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U.S.-Russia Relations: Sanctions and Diplomatic Expulsions

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The recent combination of Western sanctions against Russia and mutual diplomatic expulsions represents a strong statement by the West, but it is unlikely to have much effect except to stimulate more tit-for-tat behavior.

U.S. Sanctions against Russia

In April 2018, the United States Treasury Department imposed sanctions against twenty-four Russian individuals and fourteen Russian companies. This was the third set of sanctions levied against Russia in a matter of weeks. For example, on March 15th, the Trump Administration imposed sanctions on individuals and companies identified by special counsel Robert Mueller as having interfered in the 2016 US presidential election.¹

These economic sanctions are both strategic and punitive. The aim is to inflict damage, punishing Russia for bad behavior and encouraging a change of that behavior. The sanctions prevent targeted Russian individuals and companies from doing business in US dollars and cuts them off from business with US citizens. These individuals are the richest men in Russia, oligarchs from Putin's inner circle like billionaire aluminum magnet Oleg Deripaska, who is now on the verge of bankruptcy.² The Russian market reacted dramatically with Russian stocks suffering their worst session in four years and the ruble plunging as much as 4.1 percent against the dollar, its largest drop since 2016.³

The U.S. has used sanctions against Russia before. For example, in 1974 President Gerald Ford imposed trade restrictions against the Soviet Union with the Jackson-Vanik amendment. As NPR reported, the message to Moscow was: If you deny basic human rights — in this case, the right of Jews to emigrate from the Soviet Union — you cannot conduct normal business with the United States.⁴ More recently, in 2017, the U.S. levied sanctions again in response to Russia's interference in the 2016 US election, as well as its human rights violations, annexation of Crimea, and military operations in eastern Ukraine. In a symbolic measure, Russia responded by forcing the U.S. to reduce its diplomatic staff by 755 members (mostly Russian nationals) and

¹ Masha Gessen, "The Moral Case for Sanctions Against Russia," *The New Yorker* (April 6, 2018). Accessed April 11, 2018, <https://www.newyorker.com/news/our-columnists/the-moral-case-for-sanctions-against-russia>

² Andrew Roth, "Manafort's Russia connection: What you need to know about Oleg Deripaska," *The Washington Post* (September 24, 2017). Accessed April 12, 2018, https://www.washingtonpost.com/news/worldviews/wp/2017/09/24/manafort-russia-connection-what-you-need-to-know-about-oleg-deripaska/?utm_term=.029514931713

³ Henry Foy, "Russian markets hit by US sanctions and Syria," *Financial Times* (April 8, 2018). Accessed April 9, 2018, <https://www.ft.com/content/412e9d88-3bd6-11e8-b7e0-52972418fec4>

⁴ Greg Myre, "U.S. Sanctions Against Russia Never Go Away — They Just Evolve," *NPR* (July 21, 2017). Accessed April 12, 2018, <https://www.npr.org/2017/07/21/538086476/u-s-sanctions-against-russia-never-go-away-they-just-evolve>

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revoking two properties from US missions in Russia, intimately linking sanctions to diplomatic expulsions.⁵ This tit-for-tat is aimed at the highest levels of society (oligarchs and diplomats) but experts have different opinions about whether they are truly effective in curbing Russian behavior or are just a thorn in Putin's side.⁶

Members of the Trump administration have used language that reinforces the message of the sanctions. John Bolton, the incoming National Security Adviser, has made it clear that he sees sanctions as a punishment. The previous National Security Advisor, H. R. McMaster, described diplomatic expulsions as a method for safeguarding our Western way of life, which he sees as under attack.⁷ To illustrate further, Treasury Secretary Steven Mnuchin accused the Russian government of ignoring the needs of the average Russian while it serves government elites and an insidious oligarchy. Mnuchin stated,

The Russian government engages in a range of malign activity around the globe, including continuing to occupy Crimea and instigate violence in eastern Ukraine, supplying the Assad regime with material and weaponry as they bomb their own civilians, attempting to subvert Western democracies, and malicious cyber activities. Russian oligarchs and elites who profit from this corrupt system will no longer be insulated from the consequences of their government's destabilizing activities.⁸

Such rhetoric and retaliatory actions has led leading analysts (such as Masha Gessen, Strobe Talbott, and Dmitri Trenin)⁹ to remark that U.S.-Russia relations are at an all-time low.¹⁰ While this point is debatable, it is clear that sanctions, in addition to mutual diplomatic expulsions, are marking this as a trying time for the two long-standing adversaries.

