

# Magnitsky sanctions shadowed by war profiteers

On 25 June the Australian Magnitsky Inquiry heard testimony from former Australian diplomat Mr Tony Kevin (below), which reflected Kevin's thirty years of diplomatic experience. Kevin revealed the true cost of Magnitsky legislation: "sanctions are just one step short of war. They are extremely cruel to the citizens of sanctioned countries and they cause enormous human suffering". Magnitsky sanctions are promoted under cover of a "human rights" propaganda campaign, and ironically ignore the humanitarian cost of sanctions. Ominously, as sanctions are "one step short of war", Magnitsky proponents are shadowed by war profiteers.

## US politicians funded by arms companies

In 2014, [co-sponsor of the original US Magnitsky legislation](#), US Senator Ben Cardin, [told Reuters](#) the Magnitsky Act was "a major human rights initiative.... What it does is really put a spotlight on human rights violators". Yet several years later, [Cardin opposed blocking US arms sales to Saudi Arabia](#), in spite of the Saudi contribution to war and humanitarian crisis in Yemen: "They're trying to make a point with an arms sale that's not relevant to those concerns...."

Affiliates of weapons manufacturers, including Lockheed Martin, Northrop Grumman and Raytheon, have increasingly occupied [Cardin's top 20 campaign contribution spots](#) since his ongoing sponsorship of Magnitsky legislation began.



US Senator Ben Cardin. Photo: Wikipedia

In 2016, the President of the National Endowment for Democracy (NED) [commended Cardin for his leadership on Magnitsky legislation](#). Independent journalist [Max Blumenthal calls NED](#) "America's meddling machine ... a taxpayer-funded organisation that has interfered in elections, mobilised coups, and orchestrated public relations campaigns against nations that resist Washington's agenda".

In 2018, warmongering British neoconservative think tank [the Henry Jackson Society](#) "welcomed" as "long overdue" proposed UK Magnitsky laws. [HJS stated](#): "The US Magnitsky Act would not have happened without [Bill cosponsor] John McCain."

In 2008, [the Cato Institute reported](#) "John McCain on Foreign Policy" was "even worse than Bush". McCain argued for committing more troops to the Iraq War and "advocated hardline policies toward Iran, Syria, and North Korea, and has even staked out confrontational positions toward such major powers as China and Russia. ... The foreign policy that John McCain now advocates is reckless and promiscuously interventionist."

In 2012, shortly after McCain and Cardin introduced Magnitsky legislation, [McCain hired a former Lockheed Martin lobbyist](#) as a top Republican staffer on the Senate Armed Services Committee. [Filings revealed](#) the lobbyist had received more than US\$1.66 million from Lockheed Martin soon before leaving Lockheed to work for the government, including a significant lump sum described as "RETIRED PAY".



US Senator John McCain. Photo: Wikipedia

Noted for his [former criticism of defence contractor Lockheed Martin](#) and of wasteful military spending, in 2012 McCain apparently flipped, [announcing he would join other lawmakers](#) publicly opposing proposed military spending cuts, [which represented US\\$500 billion](#) over nine years. After his death in 2018, [McCain received a glowing eulogy](#) from Lockheed Martin.

Like Cardin, in the years following his advocacy of Magnitsky sanctions, [McCain's top 20 campaign contributor spots](#) increasingly included affiliates of arms manufacturers including Lockheed Martin; Northrop Grumman; BAE Systems; General Atomics and Raytheon.

Cardin and McCain used their Magnitsky Act to sabotage US President Donald Trump's efforts at rapprochement with Russia that Trump said he hoped would reduce the danger of nuclear conflict. A 26 July 2018 joint statement declared: "Senators Cardin and McCain, the co-authors of the 2012 Magnitsky Act, remain concerned about the Administration's posture toward Russia, particularly after the Helsinki Summit between President Trump and Vladimir Putin. The lawmakers want to ensure that, should the Administration move to de-sanction Russian officials or stop sanctions designations all together under the Magnitsky law, that Congress has the option to disapprove of those actions."

## HSBC and Bill Browder

Magnitsky narrative proponent William Browder is the former CEO and co-Founder of Hermitage Capital Management. In a [“joint venture”](#) with banking giant HSBC, Hermitage became the largest foreign-owned investment fund in Russia, with (reportedly) US\$4 billion under management.

In a 2017 report, [Deadly Investments](#), UK anti-poverty charity War on Want exposed UK banks’ funding of the military-industrial complex, making these banks complicit in war crimes. *Deadly Investments* reported HSBC had £831.5 million invested in companies that profit from arms trade. War on Want’s Senior Campaigner on Militarism and Security, [Ryvka Barnard](#), said: “HSBC makes much of its ethical credentials yet its contempt for human rights couldn’t be starker.”



Bill Browder. Photo: Wikipedia

In 2018, neoliberal think tank [the Aspen Institute awarded Bill Browder](#) the “Henry Crown Leadership Award”. Previous winners of the award include a former Lockheed Martin CEO; former US Secretary of State Madeleine Albright (who said 500,000 Iraqi children dead from sanctions was [“worth it”](#)); US General Colin Powell ([who shamefully presented fabricated “evidence” of WMDs](#) to the UN to justify the illegal 2003 invasion of Iraq by the same countries now pushing human rights sanctions); and [alleged Afghanistan war criminal](#) US General Stanley McChrystal. In 2018, the Aspen Institute’s [Henry Crown Fellowship Program](#) sponsors included a US\$175,000 contribution from Lockheed. In 2018, [Browder was awarded](#) the Coalition for Integrity’s “Integrity Award”, with arms manufacturer Raytheon one of the premier sponsors of the event.

