argue that:

Commercial ties that comply/conflict with normative principles and goals should be enhanced/reduced.

In contrast to a national-interest centered view, proponents of universal values would assert that foreign trade policies should prioritize norms over other considerations. The regime type of a country would be relevant, if it conflicts with the norms espoused by the observer.

Most prominently, universal moral principles in international affairs were formulated in Immanuel Kant's *Perpetual peace: A philosophical sketch*, in which the author described states as being situated toward one another as moral persons (Kant, 1796/2010). Accordingly, states have responsibilities not only concerning their own citizens, but also to the international community as a whole (Nye, 2019). The intriguing question concerns here the very origin of morality in international affairs: Do norms of international relations originate in a process of moral self-binding or do they originate in universal principles of fairness and justice?

The smallest common denominator for positions that accept moral responsibilities for states is the principle of "pacta sunt servanda," which requires states to comply with self-imposed obligations. Article 26 of the Vienna Convention on the Law of Treaties (1969) defines here that "every treaty in force is binding upon the parties to it and must be performed by them in good faith." Accordingly, states are here understood as autonomous subjects and their participation in international frameworks and organizations is voluntary (see Ruggie, 1993; Henkin, 1995/1996). Due to the principle of reciprocity in international affairs, which underpins the notion that states have the right to retaliate in case of violations of international treaties, states are free to terminate treaties, if the counterparty violates its contractual obligations

(Keohane, 1986). Failure to retaliate in case of norm violations could imply the erosion of the norm, because inaction would signal to other contract parties that the norm they are accepting is defunct (see Donaldson 1992; van der Have, 2020). Sanctions—in the sense of retaliation against norm violations—have here the purpose to keep the norm intact and might be specified as part of international treaties in order to incentivize compliance to commonly agreed standards (e.g. Article 7 of the Treaty on European Union; Chapter VII of the UN Charter).

Proponents of the validity of customary law argue that norms defined and accepted by international treaties apply even to actors that have not participated in these international treaties (Donnelly, 1984; Baderin, 2003; Corlatean, 2019). Moreover, these norms might even be superior to norms specified in bilateral treaties, as they constitute universal principles, which pre-exist contractual law (see Donnelly, 1984). When it comes to non-compliance with meta-norms, John Rawls (1993) distinguished between states according to their regard of basic principles of justice. States that do not comply with international justice or norms of international law would be regarded as outlaws or as “rogue states” and do not have the same rights and status as the rest of the international community, enabling the international community to engage in coercive measures against these deviant actors (*ibid.*). This has influenced the position of many legal scholars, who posit that human rights and other international standards form an elementary part of international customary law (Simm & Alston, 1992; Henkin, 1995/1996; Wettstein, 2015). From this perspective, economic sanctions can be imposed on countries for breaching contractual obligations or universal principles of international law.

Idealist views on streamlining commercial ties to universal principles manifest in different contexts. The idea of reciprocity—understood as a right to retaliate—frequently appears in the discourse on international trade and is used to underscore that economic measures in general must comply with contractual law. In the trade conflict between Japan and South Korea, the Korean government issued the statement that “if Japan intentionally strikes at our economy,

Japan itself will also have to bear significant damage” (Mun, 2019). The importance of *pacta sunt servanda* has been raised in positions supporting the North Stream II project and contractual obligations of the German government (Straeck, 2020). Others refer to the superiority of universal moral standards over bilateral agreements to defend their conclusions on reducing or enhancing commercial ties. A *Guardian* article titled “British arms sales to Saudi Arabia are immoral and illegal” refuted the idea of “the humanitarian and human rights disaster as a secondary consideration” (Abbott, 2016) and is representative of the stance that international law considerations are more important than economic, political, or strategic benefits (see van Rij & Wilkinson, 2016). Likewise, the idea that “European values” should form a condition for EU funds is based on the idea that commercial ties should incentivize norms specified by EU law (Erlanger, 2020). Moreover, perceived norm violations form the normative basis of the Boycott, Divestment, Sanctions movement (BDS), which argues for a reduction of commercial ties with Israel, or of statements by political parties, endorsing sanctions against the Russian Federation in the wake of the Crimea crisis (Free Democratic Party, 2017, p. 101).

The shared criterion of all idealist approaches is that they emphasize on the relevance of universal moral standards, what distances them from the case-by-case approach of a realist approach. Nevertheless, the different strands of idealist theories do not necessarily arrive at similar conclusions, when it comes to the moral evaluation of commercial ties with non-democracies. One crucial difference concerns for example the question of how to balance contractual obligations and universal norms of international law. A further subject of dissent among idealist positions relates to the idea of reducing commercial ties in the event of breaches of international law or other universal standards by the counterparty. Here, the main question is whether measures imposed in response to norm violations should be designed as punitive measures, addressing the perpetrator, or as preventing measures, supporting the victims of norm violations.

The Moral Desiderata of International Commerce

The normative premise that states must harmonize their foreign trade policies with universal moral principles unfolds major implications for the conduct of commercial ties with non-democracies. In this context, the Charter of the United Nations is of crucial relevance for idealist approaches, as it forms the common ground for the proponents of universal values and the defenders of the argumentation that norms of international law derive their power solely from contractual obligations (see Simma & Alston, 1992; Henkin, 1995/1996). Apart from constitutive principles of international politics such as the outlawing of use of force, the founding document of the United Nations outlines concrete moral aims for international cooperation. These include the following aspects such as:

- “International peace and security” (UN Charter art. 1, para. 3);
- “Human rights and fundamental rights” (UN Charter art. 1, para. 3); and
- “Problems of an economic, social, cultural, or humanitarian character.” (UN Charter art. 1, para. 3).

These three objectives correspond to different types of rights and norms, which have been substantiated by other norms of the UN Charter or international treaties after 1945. Friendly relations among nations are themselves “based on respect for the principle of equal rights and self-determination of peoples” (UN Charter art. 1, para. 2), which constitutes a right of each UN member state vis-à-vis other subjects of international law. The broader aim of democratization and human rights realization has been specified by the Universal Declaration of Human Rights (1948), the International Covenant on Civil and Political Rights (1966) and regional human rights conventions. The same applies to the notion of solving problems of an economic, social, cultural, or humanitarian character, which corresponds to the rights enumerated in the International Covenant on Economic, Social, and Cultural Rights (1966). Given the prominence of human rights, social development and peace in the discourse of

international law and moral philosophy, the implications of each of these concepts for our matter of observation will be covered in the following sections.

International Peace

In the discourse concerning trade and commerce with non-democracies, one might encounter the argument that the regulation of commercial ties with non-democracies should be directed at stabilizing the international order and incentivizing friendly relations among UN member states. This argument can be articulated as follows:

Commercial ties that comply/conflict with the goal of international peace among nations should be enhanced/reduced.

The focus on the realization of peace would address primarily commercial ties with nations that are accused of destabilizing international politics and not necessarily all types of non-democracies.

