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Likely Sanctions Renewal on Russia Welcomed by US Allies

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WASHINGTON — The European Union appears set to renew sanctions against Russia for another six months, welcome news for the US and its allies that view the sanctions as a crucial message towards the government of Russian president Vladimir Putin.

A vote on renewing the sanctions is planned for a June 24 meeting of EU officials, but little drama is expected. The general consensus among observers is that the sanctions will be renewed for another six months.

Comments such as those from Slovak Foreign Minister Miroslav Lajcak, who told the Slovakian paper Pravda that the question of sanctions is "by no means a controversial one" back that assumption up. Another leading indicator was a June 17 decision to extend a more narrow set of sanctions, in this case a ban on business in the Crimea region, for a full year.

The wider set of sanctions were put in place to try and force Russia to adhere to the Minsk ceasefire agreement. Russia has maintained that Ukraine must first meet requirements set out in that agreement before Russia will begin its own implementation, an argument largely disputed by the rest of Europe.

In a June 1 interview in Warsaw, Witold Waszczykowski, Polish Minister of Foreign Affairs, said the sanctions remain an important tool to drive Russia towards a peaceful solution in Ukraine. (Defense News visited Warsaw as part of a reporting trip organized and paid for by the Polish government.)

“We are not doing this just to irritate Russia. We are doing this to force them to implement the Minsk agreement,” Waszczykowski said. “Once the Minsk agreement is implemented by Russians, we can get rid of sanctions. So everything is up to Russians. They are blocking, they are not cooperating, they are not implementing the Minsk agreement.”

Those comments were echoed June 7 by Swedish defense minister Peter Hultqvist, who said it is “very, very important that the European Union keep up with the sanctions.... If somebody thinks they have the right to go into another’s territory and change the situation, then you make [a situation] very, very bad.”

During an exclusive interview with Defense News, Hultqvist expressed confidence that the sanctions would remain in the future, as long as Europe remains united.

“I think that if we work for unity in Europe and we do it, we also can have sanctions in the future. I think the democratic force in Europe are so strong, and I think the respect of international law is so strong, that it can keep up with it.”

For now, Hultqvist appears to be correct. But that unity is being tested, with a potential exit of the United Kingdom from the EU the first domino to fall. Meanwhile, the sanctions will again require a vote come December, leaving observers to wonder if another six months may shake the resolve of the European allies.

In the last few months, Russia reached out to Greece as a potential ally in removing the sanctions, and Italian officials have vocally questioned the need to keep the sanctions going. Even in Germany, there has been some pressure from the business sector to begin removing the sanctions in a piecemeal process, said Emma Ashford of the Washington-based CATO institute.

Ashford, who has studied the impact of sanctions against rogue governments, said it was no surprise countries like Sweden and Poland back the sanctions, as security concerns about a belligerent neighbor trump the economic impact to both nations. But for countries like Germany, the longer the sanctions and counter-sanctions remain in place, the greater the chance economics may win out.

“The government is getting a fair amount of internal pressure from businesses on the sanctions,” she said about Berlin. “They are still standing firm on them right now, but come December it’s anyone’s guess how strongly that will figure” into a decision.

However, Olga Oliker, director of the Russia and Eurasia Program at the Center for Strategic and International Studies, expects the sanctions to continue in the future.

“Every time there’s a debate, and then you get close to the vote and it’s clear the sanctions will stay on,” she said.

Oliker acknowledged that “there are countries who would like to lift” the sanctions, but said their hands are tied until there is observable progress from Russia towards implementing the Minsk agreement.

“If Russia was doing anything at all on its end, you would get a lot of pressure in Europe,” Oliker said. “But absent that, it’s really hard to make the case. Nobody can say the Russians are fulfilling Minsk.”

Both women agree there has been limited economic impact on Russia from the sanctions directly, with the majority of the economic fall off in the last two years tied to the drop in oil prices. But they agree that the sanctions provide a strong message to the Putin government.

Easing the sanctions without real movement from Russia would risk sending the message that “the EU basically considers the Ukraine crisis a frozen conflict, like Georgia or Armenia, and aren’t sure it can be resolved,” Ashford said. “That’s the message, and I’m not sure it’s a great one. The lesson we should probably take away from all of this is maybe we shouldn’t impose sanctions in the first place when they have no chance of succeeding, because you end up backed into the corner where you don’t have a choice.”

House Foreign Affairs Committee Ranking Member Rep. Eliot Engel, D-N.Y., recently introduced legislation to tighten sanctions and reject any form of recognition of Russia's rule over Crimea. At a committee hearing on US policy toward Putin's Russia June 14, Engel said sanctions have produced mixed results and that escalating violence in eastern Ukraine shows sanctions haven't done enough to thwart Putin's ambitions.

"Sanctions are better than nothing and in the long term, I believe we have weakened Putin's ability to project a destabilizing force beyond Russia's borders," Engel said.

For his part, Waszczykowski believes the sanctions must be given a longer leash before they can be fully judged.

“We have to give it time. We have to give a chance. When we look at the previous experience of sanctions against Iran, South Africa, it takes at least three years to be effective,” he said.

“I understand that there is an opposite philosophy that we are supposed to provide more carrots. It doesn’t work. If we provide more carrots, it means we legitimize the violation of international [law] by Russians, that we legitimize annexation of Crimea.”