



Analysis Of US Targeted Visa Sanctions And South Africa

What the 15 September policy is, and whether visa bans are effective

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Reignite, Build and Grow Gauteng

Three parts: the policy, the evidence, and what it means for Gauteng. Reference slides follow.

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The question this deck answers

Will the 15 September US visa policy change South African policy, and what does it mean for Gauteng and GGDA?

A targeted, discretionary signal. Not a travel ban, and a weak lever for policy reversal.

LEGAL BASIS

\$212(a)(3)(C)

Secretary's discretion, no mandate

NAMES PUBLISHED

0

visa records are confidential

VISA EPISODES, FULL SUCCESS

2 of 19

only where paired with other tools

SA LEVERAGE SCORE

2 of 10

against Guatemala at 10

The instrument

Broad discretion, no public list and no financial effect. The closest precedent is the 2021 Khashoggi Ban, not the Engel List.

The evidence

Broad sanctions succeed in 31% of democratisation and 51% of modest-policy cases. Visa-centred episodes: 1 of 10 and 1 of 9.

Bottom line

Expect personal and reputational costs for targeted individuals, not a change to national land or empowerment policy. Three triggers would change that: published names, escalation to OFAC blocking, and a court-led off-ramp on the Expropriation Act.

Real personal and reputational costs, but unlikely to change national policy or Gauteng's outlook.

THE INSTRUMENT

\$212(a)(3)(C)

Discretionary, confidential, no financial effect

- Follows the 2021 Khashoggi Ban model, not the mandatory, public §353 Engel List

THE EVIDENCE

10% vs 31%

Visa-led vs broad-sanction success on democracy goals

- On human-rights goals: 11% vs 51%

THE CONDITIONS

2 of 10

South Africa's leverage score (Guatemala: 10)

- Successes had named targets, US exposure and financial or coalition pressure

THE OUTLOOK

Low

Base-case likelihood of a policy reversal

- Watch: published names, OFAC escalation, a court-led off-ramp

What it means for GGDA

Treat this as a reputational and travel-risk file, not a macroeconomic shock. Build visa lead time into US roadshows, keep direct contact with top US investors, and scenario-plan with banks in case OFAC acts.

Read the machinery, not the headline. The legal hook determines how it will operate.

What it is

- Allows the Secretary of State to deny visas to foreign nationals responsible for or complicit in race-based discrimination, uncompensated land seizures, or incitement of imminent violence against minorities in South Africa
- Legal hook: INA §212(a)(3)(C), where entry would have potentially serious adverse foreign policy consequences
- May extend to certain family members, with no criteria given
- Can mean refusal of a new visa, denial at the border, or revocation of an existing visa

What it is not

- A ban on South Africans by nationality
- A public list: visa records are confidential under INA §222(f)
- An asset freeze, a trade measure or a tariff
- Time-limited, or tied to a stated off-ramp