Beginning with the Egyptian–Hittite peace treaty, the concept of peace has played a significant role for the evolution of international law (see Bryce, 2006). Likewise, the preservation of peace appears as a major aim of international politics in moral and political philosophy (see Montesquieu, 1748/1973; Bentham, 1780; Immanuel Kant, 1796/1991; John Rawls, 1993; see Conway, 1989). However, the implications of this concept remain ambiguous and the contemporary discourse is characterized by two opposing traditions on the interpretation of peace on commercial ties with non-democracies. The first tradition claims that peace is to be realized by strict adherence to the principle non-interference (ibid.); whereas the second tradition argues that peace is to be realized by the containment of and the political confrontation with belligerent states in international affairs (see Nye, 2018).

The “non-interference” argument hinges on the idea that peace is realized by mutual respect of state sovereignty. To this end, Kant (1796/1991) argued in *Perpetual peace - A philosophical*

sketch against interference in domestic affairs, as it would trigger the collapse of international relations. The norms of sovereignty and peaceful coexistence as constitutive principles of international affairs imply that states are free to self-select principles according to which they design their institutions and internal policies (see McCarthy, 2002; Raponi, 2014). This argumentation has influenced Article 2, para. 7 of the United Nations Charter, which states that “nothing contained in the present Charter shall authorize the United Nations to intervene in matters which are essentially within the domestic jurisdiction of any state”, unless international peace is threatened. According to this view, the principle of non-interference constitutes a “duty [...] to refrain from measures which would constitute interference or intervention in the internal or external affairs of another State...” (Resolution 36/103 of the UN General Assembly, 1981).

The containment argument focuses on the idea that international law should contain states threatening international peace (Rawls, 1993, see Nye, 2019). From the perspective of international law as a normative concept that merely regulates actions among states and not within states (see Wendt, 1999), imposing sanctions for the purpose of self-defense or to maintain international peace would be legitimate. According to Chapter VII of the UN Charter, the United Nations Security Council (UNSC) is entitled to impose coercive measures including comprehensive economic sanctions on states accused of belligerent actions. Accordingly, severing trade relations with non-democracies is legitimate under the permission of the UNSC, as long as it serves the purpose to prevent states from threatening the international order (see Resolution 60/1 of the General Assembly, 2005). The controversial moral question is whether and to which extent countries can or even should enact own measures against perceived threats, if the UNSC fails to provide international stability.

The two conflicting viewpoints on how to realize peace notwithstanding, the idea that commercial ties should aim at realizing peace is frequently used in the discourse on more or less commercial ties. U.S. sanctions against Iran, for example, have been motivated by the

destabilization of the Middle East by the Iranian government (U.S. Department of Treasury, 2020). Likewise, German politicians have called for sanctions on Saudi Arabia, as it “constitutes a threat to the stability and peace in the region and in the world” (Dagdelen, 2018). However, the idea of peace as a norm of international affairs also applies to arguments favoring more commercial ties with non-democracies. Some regard sanctions against Russia as counterproductive, because “peace, security and stability exist only with Russia, not against Russia” (The Left, 2017, p. 12, p. 100). Likewise, the Chinese government has pointed out the risks for peace of less commercial ties, and has referred sanctions against Xinjiang as “interfering in China's domestic affairs” (see Xie & Fan, 2019).

The tension between these two competing theories on how to enforce peace in international affairs is therefore one of the major reasons of dissent among idealist theories. The Kantian understanding of international affairs stresses the importance of strict non-interference as a necessary precondition for international peace. On the contrary, the Rawlsian view implies that the continuous containment of outlaw states is necessary to keep the international order intact. Given the ambiguities in international law on that matter and the different approaches on the realization of peace, the use of sanctions as a means to deter aggression belongs to the more controversial aspects within the debate.

Human Rights and Fundamental Rights

In the discourse concerning trade and commerce with non-democracies, one can encounter the argument that the regulation of commercial ties with non-democracies should aim at improving the human rights situation in the country of the commercial partner. Proponents of this view would understand human and fundamental rights as key norms of international commerce and argue as follows:

Commercial ties, which comply/conflict with the goal of improving the human and fundamental rights situation for the population of the partner country, should be enhanced/reduced.

In contrast to the preceding discussion on the role of international peace in international law, the discussions centers here on lacking respect for human rights in non-democracies. The regulation of commercial ties is therefore used to improve the prevailing conditions and includes commercial relations with non-democracies, which abide by international law.

The prominent role of human and fundamental rights in the discourse on economic engagement with non-democracies can be derived from different normative traditions (see Kriebitz & Max, 2020). In moral philosophy, it can be traced back to the rule utilitarian arguments of John Stuart Mill (1859/1998) or the categorical imperative of Immanuel (Kant, 1785/1996). Other arguments derive from international law and center on the codified legal obligations of states toward the international community as a whole.

From the perspective of the rule utilitarian argument, interventions in the autonomy of the individual are only legitimate, if they are based on the consent of the individual concerned or if the liberty of one individual conflicts with the interest of others. According to the harm principle, political power is rooted in the purpose of harm prevention (Mill, 1859/1998, p. 14). As a result, state actions limiting the freedom of individuals face substantial restrictions and are only legitimate in cases of norm collision (see Kriebitz & Lütge, 2020). The deontological perspective on human rights has been paved by the Kantian principle of humanity in the sense of treating “humanity [...] never merely as a means to an end, but always at the same time as an end” (Kant, 1785/1996, p. 429). From the perspective of both theories, human rights define a catalogue of permissible and non-permissible actions. Excessive actions of the state, infringements of political participation, slavery, and use of torture constitute here non-permissible and reprehensible actions (Henkin, 1995/1996; see Kriebitz & Lütge, 2020). Applied to commercial ties, proponents of human rights argue that international commerce

should realize their implementation in the practice of other nations, as they constitute values binding states and commercial enterprises (Donaldson, 1992; Wettstein, 2015).

From the international law perspective, the UN Charter and major human rights conventions entail principles that regulate not only the relations among countries but also domestic affairs. Some authors (Santoro, 2000; Wettstein, 2009) opine that the values enshrined in this convention have become universal values and that they bind states that have not ratified specific human rights treaties. In 1970, the International Court of Justice clarified the role of states as protectors of human rights, arguing that “principles and rules concerning the basic rights of the human person” constitute obligations “towards the international community as a whole” (International Court of Justice, 1970, p. 32). The notion of human rights set forth in the Responsibility to Protect resolution can be linked to an understanding of human rights that binds all subjects of international law, irrespective of whether they have signed human rights treaties or not (see Cohen & Deng, 1998, 2016). More recent interpretations of international law have expanded the responsibility to react to human rights violations outside of the territory (International Commission on Intervention and State Sovereignty, 2001). The Resolution 60/1 of the General Assembly (2005) points here at “appropriate diplomatic, humanitarian and other peaceful means [...] to help protect populations from genocide, war crimes, ethnic cleansing and crimes against humanity”, which finally legitimizes governments to engage coercive measures against human rights violators.

