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Magnitsky Bill Likely to Reopen Old Wounds

By Jonathan Earle

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Foreign Minister Sergei Lavrov called the Magnitsy bill "an attempt to interfere in our internal affairs," while U.S. President Barack Obama's official statement hailed the establishment of permanent normal trade relations and made only passing reference to the bill's human rights side.

Historical mistrust and relatively weak trade links could amplify the Magnitsky Act's damage to U.S.-Russian relations, although Washington will likely use caution in applying sanctions to Russians suspected of human rights violations, analysts said.

"In the absence of a solid background of trust and partnership, even relatively insignificant episodes can sour relations and leave a trace for a long time," said Masha Lipman, an analyst with the Carnegie Moscow Center.

Over the weekend, Russian condemnations escalated over the U.S. Senate's nearly unanimous passage of the so-called Magnitsky Act, which normalizes trade relations with Russia and authorizes sanctions on Russians suspected of human rights violations.

"The Magnitsky Act is an attempt to interfere in our internal affairs," Foreign Minister Sergei Lavrov told a group of allies of President Vladimir Putin on Sunday, adding that parliament's reaction should be "collective and multi-partisan," RBC reported.

Passage of the Magnitsky bill, which U.S. President Barack Obama said he would sign, appeared to mark a low point in the U.S.-Russian relationship under Obama, who has pursued improved relations under the "reset" policy, resulting in Russia's joining the World Trade Organization and bilateral agreements on visas and nuclear weapons.

But now the former Cold War foes appear to be in danger of slipping back into old habits.

Insufficient interest on the U.S. side, coupled with mistrust and suspicion on the Russian side, means that it would take a lot of effort to continue to develop a fruitful relationship, Lipman said, adding "I don't think there's a commitment to make this effort on either side."

While passage of the bill itself appears to have chilled relations, its affect will partly depend on how Obama enforces it, said Fyodor Lukyanov, editor-in-chief of the Russia in Global Affairs journal.

"If a high-ranking Russian politician or official is refused a visa, for example, then it could influence relations," he said.

"The administration clearly doesn't want to push this issue too much and would prefer that it stay on the level of statements," he said. "I suspect that they'll apply the sanctions carefully."

Perhaps tellingly, Obama's official statement hailed the establishment of permanent normal trade relations with Russia and made only passing reference to the bill's human rights side.

If the Magnitsky Act is signed into law, Obama would then have 120 days to issue a list of Russians deemed responsible for human rights abuses, including the death of anti-corruption whistle-blower Sergei Magnitsky in pretrial detention in 2009.

The list is to be publicly available, but a provision allows the president to conceal certain names for national security and other reasons.

It's unclear whether the Russians on the list would have any desire to visit the United States, and they've had plenty of time to transfer any assets out, Lipman said.

Speculation has swirled about possible Russian retaliation.

Lavrov told reporters in Dublin last week that Russia would respond by banning entry to Americans "actually guilty of gross human rights violations," according to a transcript posted on the Foreign Ministry's website.

An unidentified government official told Kommersant last week that the response would be "entirely symmetrical." "We will have as many people on our list as they have on theirs. If they add some people later — so will we," the official said.

Alexei Pushkov, chairman of the State Duma International Affairs Committee, has suggested that Russia could blacklist U.S. officials accused of human rights violations in Afghanistan

and Iraq.

Some analysts noted the suspicious timing of a new restriction, announced on Friday, on imports of U.S. pork and beef that could jeopardize some $500 million in American revenue.

Russia's Federal Veterinary and Phytosanitary Inspection Service denied that the restriction on the use of the feed additive ractopamine, already banned in China and the European Union, was connected to the Magnitsky Act.

"In other words, we're comparing our officials to their pigs?" Vitaly Dymarsky, editor-in-chief of Diletant magazine, said on Ekho Moskvy radio on Saturday.

Last week, First Deputy Prime Minister Igor Shuvalov assured investors in New York that Russia's response to the bill would not affect "businesspeople engaged in mutual trade."

Retaliation might come much later and in a different area, Lipman said, adding that efforts to secure U.S. investment could fall victim to "higher priorities."

A proposed EU Magnitsky list would be more painful to Russia, which is the bloc's third-largest trading partner but only the 37th-largest for the United States.

But experts have said that wide-ranging sanctions like in the Magnitsky Act would be hard to agree on at the EU level, given the bloc's past disagreements over Russia, and senior diplomats from the EU and a range of member states told The Moscow Times that such sanctions are currently not on the agenda.

Travel bans, however, can happen quickly because the rules of the Schengen zone stipulate that once an individual is barred from entering any member of the border-free zone, he or she is barred from all of them.

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