Where the leverage sits

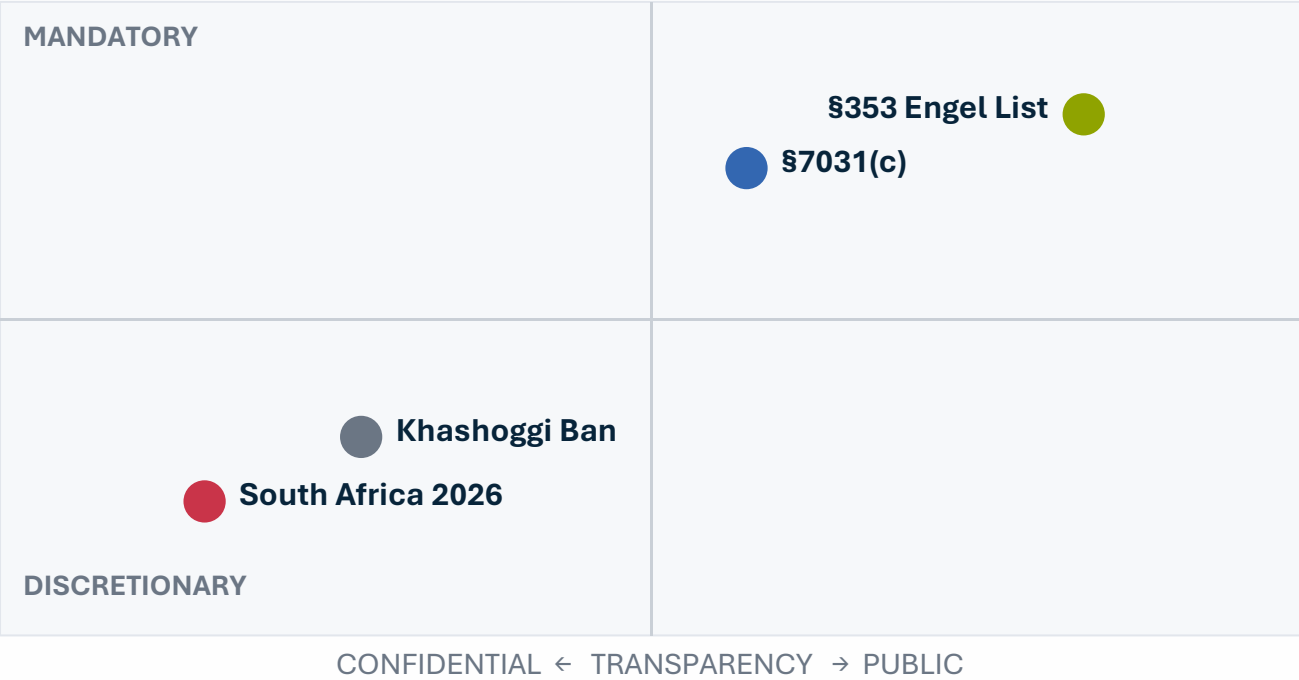
The leverage is personal and reputational. It bites hardest on people whose family, assets or business depend on US access.

Four US authorities that restrict visas, and how the South Africa policy compares.

ATTRIBUTE	SOUTH AFRICA 2026	KHASHOGGI BAN 2021	\$353 ENGEL LIST	\$7031(C)
Legal authority	Secretary of State policy	Secretary of State policy	US–Northern Triangle Act	SFOPS Appropriations Act
INA section	§212(a)(3)(C)	§212(a)(3)(C)	Standalone bar	Standalone bar
Scope of target	Officials and private actors	Agents acting against dissidents	Officials and private actors	Government officials only
Mandatory	No, discretionary	No, discretionary	Yes, waiver available	Yes, on credible information
Public designation	Not required, confidential	Not required, 76 unnamed	Required, list published	Optional, public or private
Family members	Certain family members	Not specified	Listed individuals only	Immediate family
Duration and scale	Open-ended, undisclosed	Open-ended, 76 Saudis	Lapsed Dec 2023, 184 named	Annual, 124 entries FY2022

None of the four freezes assets: financial effect requires separate authorities such as Global Magnitsky. The South Africa policy uses the Khashoggi Ban model — maximum executive flexibility, minimum transparency, no congressional compulsion.

Plotted on two statutory features: required transparency, and whether action is obligatory.



Why the corner matters

Mandatory, public regimes limit executive discretion and create name-and-shame value for civil society