The argument for streamlining trade with human rights occurs in various positions: The fact that the Venezuelan government continues to “subvert the Venezuelan people’s right to self-determination” has for example motivated American sanctions on Cuba and Venezuela (U.S. Department of State, 2019). Likewise, the Uighur Intervention and Global Humanitarian Unified Response Act of 2019 has the purpose “to direct United States resources to address human rights violations and abuses, including gross violations of human rights” (U.S. Government Publishing Office, 2019). At the same time, human rights considerations appear in positions

endorsing more commercial ties. For example, the Clinton administration's move toward trade with China entails the concept that trade helps to promote human rights in a long-term perspective (New York Times, 2000).

The idea that human rights should be incorporated as a moral factor of international trade relations has resulted in the emergence of two different perspectives on the exact purpose of limiting commercial ties in response to human rights violations (see van der Have, 2020). According to the punitive understanding of sanctions, policy makers are morally obliged to enact economic measures to punish perpetrators of human rights violations. The notion of reducing commercial ties as a punitive measure manifests in the discussion on smart sanctions, which address individuals accused of human rights violations (see Gordon, 2011; van der Have, 2020). According to the preventive understanding of sanctions, international commerce with dictatorships should aim at preventing human rights violations and improving the condition of the individuals suffering from human rights violations. From the latter perspective, the evaluation of boycotts or sanctions would hinge on the prospective outcome and on the exact conditions prevailing in the targeted country (see Kriebitz & Max, 2020).

Social Development

Although human rights are traditionally defined as defense rights vis-à-vis the state, some interpretations of human rights shed light on the implications of human rights for social development. As a consequence, some approaches combine the expansion of trade relations with the idea of improving the economic and social conditions of the population living in non-democracies. This argument could be articulated as follows:

Commercial ties, which comply/conflict with the goal of fostering economic development of the trade partner, should be enhanced/reduced.

The focus on economic growth can be derived from three distinct sources. The economic interpretation of human rights based on the International Covenant on Economic, Social and Cultural Rights (1966), utilitarian considerations on social development and the conception of a right to development imply that decision makers need to factor in the potential economic consequences of commercial ties for the local population when deciding on commercial engagement with authoritarian regimes.

The economic interpretation of human rights is based on the idea that the international community and individual nation states have a shared responsibility to advance development on a global level (see Resolution 60/1 of the General Assembly, 2005). The normative basis for the economic rights argument derives from International Covenant on Economic, Social and Cultural Rights (1966), which includes a “right to an adequate standard of living” (art. 11, para. 1), a “right to health” (art. 12, para 1) and a “right to education” (art. 11, para. 13).

The utilitarian idea of “greatest benefit to the greatest number” or of effective altruism generates similar implications (see MacAskill, 2019), namely that measures by the international community should be based on the effect of the policies on underprivileged groups (Singer, 1972). One main cause here is specifically the reduction of absolute poverty and famine (ibid.). A similar outcome-oriented view can be found in the UN Charter, which explicitly refers to the aims of higher standards of living, full employment, and conditions of economic and social progress and development (UN Charter, art. 55 a). This moral agenda has been underpinned by the UN Sustainable Development Goals (SDGs), which define concrete goals for realizing key aspects of social development (see Kriebitz & Lütge, 2020).

The debate on the SDGs is linked to the discourse on a proposed right to development, according to which the international community should support other states in participating in economic, social, cultural, and political development (Villaroman, 2010). The Havana Charter (1947) has specified the aim of international cooperation in the sense “to foster and assist industrial and general economic development, particularly of those countries which are still in

the early stages of industrial development” (Havana Charter art. 1, para. 2). Furthermore, the UN Declaration on the Right to Development (1986) defines development as a collective right, meaning that peoples living in developing countries deserve the same access to the positive effects of international cooperation as those in advanced countries (Villaroman, 2010).

Positions accentuating the moral value of socioeconomic development regularly surface in the debate on commercial ties with non-democracies and address here primarily the permissibility of economy sanctions. Sanctions in general have been criticized for threatening the efforts of the global community to realize economic development and the eradication of poverty (see Reinisch, 2001). The UN Committee on the Elimination of Discrimination against Women for example has concluded that the economic sanctions imposed on North Korea take a disproportionate toll on civilians (Nebehay, 2017). Likewise, the imposition of sanctions on Iran has been regarded as a breach of the right to development by some international organizations, as they were “depriving people from importing their fundamental goods” (see Office of the High Commissioner for Human Rights [OHCHR], 2020).

The normative implications of commercial ties with non-democracies for the economic development argument are twofold: Proponents of economic rights would argue that international trade should be conducted in the light of spreading technological exchange and enhancing the capacities of developing countries, irrespective of their regime type. The moral quality of expanding commercial ties and trade agreements would depend on its effects on the realization of social development and the living standards of the population. The second implication concerns the use of sanctions in international politics. The economic rights perspective would suggest that policy makers need to consider the impact of measures aiming at the reduction of commercial ties on the local population.

Causal Premises

The reflection on the norms and principles in international relations has revealed that some normative claims in the debate on commercial ties with non-democracies presuppose certain positive or negative effects of commercial ties on international peace, human rights, or economic development. However, some normative concepts do not consider causal linkages at all. This applies for example to the idea that sanctions are instruments to punish norm violators. Instead, theories on causalities matter primarily for arguments stressing the outcome as a main factor of moral judgment and explain the assumed outcome of the expansion or reduction of commercial ties. Thus, they help us gauge the following:

- The impact of commercial ties with non-democracies on economic development.
- The impact of commercial ties with non-democracies on international peace.
- The impact of commercial ties with non-democracies on democratization.

These aspects might not portray an exhaustive overview of all potential linkages and relevant causal relations, but because they are stated as major aims of the international community, we have a primary focus on these. The construction of alternative concepts such as environmental damage, animal protection, and the promotion of rights for social minorities would proceed in a similar fashion.

The Impact of Commercial Ties on Development

The section on causal premises sets out with elaborating on the influence of commercial ties in terms of socioeconomic development. This order owes to the fact that most of the theories on democratization and international commerce or on peace and international commerce are built upon arguments on economic growth and its impact on democratization. Moreover, it is obviously the most direct link among the causal relationships to be observed. The perception

of the exact causal relationship between commercial ties and development nonetheless differs on the basis of the theories prevailing in the discourse.

The Development Argument

For some observers, commercial ties depict a means to realize socioeconomic development as formulated in the United Nation Sustainable Development Goals (SDGs) or in the International Covenant of Economic, Cultural and Social Rights (1966). This is based on the following assumption:

The expansion of commercial ties leads to more socioeconomic development and has a positive impact on social development in the target country. Less commercial ties result in less economic development.

