



Impact of International Trade Policies on the Iraq–America War (2026)

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ABSTRACT

This research paper examines the role of international trade policies in shaping the dynamics of the 2026 conflict between the United States and Iraq. The study aims to understand how economic tools such as trade sanctions, embargoes, tariffs, and financial restrictions contributed to the escalation of tensions and eventual military engagement. In the modern globalized economy, trade policies have become powerful instruments of geopolitical strategy, often functioning as alternatives or precursors to direct military intervention. A qualitative research methodology has been adopted, relying on secondary data from international organizations, government reports, academic journals, and policy analyses. The study uses content and comparative analysis techniques to evaluate the relationship between economic sanctions and conflict escalation. The findings indicate that trade restrictions, particularly those targeting oil exports and financial transactions, significantly destabilized Iraq's economy. This economic strain not only intensified domestic unrest but also heightened geopolitical tensions with the United States. Additionally, the research highlights how international alliances, global trade networks, and financial institutions influenced both strategic decisions and conflict outcomes. The study concludes that international trade policies played a critical and multifaceted role in the Iraq–America War (2026). It emphasizes that economic measures, while intended as non-military tools, can inadvertently contribute to conflict escalation. The paper recommends a more balanced and diplomatic approach to



1. Introduction

1.1 Background of the Study

International trade policies have evolved beyond purely economic tools to become key instruments of political influence and strategic power. In a globalized world, countries are interconnected through trade, finance, and supply chains, making economic measures highly impactful. Governments increasingly use trade policies such as sanctions, tariffs, and embargoes to influence the behavior of other nations.

The relationship between trade and conflict has been widely debated in international relations. While some scholars argue that trade promotes peace through interdependence, others suggest that trade restrictions can provoke hostility and economic destabilization. The conflict between the United States and Iraq in 2026 provides a contemporary case to examine this relationship.

Historically, Iraq has been heavily dependent on oil exports, making it vulnerable to trade restrictions. The United States, as a global economic power, has frequently used trade policies as part of its foreign policy strategy. In 2026, these dynamics played a crucial role in shaping the conflict.

1.2 Research Problem

Despite extensive research on past conflicts, there is limited understanding of how modern trade policies—particularly in a digital and globalized economy—affect contemporary warfare. This study addresses the question:

How did international trade policies influence the escalation and dynamics of the Iraq–America War (2026)?

1.3 Objectives of the Study

- To analyze the role of trade sanctions in the conflict
- To assess the economic impact of trade policies on Iraq
- To evaluate the influence of trade policies on military and diplomatic strategies
- To examine the role of global trade institutions in the conflict



1.4 Significance of the Study

This research is significant for policymakers, economists, and international relations scholars. It highlights the potential consequences of using economic tools as instruments of political pressure and contributes to the understanding of economic warfare in modern conflicts.

2. Literature Review

2.1 Theoretical Framework

The study is based on theories of economic statecraft and political economy. Economic statecraft refers to the use of economic tools to achieve foreign policy goals. Trade policies, in this context, are instruments of power.

2.2 Review of Previous Studies

Research on the Iraq War shows that economic sanctions played a significant role in weakening Iraq before military intervention. Studies suggest that prolonged sanctions led to economic decline and humanitarian challenges.

The World Trade Organization has emphasized that trade restrictions can disrupt global supply chains and negatively impact developing economies. Similarly, reports from the International Monetary Fund highlight the macroeconomic consequences of sanctions, including inflation and currency devaluation.

Scholars such as Baldwin (1985) and Pape (1997) have debated the effectiveness of economic sanctions. While Baldwin argues that sanctions can be effective tools of statecraft, Pape contends that they often fail to achieve political objectives and may even strengthen resistance.

2.3 Research Gap

Most existing literature focuses on earlier conflicts and traditional trade mechanisms. There is limited research on:

- The role of digital finance and globalized trade networks
- The impact of modern sanctions on emerging economies
- The specific context of the 2026 Iraq–America conflict

This study aims to fill these gaps.



3. Research Methodology

3.1 Research Design

The study adopts a qualitative research design, focusing on in-depth analysis of secondary data.

3.2 Data Collection Methods

- Government reports (U.S. and international agencies)
- Publications from international organizations
- Academic journals and research papers
- Trade and economic databases

3.3 Sample Size and Selection

The study analyzes over 30 sources, including policy documents, economic reports, and scholarly articles. Sources were selected based on relevance and credibility.

3.4 Tools and Techniques

- Content analysis
- Comparative analysis
- Trend analysis

3.5 Limitations of the Study

- Dependence on secondary data
- Limited access to confidential government information
- Potential bias in reported data

4. Data Analysis & Interpretation

4.1 Trade Policies Implemented

Policy Type	Description	Impact
Economic sanctions	Restrictions on trade and finance	Economic decline
Oil export bans	Limits on Iraq's main revenue source	Revenue loss



Financial restrictions	Blocking international transactions	Currency instability
Import restrictions	Limiting goods supply	Shortages

4.2 Economic Impact on Iraq

- Decline in GDP
- Rising inflation
- Increased unemployment
- Currency devaluation

4.3 Impact on Conflict Dynamics

Trade policies contributed to:

- Increased political tension
- Domestic unrest
- Strategic military decisions

4.4 Interpretation

The analysis suggests that economic pressure intensified the conflict by weakening Iraq’s economic stability and increasing dependence on alternative alliances.

5. Results / Findings

- Trade sanctions significantly impacted Iraq’s economy
- Economic instability contributed to conflict escalation
- Trade policies influenced international alliances
- Financial restrictions played a key role in strategic decisions

6. Discussion

The findings support the argument that economic tools can act as indirect forms of warfare. Compared to earlier conflicts, the 2026 scenario shows a greater role of global financial systems and digital trade.



6.1 Comparison with Previous Studies

- Consistent with Baldwin's theory of economic statecraft
- Supports Pape's argument on limitations of sanctions

6.2 Implications

- Economic policies can escalate conflicts
- Need for balanced trade diplomacy

7. Suggestions / Recommendations

- Use trade policies cautiously
- Promote diplomatic solutions
- Strengthen international cooperation
- Develop alternative conflict resolution strategies

8. Conclusion

The study concludes that international trade policies played a crucial role in shaping the Iraq–America War (2026). The objectives of the study were achieved, demonstrating the significant impact of economic measures on both economic conditions and conflict dynamics.

References / Bibliography (APA Style)

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Appendix

Questionnaire

- Do you believe trade sanctions can prevent war?
- How do economic policies affect political decisions?
- Should international organizations regulate trade sanctions?