⁵ Angela Dewan, "Russia sanctions: What you need to know," *CNN* (August 2, 2017). Accessed April 8, 2018, <https://www.cnn.com/2017/07/25/europe/russia-sanctions-explainer/index.html>

⁶ Andrey Movchan, "Sanctions and Retaliation: Where Russia-U.S. Relations Are Headed," *Carnegie Moscow Center* (April 19, 2018). Accessed April 23, 2018, https://carnegie.ru/commentary/76120?mkt_tok=eyJpIjoiTudFek1HTTBNVE5pWIRkaCIsInQiOilwdHZNSVgxZUdiUkRGYzZzTFZtUW9UZTNMQk9vcHROV1ZiUlh4d3lzRHh5SDgxYnloMnIBWFIMT2Z2ZTIkekxEd2xRT2hYU2FoQmZQZIBnb2ZOQXpxUFpySkt0QnlZnNyYnc1dVVTbHVuSTV1ZnFNeIwvQjBmSnUrR3B5Um5mN3UifQ%3D%3D

⁷ Masha Gessen, "The Moral Case for Sanctions Against Russia," *The New Yorker* (April 6, 2018). Accessed April 11, 2018, <https://www.newyorker.com/news/our-columnists/the-moral-case-for-sanctions-against-russia>

⁸ Nash Jenkins, "What to Know About Trump's New Sanctions Against Russia," *TIME* (April 6, 2018). Accessed April 9, 2018, <http://time.com/5230713/donald-trump-russia-sanctions-explainer/>

⁹ Dmitri Trenin, "The Disruptor," *Carnegie Moscow Center* (February 16, 2018). Accessed April 10, 2018, <https://carnegie.ru/2018/02/16/disruptor-pub-75565>

¹⁰ Rosie Gray, "Bill Browder's Testimony to the Senate Judiciary Committee," *The Atlantic* (July 25, 2017). Accessed April 9, 2018, <https://www.theatlantic.com/politics/archive/2017/07/bill-browders-testimony-to-the-senate-judiciary-committee/534864/>

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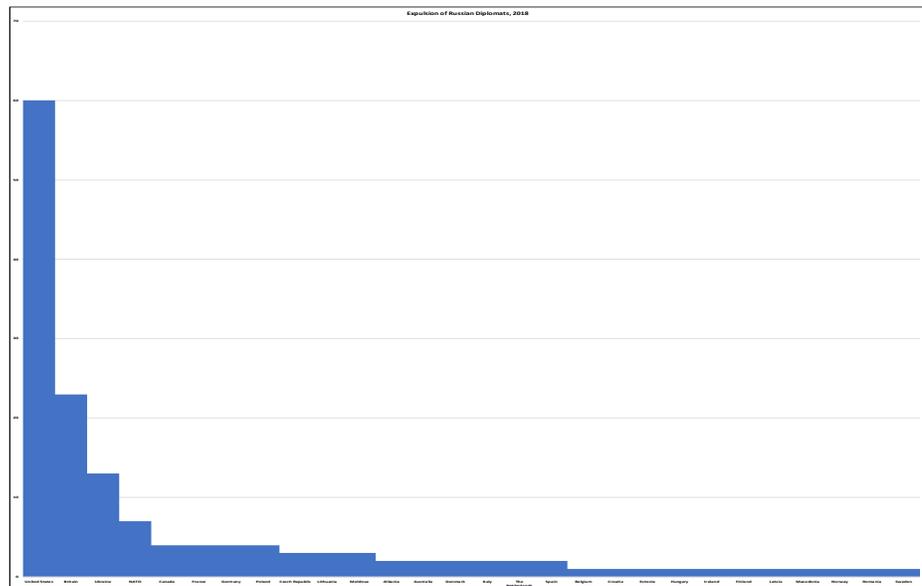
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Diplomatic Expulsions