This claim originates in the argument that the international division of labor results in economic benefits given comparative cost advantages of developing and developed nations. Most prominently, Adam Smith and David Ricardo theorized that the international division of labor is beneficial for developing and developed nations, respectively (see Smith, 1776/2008; Homann et al., 2016). Richard Cobden (1842) defended his case for free trade with France based on the assumption that trade will have a positive effect on England's poor. Based on these theoretical arguments, economists identified a linkage between commercial ties and the generation of technological spillovers and the economic integration of emerging markets (Anyanwu & Erhijakpor, 2004; see Smith, 1997). Technological spillovers and economic integration are then the forces that reduce absolute poverty or child labor, enhance life expectancy, and improve a series of other socioeconomic performance indicators (De Mello, 1999; Klein et al., 2001; see O'Driscoll, 2017; Ogunniyi & Igberi, 2014). To demonstrate the power of their argument, proponents of the free trade–growth linkage refer to China and Vietnam as positive examples where the expansion of commercial ties with non-democracies contributed to socioeconomic development (Edmonds & Pavnik, 2002; Hoang et al., 2010;

Naughton & Lardy, 1996). Opponents of sanctions make use of equivalent arguments for illustrating the downside of economic sanctions and point here the destructive social and economic effects of sanctions Iran and North Korea (see Nebehay, 2017; Hudson, 2020). From their perspective, interruptions of commercial flows would cause significant civilian pain by worsening public health conditions, economic well-being, and physical security of the populace in target countries (Neuenkirch & Neumeier, 2016; O'Driscoll, 2017; see van der Have, 2020).

The argument that an intensification of commercial ties goes along with rising levels of socioeconomic performance appears in different positions on development policy and in the idea that free and unrestricted trade is a prerequisite for broad-based economic growth (Free Democratic Party, 2012). At the same time, the idea that less commercial ties have a negative effect on development characterizes different positions. European officials argue that an escalation of sanctions against Iran would trigger a “humanitarian crisis” (Hudson, 2020), as they shorten the country’s supply with medicine, whereas the Office of the High Commissioner for Human Rights (OHCHR) has urged the United Nations to reduce sanction stress in Cuba, in order to prevent an escalation of the COVID-19 crisis (OHCHR, 2020).

The Dependency Argument

On the contrary, some observers reject the notion of commercial ties as incubators of economic growth and development. For these observers, commercial ties would not translate into socioeconomic development but rather hamper it. This idea is reflected in the following statement:

Commercial ties do not lead to more socioeconomic development and do not have a positive impact on social development in the target country. Less commercial exchange is even solidifying sustainable economic development.

Some theories argue that trade and investment to developing countries in general are problematic, as they foster exploitation at the expense of a sizable part of the population. This argument largely reflects Lenin's point of view that global capitalism implies exploitation of developing countries (Lenin, 1917/1948). Lenin rejected the integration of developing countries in the global economy due to the nature of capitalism and not because of specific political structures in the respective countries. In addition to this more general critique on globalization, proponents of protectionist measures have voiced the argument that reducing international commercial ties in particular areas benefits developing countries (see Chang, 2007). This goes along with the idea of protectionism as an instrument to foster economic growth. More recent proponents of dependency theory (Amin, 1976; Galtung, 1972), which draw from Marxist and protectionist arguments, have shifted the focus to the role of the structural inequality of trade between developed and developing countries, which in their opinion is exacerbated by abusive power structures (Bayulgen, 2010; Blanton & Blanton, 2007). Instead, wealth generated by the commercial interaction between democracies and non-democracies is believed to benefit corrupt elites and multinationals, to drive up domestic inequalities, and to prolong sufferings such as poverty and famine (see Barro, 1996, 1997). A specific emphasis is laid on resource-dependent economies (Bayulgen, 2010; Acemoglu et al., 2019), where economic exchange is perceived to generate relatively few spillovers. As a result, some scholars (see Amin, 1976) and political decision makers (Kriebitz, 2020) have expressed sympathies with policies aimed at delinking the economies of developing countries, non-democracies, and/or countries affected by the "resource curse" from globalization and have criticized international organizations for recommending trade liberalization with these groups of countries.

The described arguments have similar implications for interactions between non-democracies and democracies, as they do not regard commercial ties as a driver for social development. This belief manifests in statements that argue that underdevelopment can be attributed to global capitalism (The Left, 2011, p. 25). Apart from the general critique on globalization, some observers accuse Western businesses of enabling "dictators to get rich quickly while creating

a slush fund for the ruling party” (The Africa Report, 2020). This applies to the discussion of China’s growing involvement in Africa, what “props up African tyrants” (Lorenz & Thielke, 2007). Others have finally argued that multinationals exploit weak political structures and “profiteering companies continue to pillage Africa’s resources, leaving nothing in their wake but poverty, broken promises, and empty holes in the ground” (Hickel, 2011).

The two contradicting views on commerce and development illustrate that not only the social and economic aspects of human rights are a subject of intensive discussion but also the causal linkage connecting commercial ties and development. Here, it is important to note that opinions on the factors gauging the effect of commercial ties on socioeconomic development differ not only between developing and developed countries but also properties such as regime type or resource wealth. Theories aiming to integrate conflicting theoretical claims and empirical findings are here providing a more nuanced picture (see North, 1991; Bayulgen, 2010, Acemoglu et al. 2019). However, they are less prevalent in the public discourse, which tends not to account for the varieties among non-democracies in terms of the resource–wealth and economic structure.

Impact of Commercial Ties on International Peace

Given that many moral and legal traditions define international peace as a major aim in international relations, we examine existing theories on the linkage between commercial ties and international peace. The term peace hinges on whether we define peace as a broader concept that includes social development and adherence to social standards or whether we define peace as the absence of war. For the sake of clarity, the following paragraph examines peace understood as the absence of war.

The 'Peace Through Trade' Argument

Advocates of an expansion of commercial ties with non-democracies argue that increasing commercial ties between different political regimes are accompanied by a lower intensity of violence between states. This argument can be reconstructed in the following way:

The expansion of commercial ties leads to less hostilities among nations. On the contrary, the reduction of commercial ties is likely to destabilize international relations.

The idea of a causal linkage connecting trade and peace can be traced back to different theoretical arguments. One stream of theories in international relations examines the role of interdependencies for the realization of peace (see Nye, 2004; Keohane, 2005), whereas another stream concentrates on prospective social and cultural changes coming along with the intensification of commercial ties (see Wendt, 1992).

Both streams are rooted in a long tradition of political philosophy. Montesquieu (1748/1973) argued that “the natural effect of commerce is to bring peace” (p. 272). His argument was based on the fact that cultural exchange would cure “destructive prejudices” and render *moeurs* (moral values) gentler. Similar views appear in Immanuel Kant’s *Perpetual Peace*, where Kant postulated that the spirit of trade will finally affect all nations, or in the writings of Thomas Paine (Movsesian, 2017; see Oman, 2017). In contemporary scholarship, the most general claim is that growth and free trade reduce the likelihood of interstate conflict (see Gat, 2006). For some, the processes of denationalization following cultural exchange (Wendt, 1992) defuse the fundamental problem of anarchy in international relations and have a pacifying effect on international relations. Moreover, interdependencies among nations force governments to create regimes and institutions, which coordinate international actors and mitigate conflicts (Keohane, 2001, 2005). Blanton and Apodaca (2007) studied the role of economic interdependencies and argued that commercial ties enhance the costs of belligerent actions. Accordingly, sanctions would increase the likelihood for a military conflict, as they

reduce interdependencies and threaten existing institutions (Lektzian & Sprecher, 2007). For supporters of this position, the oil embargo of the United States imposed on Imperial Japan would constitute a showcase of sanctions leading to the road of war (Saunders, 2014).