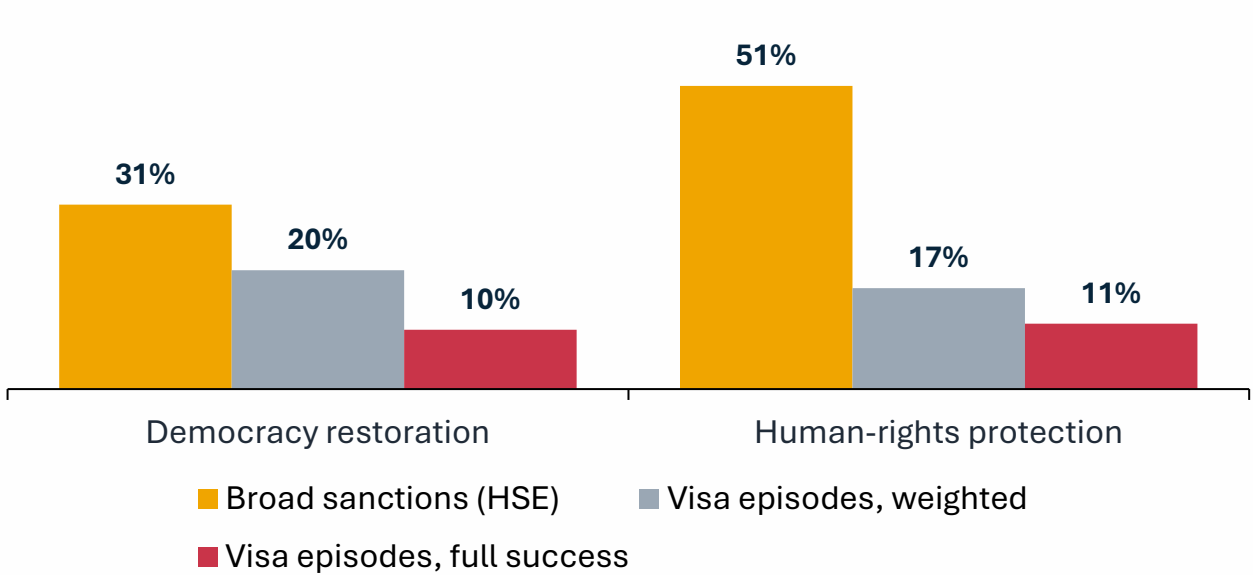
The trade-off

Confidential tools scale up or down quietly, which suits bargaining. Deterrence is weaker because no one knows the threshold

Implication for South Africa

Targets cannot be verified, so the debate runs on speculation — reputational noise without a clear demand.

Success rates by objective. Broad sanctions against visa-centred episodes, on the same two goals.



HSE is Hufbauer, Schott, Elliott and Oegg, the standard reference dataset. The 19-episode visa sample is coded by MBI and is directional.

HSE, *Hufbauer, Schott, Elliott and Oegg, Economic Sanctions Reconsidered, 3rd edition, PIIE 2007*. About 200 sanctions cases since 1914. Sanctions succeed in about a third of cases: 51% for modest policy change, 31% for regime change and democratisation.

BROAD SANCTIONS

31% / 51%

democratisation and modest policy change

VISA-CENTRED EPISODES

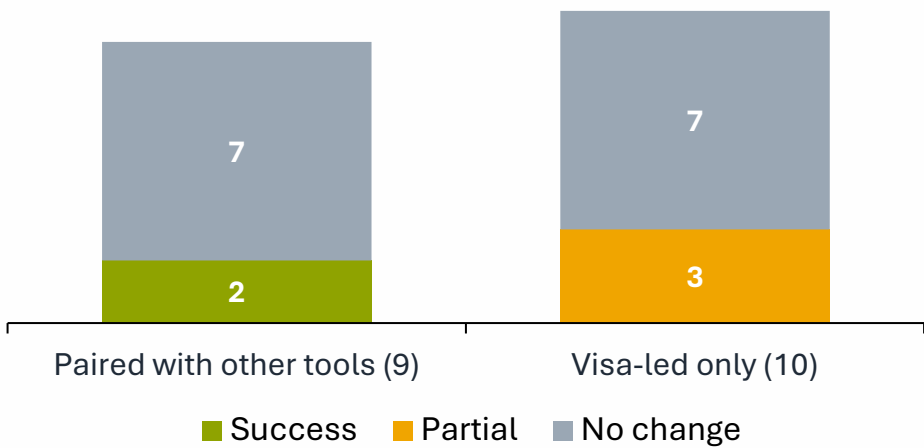
10% / 11%

full success, 1 of 10 and 1 of 9

A caveat worth stating

Democracy sanctions after 1990 show a positive effect, while broad sanctions tend to worsen physical-integrity rights

Both successes were paired with other pressure. Visa-only episodes produced partial results at best.



