



RUSSIA REFORM MONITOR

The American Foreign Policy Council's Review of
Russian Government Actions and U.S. Policy

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KREMLIN IGNORES CBW DEADLINE

Ninety days have elapsed since the White House demanded Russia renounce the use of chemical weapons and permit inspectors into its facilities, and the Kremlin's failure to comply with these conditions is forcing the U.S. government to carefully consider its next move. The White House had invoked the 1991 *Chemical and Biological Weapons Control and Elimination Act* in response to the Kremlin's alleged involvement in the Novichok nerve agent attacks on Russian ex-spy Sergei Skripal and his daughter earlier this year in the United Kingdom.

While Moscow's defiance of the CBW deadline is not unexpected, the U.S. State Department's formal notification of noncompliance now officially opens the door to a set of mandatory sanctions, including downgraded diplomatic relations, blanket bans on Russian exports, and restriction of capital and financing to Russian entities from U.S. banks. Since such measures would constitute a "nearly complete rupture in ties," however, President Trump would be able to legally waive the sanctions with a determination that doing so serves the national interest – albeit at the risk of criticism for being too soft on the Kremlin. (*The Moscow Times*, November 7, 2018)

UNMASKING THE WAGNER GROUP

The Ukrainian Security Service (SBU) has published a list of over 200 men killed in action in Ukraine and Syria that it claims were working for the Wagner Group – a Russian private military contractor known for its controversial role in extending Russia's military reach into global conflicts while providing plausible deniability for the Kremlin. The men identified on the list have mysterious backgrounds; some have shady social media profiles or records of suspicious employment, and many of their tombstones contain allusions to military service. Family members of the men admit that they received posthumous service medals (supposedly for time spent in Chechnya), but that the circumstances of their deaths remain "classified." One SBU officer has asserted that the Wagner Group is a private company in name only, and that in reality it forms a special Russian intelligence unit under the umbrella of the country's military intelligence service, the GRU. (*Radio Free Europe/Radio Liberty*, November 8, 2018)

NEW SANCTIONS HIT RUSSIA

The U.S. sanctions regime against the Kremlin has expanded once again. On November 8th, the Treasury Department designated two Ukrainians, one Russian, and nine different companies or government entities – all with links to President Vladimir Putin and his close allies – for "seek[ing] to profit from Russia's illegal annexation and occupation of Crimea." Moscow has responded defiantly to the blacklisting, with Deputy Foreign Minister Sergei Ryabkov calling the sanctions unacceptable and "doomed to fail." (Reuters, November 8, 2018)

GROWING SIGNS OF DOMESTIC DISCONTENT

The number of popular protests in Russia are growing, signalling rising discontent with the government of President Vladimir Putin. According to a new study by the Center for Economic and Political Reforms, there were three times more protests in the third quarter of 2018 than in the beginning of the year – and 2.8 times more protests than the corresponding period in 2017. So far this year, the study notes, 2,154 protests and rallies have been recorded, more than double the 1,479 that took place in 2017. The "vast majority" of these rallies, the report notes, are due to "socio-economic reasons" – with almost half related to the Kremlin's recent, and highly controversial, decision to reform pensions in the country. (*Radio Svoboda*, November 8, 2018)

MOSCOW'S MAN IN VIENNA

A new spy scandal is roiling Russia's relations with Europe. The Austrian government has confirmed that a colonel in the country's armed forces is currently under investigation on suspicion of carrying out espionage on Moscow's behalf. Little has been publicly revealed about the alleged spy, whose activities came to light "a few weeks ago," according to Austrian officials. It is already known, however, that the suspected agent had worked in the Austrian army's control center in Salzburg, and had been paid more than \$300,000 by the Russian government for sensitive information, likely involving the Austrian air force, its systems and its personnel.

The disclosures have damaged relations between Moscow and Vienna, which had previously served as one of a few bastions of support for the Kremlin within the Eurozone. In a sign of official displeasure, Austrian Foreign Minister Karin Kneissl has canceled her planned December state visit to Russia over the incident. (BBC, November 9, 2018)