The pacifying role of commercial realization and the “sanctions lead to war argument” (Saunders, 2014) is frequently raised by supporters of an expansion of commercial ties with non-democracies. Egon Bahr (1963) prominently argued that economic growth and development “make life easier for people [...] and strengthen ties through stronger economic relations”. Likewise, South Korean President Kim Dae Jung pointed out the role of collaboration and exchange as an instrument to realize peace on the Korean peninsula (Young et al., 2012). In the case of sanctions against the Russian Federation, opponents of the EU sanctions framework assert that the reduction of commercial ties has been incapable of preventing political escalation. On the contrary, commercial ties are perceived as the better option in realizing long-term stability in Europe (see Ismar et al., 2020).

The ‘Escalation by Trade’ Argument

Advocates of a reduction of commercial ties with non-democracies argue that economic exchange is jeopardizing international relations. This argument can be articulated in the following way:

The expansion of commercial ties with non-democracies leads to more hostilities among nations. On the contrary, the reduction of trade is more likely to force non-democracies to abstain from belligerent actions.

This argument is crucial for positions prioritizing international peace over other considerations and is used for the defense of punitive measures.

The idea of a negative effect of commercial ties on international peace appears to be based on at least two distinct arguments: the idea that international trade in the form of globalization

disenfranchises developing nations and the idea that international trade aids non-democracies in investing in military capacities. The Marxist view attributes international conflict to capitalist trade and to the interest of international capital in the resources of developing countries (Lenin, 1917/1948). This view describes globalization as imperial and unjust peace (see Barkawi & Laffey, 1999). Pushing developing countries into certain Western patterns, which conflict with country-specific characteristics (Amin, 1976; Frank; 1979), combined with the perceived unfair nature of economic interaction between developing and developed countries, would constitute a destabilizing element in international affairs. Governments, which aim to nationalize economic sectors of interest for multinationals, are therefore more likely to be threatened by the host states of multinationals. Based on this argument, some scholars (Amin, 1976) have concluded that globalization is more likely to increase conflicts between developed and developing countries.

Further arguments against trade with non-democracies derive from the idea that economic growth in non-democracies and in outlaw states in specific carries with it higher tensions (see Movsesian, 2017). Non-democracies could use gains from trade to finance military buildup, which is then used to threaten other nations. This argument has been raised within the context of the discussion on economic cooperation between North and South Korea (Brown, 2016) and in the debate on sanctions against Iran (sees U.S. Department of Treasury, 2020).

Irrespective of the different origins of the decoupling argument, the understanding that more commercial ties with non-democracies undermine world peace appears in different positions. Some observers opine that “too often in the past, we have seen that globalization has contributed to war rather than peace” (Prestowitz, 2013). According to Iranian diplomats, “globalization was fragmenting production processes, labor markets, political entities and societies” and “dividing nations and regions” (United Nations, 1999). The containment argument appears in the debate as well. The Greek newspaper Kathimerini published an article specifying that “European leaders [...] might ban Turkish Air landing rights in European

airports for disincentivizing Turkish aggression” (Rubin, 2020). Similar ideas were raised by political observers arguing that sanctions “are a tool necessary to advance peace and avoid bloodshed” (Rubin, 2020). The cessation of North Stream II, for example, is justified by the idea that “it strengthens Russia's power, helps President Putin to build a military power, helps to intimidate other nations” (Deutsche Welle, 2020).

The two contradicting views on commerce and development illustrate that the dissent on the impact of globalization on international relations but also that the different perspectives on the cultural and social impact of commercial ties on the foreign policy approach of non-democracies. This debate continues to be one of the major reasons for dissent of positions defending a closer engagement with non-democracies and positions arguing for a reduction of commercial ties with states, accused of destabilizing international affairs.

The Impact of Commercial Ties on Democratization

Some scholars, who assume a positive linkage of commercial ties on peace, believe that democratization is conducive to international peace (Lake, 1992). This gives room for the claim that, in addition to the discussion of the direct effects of commercial ties on peace, there is an indirect relationship connecting commercial ties, democratization and international peace (see McDonald, 2004).

The ‘Change Through Trade’ Argument

Proponents of commercial ties with non-democracies typically argue that commercial interaction will foster more respect for human rights in non-democracies and initiate a process of democratization. Their argument can be articulated as follows:

The expansion of commercial ties is conducive for democratization in the partner country. On the contrary, the reduction of commercial ties contravenes the goal of democratization.

Based on the idea that economic ties initiate a process of democratization, some observers have called for an intensification of commercial ties with non-democracies.

The standard theories tend to describe political and economic liberalization as simultaneous processes that support each other (see North, 1991; López-Córdova & Meissner, 2008). Based on this argument, a sizeable number of studies have examined the role of economic integration as a significant predictor of more government respect for human rights (Apodaca, 2001; Mitchell & McCormick, 1988; Mousseau, 2000). The prospective relationship between economic exchange and human rights improvements (see Kim and Trumbore, 2010) has been attributed to two factors. Nye (2004) points here to economic interdependencies as main trigger for political and economic liberalization. Economic decentralization is perceived to accompany a retreat of the state from tight regulation and is likely to increase the freedom of decision makers on the local level, as central governments are unable to implement and regulate all details of national foreign direct investment policies on their own (Malesky, 2008). Others focus on the emergence of a world culture or world society (Niezen, 2008; Lechner, 2009), which brings about a higher respect for individual and human rights (Küng, 2014). Buzan (2004), for example, pointed at the dynamics of international exchange as a factor driving the emergence of individual-based global society. The same logic has been applied to concerns that sanctions have a negative—or at least nonpositive—impact on social change (Hufbauer et al., 1990; Levy, 1999; McMahon, 2006; Powell, 2014). An often-used example in this context is North Korea, which is almost completely isolated from the rest of the world due to international sanctions (see Kim & Hermosillo, 2013) and heavily involved in human rights violations. In this context, some scholars assert that sanctions might even aggravate the human rights situation of already disenfranchised parts of the population (Drezner, 2011; see

Kriebitz & Max, 2020; Peksen, 2016), whereas others (Andreas, 2005) posit that sanctions force human rights violators to engage in even more controversial activities such as busting sanctions through illegal activities.