Recent sanctions have been accompanied by retaliations against the diplomatic community, associating financial retribution with diplomatic expulsions. In April 2018, the United States, European Union countries, Canada and Ukraine expelled more than 100 Russian



diplomats in response to Russia's alleged use of a nerve agent to poison a former Russian spy, Sergei Skripal, in the UK.¹¹ This is a case of Britain leading the way, since the incident took place on British soil, with NATO allies and friends acting in solidarity.¹²

This is not the first-time Western countries have expelled Russian diplomats, *but this current spate of expulsions may be worse than what took place during the Cold War* since the scale and depth of retort has included the wholesale closure of major consulates. Historical incidents of expulsions include:

- In 1971, Britain expelled 105 Soviet personnel accused of espionage;
- In 1983, France ousted 47;
- In 1985, the British and Soviets each expelled 31;
- In 1986, under pressure from Congress after a series of high profile espionage arrests, the Reagan administration removed 55 Soviets accused of intelligence activities. The USSR responded by taking away 260 of its citizens who performed maintenance and other support functions at the American Embassy in Moscow and the Consulate General in Leningrad.

¹¹ "Skripal and his adult daughter, Yulia, were found unconscious on a park bench in Salisbury, England. The two had been poisoned with a nerve agent called Novichok, developed by Kremlin scientists several decades ago." Michael Birnbaum, "Here are all the countries that just expelled Russian diplomats," *The Washington Post* (March 27, 2018). Accessed April 9, 2018, https://www.washingtonpost.com/news/worldviews/wp/2018/03/27/here-are-all-the-countries-that-just-expelled-russian-diplomats/?noredirect=on&utm_term=.5308fbee1bfb

¹² Austria, Greece, Cyprus, and Portugal declined to expel Russian representatives. "The defiant pariah," *The Economist* (March 31, 2018), 54.

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Each time after a respectable interval, the sides tended to find ways to restore most or all their diplomatic staff. An important difference this time is the *scale* of facility closures, which exceed expulsions in even during the Cold War and, now, include the closure of Consulates.

- In December 2017, the U.S. ordered out 35 Russian diplomats in response to Russian election interference and harassment of U.S. diplomatic personnel.
- In December 2016, the Obama administration seized two vacation estates that it said were being used for intelligence purposes, one on the eastern shore of Maryland and the other on Long Island.
- In August 2017 and March 2018, the Trump administration forced the closure of the Russian Consulates in San Francisco and Seattle, respectively.¹³

While it may not be appropriate to call this Cold War 2.0,¹⁴ these events underscore that U.S.-Russia relations have been spiraling downward.

Conclusion

Will targeted sanctions and diplomatic expulsions be effective against Russia? While such retaliation may be the appropriate proportional response that global circumstances call for, there is little evidence that either of these undertakings will change the Russian state's behavior. Sanctions will hurt the oligarchs, a bit, and diplomatic expulsions will make it more difficult for Russians to get visas to the West, but Putin is shielded from the pain. Western analysts are using terms like "isolated" and "pariah" to describe Russia and Putin. It is unlikely that Putin cares.

¹³ William Courtney, "Russia likely to rue its retaliatory expulsions," *The Hill* (April 3, 2018). Accessed April 9, 2018, <http://thehill.com/opinion/international/381360-moscow-has-gone-too-far-and-may-pay-dearly>

¹⁴ Patrick Wintour, Luke Harding, and Julian Borger "Cold war 2.0: how Russia and the west reheated a historic struggle," *The Guardian* (October 24, 2016). Accessed April 12, 2018, <https://www.theguardian.com/world/2016/oct/24/cold-war-20-how-russia-and-the-west-reheated-a-historic-struggle>