



RUSSIA REFORM MONITOR

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

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Related Categories: Arms Control and Proliferation; Economic Sanctions; Europe Military; International Economics and Trade; Warfare; Border Security; Russia; Ukraine

SANCTIONS-BUSTING, RUSSIAN STYLE

Truck drivers are seeking to exploit loopholes in EU sanctions by transporting goods across Baltic borders and into Russia. Estonia and Latvia are struggling to enforce sanctions along their lengthy common border with Russia, leading to an influx of trucks carrying potentially sanctioned goods. Customs officials have insufficient resources to effectively monitor the flow, a situation exacerbated by the complexity of EU sanctions legislation and cross-border traffic patterns. Trucks supposedly destined for destinations like Kazakhstan often divert into Russia, highlighting the challenge of enforcing sanctions effectively. And despite efforts to align customs controls and introduce stricter regulations, violators seldom face meaningful consequences due to limited resources and legal bottlenecks. (*Politico*, February 14, 2024)

RENEWING THE CASE FOR CONFISCATING RUSSIAN ASSETS

For months now, the idea of confiscating the approximately \$300 billion in Russian funds now escrowed in the West and using them to assist Ukraine has been debated in Western capitals. The Biden administration has endorsed the idea, but European leaders have expressed concern about the potential legal impediments and policy ramifications of such a move. However, as supplemental aid to Ukraine remains tied up in Congress, White House officials are endorsing the plan anew.

At the recent G20 meeting in Sao Paulo, Brazil, Treasury Secretary Janet Yellin renewed the Administration's call for the international community to use the frozen Russian funds to bankroll Ukrainian reconstruction and Kyiv's ongoing fight against Moscow. "It is necessary and urgent for our coalition to find a way to unlock the value of these immobilized assets to support Ukraine's continued resistance and long-term reconstruction," Yellin said. "I believe there is a strong international law, economic, and moral case for moving forward. This would be a decisive response to Russia's unprecedented threat to global stability." (Associated Press, February 27, 2024)

A NEW NUCLEAR WARNING FROM THE KREMLIN...

If NATO becomes directly involved in the Ukraine conflict, the alliance risks provoking a nuclear war, Vladimir Putin has threatened. In his annual state of the nation address on February 28th, the Russian president responded to recent remarks by French president Emmanuel Macron calling for direct Western intervention to defend Ukraine. "There has been talk about the possibility of sending NATO military contingents to Ukraine," Putin said. "[Western nations] must understand that we also have weapons that can hit targets on their territory. All this really threatens a conflict with the use of nuclear weapons and the destruction of civilisation. Don't they get that? We remember the fate of those who once sent their contingents to the territory of our country. Now the consequences for possible interventionists will be much more tragic." (*Guardian*, February 29, 2024)

[EDITORS' NOTE: Although Putin was speaking to a domestic audience, his message was clearly aimed at the West. By renewing the threat of nuclear conflict, Moscow is seeking to deter further U.S. and European aid to Ukraine even as it gains ground in its fight against Kyiv.]

...AND RUSSIA'S NUCLEAR THRESHOLD, REVEALED

Leaked military files obtained by the *Financial Times* have shed light on how and when the Kremlin is prepared to use nuclear force. The 29 files, which are dated from 2008-2014, outline a series of scenarios in which the Kremlin would have contemplated using tactical nuclear weapons during that timeframe. These include battlefield conditions in which 20% of the country's strategic ballistic missile submarines are eliminated, or if three or more airfields are rendered inoperable.

Notably, the nuclear files aren't just concerned with a potential conflict with the West. The scenarios outlined reportedly include conditions in which Moscow might employ tactical nuclear weapons against China – such as in response to a Chinese incursion into Russian territory. (*Financial Times*, February 28, 2024)