The idea of commercial ties having a positive impact on human rights is prevalent in the discourse and appears in different political agendas. Former American President Bill Clinton (New York Times, 2000) opined that “over time, I believe it will move China faster and further in the right direction, and certainly will do that more than rejection would”. When confronted with the recent escalation over human rights issues in China, German Minister of Trade Altmeier argued that he has “always been convinced [...] that change can be achieved through trade” (Hutt, 2020). On the contrary, sanctions are by some regarded as counterproductive for realizing human rights improvements, as it is an illusion to believe that “economic turbulences will result in a break-down of political regimes” (Bahr, 1963). Similarly, policy makers such as Ronald Reagan warned that “punitive sanctions [...] are not the best course of action” as “they hurt the very people they are intended to help” (Roberts, 1986).

The ‘Change Through Confrontation’ Argument

Advocates of a reduction of economic exchange with non-democracies might argue that commercial ties have a negative impact on democratization and that coordinated efforts to limit commercial ties might persuade leaders in non-democracies to engage in political reforms. Proponents of this view would argue in the following way:

The expansion of commercial ties leads to a deterioration of human rights and hampers the democratization of institutions in non-democracies. On the contrary, the reduction of commercial ties can be an instrument to incentivize human rights improvements and for realizing democratization.

Based on the perceived negative effects of commercial ties on the human rights situation in non-democracies, some observers have called for economic disintegration with non-democracies.

Their case for economic disintegration can be derived from two traditions: The exploitation argument and the economic cost argument. According to the exploitation argument, foreign enterprises exploit the rights of the population by conducting trade with non-democracies. In particular, proponents of dependency theory (see Blanton & Blanton, 2007; Lenin, 1917/1948) have posited that multinationals stand to benefit economically from autocratic power structures in developing countries. From this standpoint, foreign companies raise the productivity of regime-controlled entities and do not support the local economy or economic decentralization (see Alfaro et al., 2004; Bayulgen, 2010; Koizumi & Kopecky, 1980; Mousseau, 2006). The surplus generated in these forms of collaboration between regime-affiliated entities and Western enterprises bolsters the legitimacy and power of authoritarian regimes (Escriba-Folch, 2016) instead of triggering political change (see Feng, 1997). Proponents of the view often point at historic precedents in Latin America (Feng, 1997; Kopper, 2017) and Africa, where foreign enterprises reportedly colluded with authoritarian regimes at the expense of minority rights.

Another phase of the argument emphasizes on the idea that the reduction of commercial ties following boycotts or sanctions imposes high economic and political costs on political leaders. Baldwin referred to coercive measures affecting “the calculus of decision-making” (Baldwin, 1985; see Gordon, 2011). In detail, proponents of less commercial ties argue here that punitive measures increase the scarcity of goods within an economy and might destabilize authoritarian regimes. Here, Rhodesia (Minter & Schmidt, 1988) and South Africa (Hanlon & Omon, 1987) are often regarded as role models for how economic pressure from outside can lead to reforms. These arguments have been applied, for example, in the context of sanctions in Myanmar and North Korea (White, 2004; Brown 2016).

The idea that the coordinated reduction of commercial ties imposes democratization on authoritarian regimes manifests in different geopolitical and economic contexts (see Hutt, 2020). Positions embracing a more confrontational stance on non-democracies often seek to debunk the “change through rapprochement” argument (Szabo, 2020). In an article in *The Welt*, Herzinger (2019) examined the morality of trade with China and Russia and argued that history has proven the motto “change through trade” wrong. The empirical observation drawn by the author is that “international integration has not led to a democratization of powers such as China and Russia” (ibid., 2019). Instead, proponents of less exchange with non-democracies lobby for more confrontational policies such as sanctions or delinking and reducing commercial ties in security-relevant areas, including the transfer and development of technology (ibid., 2019).

Considering the two opposing streams of literature on the effects of trade, the debate on the effect of trade and human rights depicts a complex issue. The reason might be that the theories, which aim at establishing a linkage, concentrate on different timeframes (see Minter & Schmidt, 1988; Malesky, 2008). Moreover, the assessment of the empirical studies requires some caution owing to the fact that it might be difficult to track political changes initiated by commercial ties to establish clear causal mechanisms for making sense of the impact of commercial interactions on human rights.

Academic Contributions

The doctoral thesis is based on the following three submissions to international journals authored by Alexander Kriebitz. More information on the individual contribution of the Alexander Kriebitz and the other authors can be retrieved in the appendix of this dissertation.

These contributions add input to the debates on the following:

- The impact of digital technologies on the concept of human rights and the human rights implications of technological exchange.
- The implications of existing normative concepts on the exchange with non-democracies.
- The rationale of non-democracies in using commercial exchange with democracies in order to realize modernization.

Artificial Intelligence and Human Rights: A Business Ethical Assessment

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The moral question of commercial ties with non-democracies not only revolves around traditional forms of commercial exchange involving commodities, natural resources, or labor exports but increasingly concerns the exchange of digital technologies, including artificial intelligence (AI). These digital technologies not only unfold strong economic dynamics but generate new normative challenges, given the potential impact of AI on human beings and human interaction, as well as an intensifying race for technological leadership on a global level.

Given the increasing human rights obligations of companies and the intensifying discourse on AI, this paper sheds light on the responsibilities of corporate actors in the context of AI and aims to bridge the discourse on corporate ethics with the discourse on AI ethics. Based on our elaborations on the nature and moral qualities of AI, we define the technology as a dual-use good, which can generate positive and negative effects on human rights. In the context of AI for social good, the paper discusses the opportunities and risks that come along with AI. Evaluating the prospective impact of AI on the United Nations Sustainable Development Goals (SDGs), the paper links the ongoing debate on the principle of beneficence in AI ethics with the understanding of economic and development rights, which originate from the International Covenant on Economic, Social and Cultural Rights and SDGs. Considering the debate on exchange with non-democracies and democracies, the positive effect of AI on social rights would justify closer technological exchange.

However, the use of AI can also fall into areas where it has the potential to conflict with human rights. Here, we distinguish between cases where the input of the AI solution conflicts with human rights, cases where the output of AI leads to unintended human rights violations, cases where the use of AI conflicts with human rights, and, finally, cases where AI is used to commit human rights violations. Whereas the first three cases generate mainly implications for nation states and companies, the latter case connects to a more fundamental problem. The question of AI use cases directed against human rights applies in specific to technological transfer with states that have a poor record of human rights. Here, the dual-use character is problematic

given a potential tradeoff between the role of AI as an incubator of growth and sustainable development and the role of AI as an instrument, which might even foster repression and human rights violations. However, this problem is not solvable from the perspective of AI or corporate ethics but requires a more fundamental debate in the human rights discourse on the ethical and legal boundaries of technological exchange.