Guatemala 2023–24 SUCCESS About 300 restricted, including 100+ legislators. Deep US ties, OAS and EU pressure	Bangladesh RAB 2021 SUCCESS Paired with Global Magnitsky blocking. Rights groups reported a sharp fall in killings
Nicaragua 2018–24 NO CHANGE More than 1,400 sanctioned. The regime was insulated and consolidated anyway	Khashoggi Ban 2021 NO CHANGE 76 unnamed Saudis. No pairing and no defined demand

Bottom line

Paired with financial or coalition pressure: 2 of 9 full successes. Visa-led only: 0 of 10, with 3 partial results.

Five conditions, scored 0 absent, 1 partial, 2 strong.

EPISODE	TARGETS	US EXPOSURE	PAIRED	DEMAND	TIMING	SCORE	OUTCOME
Guatemala 2023–24	2	2	2	2	2	10	Success
Honduras 2021–22	2	2	1	1	2	8	Partial
Bangladesh RAB 2021	2	1	2	2	0	7	Success
Nicaragua 2018–24	1	1	2	0	0	4	No change
El Salvador 2021–24	2	1	0	1	0	4	No change
Khashoggi Ban 2021	1	1	0	0	0	2	No change
South Africa 2026	0	1	1	0	0	2	To be seen

South Africa: no named targets; mixed elite exposure; pairing with aid cuts and tariffs that are not linked to the demand; the demand is repeal of legislation grounded in the Constitution; and no fixed decision point. A score of 2 puts it alongside the Khashoggi Ban.

Three paths, with the behaviour-change likelihood and economic spillover attached to each.

BASE CASE

Small, private designations

A handful of quiet refusals. Mostly a diplomatic warning, with some chilling effect on officials who value US access.

BEHAVIOUR CHANGE

Low

Economic spillover: Negligible

ESCALATION 1

Publicly named senior targets

Named ministers, legislators or private actors bring reputational costs, changed investor perception and a likely domestic rally-round effect.

BEHAVIOUR CHANGE

Low to moderate

Economic spillover: Sentiment-driven

ESCALATION 2

Financial sanctions under OFAC

Global Magnitsky-style blocking. Banks derisk and counterparties screen. The step the Bangladesh case suggests actually changes behaviour.

BEHAVIOUR CHANGE

Moderate

Economic spillover: Material

Bottom line

Even the escalation path raises costs more than it changes policy. The Expropriation Act has constitutional and coalition anchors.

Manage the travel and perception risk now; prepare for a financial-sanctions tail.

CHANNEL	EXPOSURE	SIGNAL TO TRACK	OUR RESPONSE
Investment promotion travel	Medium	Visa outcomes for delegations on US roadshows and at US-hosted events	Build visa lead time and alternative representation into roadshow plans
US investor sentiment	Medium	Publication of names; country-risk language from US firms in Gauteng	Hold account-level contact with top US investors; issue a factual policy note
Financial-sector compliance	Low for now	Any OFAC action under Global Magnitsky	Scenario-plan with banks on screening and correspondent exposure
Policy and legal track	Medium	Court ruling on the Expropriation Act challenge	Brief the MEC on a court-led off-ramp that neither government has to own

How to file this

Treat it as a reputational-risk file with a monitored escalation trigger, not a macroeconomic shock. Cadence: weekly scan of State Department and Treasury releases, quarterly check of US investor sentiment through the GIC network.

Visa restrictions deter and stigmatise elites. They rarely reverse national policy on their own.

01 The instrument is the message

- The most discretionary and least transparent US visa tool. It follows the Khashoggi Ban model, not the Engel List.

02 The record is discouraging

- Visa-centred measures met their objective in 2 of 19 episodes, and only where paired with financial or coalition pressure against identifiable, exposed targets.