The Xinjiang Case and Its Implications from a Business Ethics Perspective

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The article “The Xinjiang Case and Its Implications from a Business Ethics Perspective” elaborates on ethical implications of human rights violations in the supply chains of multinational companies. The example discussed here concerns the case of Xinjiang, where human rights organizations and NGOs accuse the Chinese government of conducting human rights violations. However, the case of Xinjiang differs from previous human rights violations discussed in the business and human rights discourse, as it concerns one of the world’s largest economies. So far, literature has examined the conflict between globalization and human rights in countries with a weaker position in international affairs or a higher degree of economic isolation such as North Korea, Myanmar, Sudan, or South Africa.

For this purpose, the article analyzes the normative basis for governmental and corporate actions in the context of Xinjiang. The UN Guiding Principles on Business and Human Rights and the Responsibility to Protect Resolution depict here the normative fundamentals for the discussion of the Xinjiang case. When applying the normative principles to the Xinjiang case, we identify that the human rights responsibilities for companies in the cases of conflict between national law and human rights are still ill-defined. Moreover, it remains unclear whether

companies should remain or leave the region. The paper therefore proceeds with the assumption that measures taken by states and enterprises should yield improvements for the local population. The rationale is here that policies should have the aim of enhancing the costs of maintaining the status quo. For this purpose, the contribution analyzes the interests of key players in the region, including the Han Chinese population in Xinjiang, domestic companies in the technology sector, state-owned companies and the central government in Beijing. Here, one can observe a political economy of entities that stand to profit from the disenfranchisement of the ethnic minorities, including the agricultural sector and state-owned companies. Following this, we discuss which economic measures will improve the human rights situation and how these measures might contribute to an improvement of the situation. The main finding here is that the ways to exert influence on the Chinese government remain limited and that uncoordinated measures will fail to bring about change. However, smart sanctions might render some parts of the exploitation-based economic structure less lucrative and enhance the financial burden on the regional government, whereas comprehensive divestment is more likely to harm the local population.

Foreign Investment and North Korea's Knowledge Economy

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The paper “Foreign Investment and North Korea's Knowledge Economy” discusses North Korea’s interest in the knowledge economy and the rationale behind the regime’s plans of ramping up technology transfer with foreign partners. The findings of this paper are highly important for the general discourse of technological proliferation and exchange with non-democracies.

In order to decipher Pyongyang's recent steps towards economic exchange, we evaluate these questions by examining data delivered by international organizations as well as previous literature on the North Korean economy and by systematically analyzing Rodong Sinmun articles and contributions of North Korean researchers in the Kim Il-sung University Journal. Based on the review of these sources, we conclude that the North Korean elite is aware of the necessity to cooperate with foreign companies to gain access to new technologies. Due to the explicit reference to foreign direct investment and foreign exchange in the knowledge economy, garnering foreign investment in technology-intensive industries appears to be one of the top priorities of North Korean economic policy. Nevertheless, North Korea appears to remain distanced when it comes to full liberalization, as it continues to regard too much dependence on foreign forces as a threat to its efforts to become a self-reliant economy. Moreover, one major obstacle for more commercial ties appears to be the interrelatedness of military and economic interests. This applies even to the conceptualization of the knowledge economy and its intersection between military and civilian use cases. From the overall perspective of the dissertation, we generate some important insights. North Korea and arguably other isolated non-democracies have a strong desire to achieve technological modernization. Here, technology transfer might be used as a bargaining chip in future negotiations with isolated countries, in order to realize disarmaments or improvements in human rights. Nevertheless, we recognize the potential for a conflict between the realization of social development through unlimited technological exchange and the threat technological innovations in non-democracies pose to human rights and international peace.

Discussion

Which norms form the basis for judgments on commercial ties with non-democracies? Which causal theories are assumed to connect norms and values of international law with trade and commerce? Disagreement on the question of whether to enhance or reduce commercial ties with dictatorships materializes in different forms. As discussed, arguments for both positions can be based on different normative premises and competing theories on causal relations, which connect the norms to be realized with human action. The preceding discussion allows us to reconstruct not only how observers derive their moral conclusions but also the main premises which determine their stance on commercial engagement with non-democracies. For this purpose, we present here some questions that are implicitly or explicitly tackled in arguments for more or less trade.

Are norms relative or are norms universal?

The main difference among moral observers appears to lie in the question of whether we understand norms as principles that originate in a process of self-binding or whether we believe in norms that pre-exist processes of moral self-binding (see Singer, 1972; Donaldson 1992; Hsieh, 2015; Wettstein, 2015; Corlatean, 2019). This tension is currently solved by the assumption that norms in international law can be divided in universal norms, which pre-exist codified international law, and norms, which originate in self-binding processes based on bilateral or multilateral agreements (Donnelly, 1984; D'Amato, 2010). However, the debate

does not address the continuous evolution of norms and the increasing prevalence of universalist positions in areas outside of the traditional debate on international ethics such as environmental protection, diversity, or animal rights. Therefore, changes of normative perceptions will yield future implications on the conduct of commercial ties with other societies and might even reconfigure the definitions of good and deviant forms of government (compare Sartori, 1970).

Is our focus to punish entities violating norms or is our focus to improve the world?

Another dispute on the morality of commercial ties with non-democracies concerns the very purpose of the trade restrictions. According to some (see van der Have, 2020), the cessation of commercial ties serves the purpose of punishing norm violators and defending the acceptance of norms. Here, the reduction or cessation of commercial ties has a signal function primarily directed against other potential norm-violators. For others, the regulation of commercial ties serves the purpose of contributing to the long-term realization of moral desiderata (see Minter & Schmidt, 1988). The question of whether these two purposes conflict with one another is part of the empirical debate, while the question of to what degree we balance between both purposes is of a normative nature. The later debate corresponds with the more general philosophical dispute on the focus of moral action in terms of consequences (Bentham, 1780) or principles (Kant, 1785/1996).

To what extent do we factor in the role of innocent bystanders?

Another fundamental difference among observers appears to be the question of whether moral considerations in international affairs and in international trade should focus on the interests of the in-group or include bystanders. Normative theories stressing the obligations towards the in-group would include the concepts of national interest, state sovereignty, and traditional

social contract theory (see Friedmann, 1995). Moral obligations and aims originate here in the preferences of the in-group (Haidt & Kesebir, 2010), which generate moral implications for regulating commercial ties in general. For some (Friedman, 1995), the interests of third parties such as the domestic situation of a trade partner might be of instrumental value for the long-term interests of the in-group (for example the American electorate). On the contrary, proponents of altruistic preferences would include the interests of third parties right from the beginning and understand them as a moral self-purpose. One might read here the argument of Peter Singer (1972) as an approach that prioritizes the interests of the least advantaged in non-democracies (out-group) over the interests of the in-group in wealthy and powerful economies (in-group). This applies to normative theories in international affairs and to the debate on commerce with dictatorships as well. In practice, the choice of observers will be situated within the continuum between preferences for an in-group–based concept of morality or a cosmopolitical interpretation of morality in international affairs (see Kant, 1796/2010).

Are political rights superior to economic rights?

Even if we tie the regulation of commercial ties to the interests of innocent bystanders, policy makers and observers are confronted with two different interpretations of how to assess the effect of particular measures on these interests. The political rights view argues that human rights revolve around the free will of a person and that individuals should live unrestricted from external force (Mill, 1859/1998; Berlin, 2016). Commercial ties would therefore have the purpose of contributing to the improvement of defense rights against the state. In contrast, advocates of economic rights would suggest that commercial ties should be aimed at realizing economic and social benefits for the local population. Once again, the question of whether the two moral aims conflict with one another in practice is part of the empirical debate, while the question of to what degree, we balance between both purposes, constitutes an act of norm derogation.

What is the time horizon of our moral agenda?

Rationales for regulating commercial ties with non-democracies appear to differ in terms of time horizon as well (see Kant, 1796/2010). Theories on the impact of more or less commercial ties with non-democracies argue that sharp drops in commercial exchange will have an immediate economic effect or that scaling up commercial trade will alter the foreign policy preferences of political leaders of non-democracies from a long-term perspective. The factor of time might vary according to the causal theory used to back up the argument for a certain policy (see Minter & Schmidt, 1988). Proponents of the deterrence argument might assume a shorter period between proposed action (e.g., sanctions) and desired result (e.g., disarmament), while theorists such as Immanuel Kant (1796/2010), who factor in social change, might be ready to accept a longer distance between measures taken and desired outcome. The key empirical question here is whether short-term gains and long-term aims conflict with each other, while the normative debate concerns the question of how to balance between conflicting short-term and long-term consequences of policy measures. The debate resembles the current debate in economics and psychology on the preferences of individuals concerning short time versus long-term interests (see Loewenstein and Prelec, 1993; Frederick et al., 2002; Cohen et al., 2020).

Can commercial exchange and ethical purposes be realized simultaneously?

Normative judgments on the causal relationship between commercial ties and ethical norms are embedded in a more general context of how to evaluate the effect of commercial interactions on moral values (see Movsesian, 2017; Oman, 2017; Pies, 2020). In the debates on the effect of commercial ties on socio-economic development, peace and human rights, we encounter positions arguing that the expansion of commercial ties per se contravenes ethical goals. The problem here is not so much the idea that democracies trade with non-democracies, but rather the nature of trade, which is believed to generate negative externalities for innocent

bystanders. In contrast to these dualistic positions, monistic positions would argue that the impact of commercial ties with non-democracies on the moral desiderata would depend on the way commercial interaction is conducted and that economic integration, peace, and human rights are compatible with each other (Smith 1776/2008; Homann et al., 2016). The differences between monistic and dualistic approaches are decisive, as they recur in all debates that link commercial ties with moral values and have a fundamental impact on common moral perceptions.

Conclusion

Studying the arguments for more and less commercial ties with non-democracies generated major implications for the research questions posed in the beginning. The first finding is that the participants in this dispute might not have a shared view on the very definitions of good and deviant political regimes as well as on the key norms and principles of international relations. Hence, the regulation of commercial ties is therefore seen as an instrument of realizing the norms prioritized by the moral observer. The values of the observers themselves depend on questions at the meta-ethical level, such as the following: To what extent do we balance between the interest of the in-group and universal standards? Is our focus to punish entities violating norms or is our focus to improve the world? Are norms relative or are norms universal? Do we focus on states or on individuals? Are political rights more important or economic rights?

The second finding is that observers have different models in mind when they evaluate the effect of commercial ties with non-democracies. Apart from more general monistic or dualistic position on the relationship between commerce and morality, causal theories tend to differ in terms of time horizon and integration of economic, political and cultural factors, when reflecting on the consequences of commercial ties on objectives such as creating economic growth or fostering democratization.

In practice, the linkages, which form our moral judgment on democracies and non-democracies are often more complex than traditionally assumed. Human rights violations, for example, occur not only in non-democracies, but also in democratic countries. Some non-democracies are more able to realize economic growth and some non-democracies are less likely to engage in warfare. These inherent complexities conflict with the very broad criteria of ethical evaluation, which form the basis of our evaluation. From this perspective, the doctoral thesis aims to contribute to the discourse with two implications for further examination:

The first is of descriptive nature and relates to the question of how economic, social, and political interests of actors translate into the beliefs held by moral observers and how consistent moral spectators are when judging commercial ties with non-democracies. Comprehending this aspect would be helpful for deciphering the moral motivation and political objectives behind economic decisions made by politicians in regard to non-democracies.

The second implication is normative: The coexistence of different and perhaps even conflicting norms begs the question of how to balance the norms, which often represent different stakeholder groups, in the moment of moral judgment. The decision is complicated by the fact that empirical linkages tend to be uncertain, given the dissent on the causal theories and the lack of information, when it comes to breaking down these causal theories to the examination of specific countries. This concerns isolated places such as Myanmar, North Korea, Sudan or Xinjiang, where the real impact of policies might prove hard to judge. One preliminary normative conclusion could be that we should be more careful in making normative statements concerning commercial ties with non-democracies, given the existence of blurring definitions, difficult causal connections, and conflicting norms. Another preliminary normative conclusion could be that normative principles on commercial ties with non-democracies should factor in proportionality as a principle in the judgment of commercial ties, which forces policy makers to take a more nuanced view on the different norms and vital interests that are at stake.

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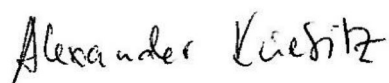
Appendix

The following pages include the confirmations on contributions of the articles published for the dissertation.

Publication I: Artificial Intelligence and Human Rights: A Business Ethical Assessment

Published in Business and Human Rights Journal 5.1 (2020): 84-104 with Christoph Lütge

- I was responsible for the development of the overall structure of the article
- I was responsible for the literature review on business and human rights and the elaboration of the conceptual framework for the article.
- As corresponding author I was responsible for the submission process and the coordination of the revise and resubmit process
- The writing of the article was a joint effort by the team of authors
- The revision was a joint effort by the team of the authors



Alexander Kriebitz (Lead author)

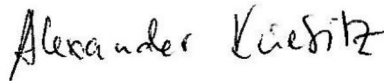


Christoph Lütge (Co-author)

Publication II: The Xinjiang Case and Its Implications from a Business Ethics Perspective

Published in Human Rights Review 21 (2020): 243-265 with Raphael Max

- I was responsible for the development of the overall structure of the article
- I was responsible for the literature review and the research on the case study,
- As corresponding author I was responsible for the submission process and the coordination of the revise and resubmit process
- The writing of the article was a joint effort by the team of authors
- The revision was a joint effort by the team of the authors



Alexander Kriebitz (Lead author)

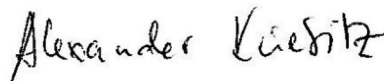


Raphael Max (Co-author)

Publication III: North Korea's Knowledge Economy and Foreign Direct Investment

Published in North Korean Review 16.2 (2020): 7-25.

- As the sole author, I was responsible for all aspects of the article



Alexander Kriebitz (Lead author)

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