03 Watch three triggers

- Published names, escalation to OFAC blocking, and a court-led off-ramp on the Expropriation Act.

For GGDA specifically

No tariff, no market-access change and no macroeconomic shock. The exposure is delegation travel and US investor perception, and both are manageable with lead time and direct contact.

Four steps, from legal text to scenarios. Each judgement call is stated so it can be challenged.

01 Map the authorities

- Compared four US visa authorities on seven statutory features
- Sources: statute text, CRS, Federal Register, State Department listings
- Output: comparison matrix and positioning map

02 Build the episode register

- 19 US visa-centred measures, 2018–2025: 10 democracy, 9 human rights
- Each coded against the stated US objective over about two years
- Tagged for pairing and for elite exposure to the US

03 Benchmark the record

- Full-success rate, plus a weighted rate: success 1, partial ½, no change 0
- Compared with HSE: 31% democratisation, 51% modest policy change
- Cross-tabbed by objective and by pairing

04 Score leverage and scenarios

- Five conditions scored 0–2, for a total out of 10
- Four drawn from the sanctions literature; timing added by MBI
- Three implementation scenarios with judgement-based likelihoods

Limitations

Small sample (n = 19), chosen where visa measures were central and public. Outcomes show association, not causation, and coding is analyst judgement. HSE mainly covers economic sanctions, so it is an upper benchmark rather than a like-for-like comparison.

We used three academic studies to set the benchmark. Policy research supplies the legal detail and case evidence.

SOURCE	KEY FINDING	HOW WE USED IT
Hufbauer, Schott, Elliott & Oegg Economic Sanctions Reconsidered, 3rd ed., PIIE, 2007 ACADEMIC	About 200 sanctions cases since 1914. Sanctions succeed in about a third of cases: 51% for modest policy change, 31% for regime change and democratisation.	Benchmark success rates for both objectives
von Soest & Wahman Democratization 22(6), 2015 ACADEMIC	Since 1990, democracy-focused sanctions have had a significant positive effect on democratic development in target countries.	Guards against over-reading the weak visa record on democracy goals
Peksen Journal of Peace Research 46(1), 2009 ACADEMIC	Economic sanctions worsen respect for physical-integrity rights. Extensive sanctions do more harm than selective ones.	Supports targeted over broad tools for human-rights goals
Congressional Research Service IF12486, 2023 POLICY	\$353 publicly named 184 people before lapsing in December 2023. It had some deterrent and name-and-shame value, but backsliding continued.	Evidence on the mandatory, public model
Niskanen Center Revisiting Immigration in US Foreign Policy POLICY	Guatemalan restrictions worked because elites had US ties. In Nicaragua, more than 1,400 people were sanctioned without changing the regime’s course.	Case evidence behind the leverage conditions
Human Rights First §7031(c) explainer, 2023 POLICY	§7031(c) covers officials only, is generally mandatory once evidence exists, and may be applied confidentially.	Legal mapping for the authority comparison

This is analysis, not legal advice. Coding and scenario likelihoods are MBI analyst judgements and do not establish causation.

Primary and policy sources

- US Department of State, Announcement of New Visa Restriction Policy, 15 September 2026
- Congressional Research Service IF12486, Central America: Expiration of Targeted Sanctions Authority
- Federal Register, reports to Congress under §353(b) of the US–Northern Triangle Act
- State Department §7031(c) public listing FY2022; Human Rights First explainer
- The Hill, State restricts visas for 76 Saudis in the Khashoggi Ban, February 2021

Academic and method

- Hufbauer, Schott, Elliott and Oegg, Economic Sanctions Reconsidered, 3rd edition, PIIE 2007
- von Soest and Wahman, Are democratic sanctions really counterproductive?, Democratization 2015
- Peksen, Better or Worse? The Effect of Economic Sanctions on Human Rights, JPR 2009
- 19 episodes from 2018 to 2025, coded Success, Partial or No change against the stated US objective over roughly two years
- Paired means combined with asset blocking or a coordinated coalition