## Closer to war

Tony Kevin testified that “sanctions of any kind are a very, very aggressive action. They take us closer to World War III.” This is evidenced in Hillary Evans’ 2014 research published in the *Maryland Journal of International Law*, which found Magnitsky legislation had not achieved its purported objective of obtaining justice for human rights violations, and instead had been detrimental to American foreign relations with Russia: “the resentment incurred could undermine US-Russian relations for years to come.”

Evans said the Magnitsky Act produced adversarial, retaliatory responses from the Russian government, which did not take kindly to US interference with domestic rule of law: “[inflaming] tensions between two governments with an already unstable relationship ... negotiations, agreements and treaties could be impeded, if not halted altogether”. Evans noted cooperative agreements between the US and Russia to each reduce their nuclear weapons may be negatively impacted, a potentially catastrophic unintended consequence of Magnitsky sanctions.

Several years after Evans’ publication, the USA announced its formal withdrawal from a Cold War-era nuclear treaty with Russia and was preparing to test a new missile, which CNN reported was “sparking fears of a new arms race.” The Trump Administration is indicating it will let a major Russia-US nuclear arms treaty expire in 2021, a treaty [TIME described](#) as “the last remaining arms control agreement constraining the arsenals of the two major nuclear weapons powers”. In May 2020, former Pentagon advisor Jason Israel [spoke to Sky News](#) about the possibility of Australia being asked to host nuclear weapons for the USA—a dangerous proposition that would paint Australia a military target.



A TIME article about US-Russia arms treaties.

## Target: Russia and China

In 2017, the US government’s [National Security Strategy report stated](#): “China and Russia challenge American power, influence, and interests, attempting to erode American security and prosperity.”

In 2018, [independent journalist Whitney Webb reported](#) Lockheed Martin was awarded over US\$3 billion in government contracts in only two days, amidst US military fretting about Russian/Chinese advancement: “Since January, the US military—through the Pentagon’s 2018 National Defense Strategy—shifted gears, replacing the ‘War on Terror’ with a war against ‘great power competition’. In other words, the US military’s focus on fighting terrorism has ended, replaced with a focus on fighting what is essentially a new Cold War against Russia and China.”

In June 2020, [independent media site MintPress reported](#): “Washington is currently ramping up

hostilities with China, the Pentagon's 2021 budget explicitly asking for extra funding to be ready for an aggressive war in Asia." Cold War and escalating hostilities are a payday for war profiteers —[Lockheed Martin and Raytheon stock soared](#) after escalation of US-Iran tensions in January 2020. In May 2020, [MintPress reported](#): "American weapons manufacturers are thriving even as the US economy suffers ... [they] are busier than ever and are even advertising for tens of thousands of more workers."

At Tony Kevin's testimony appearance, Committee members seemed incredulous and affronted at Kevin's position that allegations of human rights abuses in China and Russia do not seem based on credible evidence. Kevin acknowledged propaganda and a "huge disinformation narrative" in Western countries regarding China and Russia: "there's a great deal of conflicting narrative floating around the world now about alleged misbehaviour by Russia and China, and I find a lot of those narratives implausible—and a lot of other people do too."

## Disinformation campaign



MP Andrew Hastie (centre) speaking at a Henry Jackson Society event in London. Photo: Screenshot

Committee members seemed unable to comprehend the possibility of a disinformation narrative conducted on such a vast scale, despite the fact that Committee MP [Andrew Hastie has previously advocated](#) for political warfare and narrative management, aimed internationally and at "informing domestic public". In 2013, declassified Australian Defence Force papers revealed the ADF conducts "psychological warfare" operations, which may possibly [be aimed at Australian citizens, potentially including legislators](#). [MintPress reports](#) systemic Western government and intelligence infiltration of big tech and social media companies renders them effective platforms for large-scale narrative management: "public opinion on China has quickly soured; only nine years ago, Americans had a strongly positive view of the country. Today 66 per cent dislike China and around 80 per cent are ready to embrace a full-scale economic war against it. If conflict with the world's most populous nation is to occur, the information war must be won first. It seems that it is well on the way to being achieved."

Contributing to information warfare are a vast network of non-profit organisations, including the World Uighur Congress, which independent news site The Grayzone says is "posing as grassroots human rights organisation", but in fact is a "US-funded and directed separatist network... The goal spelled out by its founders is clear: the destabilisation of China and regime change in Beijing. ... Western media accounts of China's Uighur Muslims [are] the product of a carefully conceived media campaign generated by an apparatus of rightwing, anti-communist Uighur separatists funded and trained by the US government." [The Grayzone exposes](#) key members of the network's ties to the US security state and intelligence apparatus, and notes [Western media claims of Chinese abuse of Uighurs](#) are based largely on *only two studies*, with dubious authors and "absurdly shoddy methodologies".

## Australia in lockstep

The 2017 US [National Security Strategy report](#) reveals expectations that allies such as Australia will align with US military interests: "Allies and partners magnify our power. ... [They] must also contribute the capabilities, and demonstrate the will, to confront shared threats. Experience suggests that the willingness of rivals to abandon or forego aggression depends on their perception of US strength and the vitality of our alliances."

In Australia, [most mainstream reporting](#) on alleged Chinese human rights abuses refers to foreign policy think tank the Australian Strategic Policy Institute (ASPI) as an authority, relying on ASPI's hawkish analysis and [aggressively anti-China reports](#). [MintPress reports](#) ASPI "is headed by ultrahawkish defence official Peter Jennings, who defended the Iraq War, supports regime change in other Middle Eastern states, and argued that 'the West is setting the bar for military response too high'."

Recently, ASPI, as a "leading research partner", was central to Twitter's blanket shut-down of 170,000 accounts. [Twitter claimed](#) these were "state-linked information operations ... spreading geopolitical narratives favourable to the Communist Party of China (CCP)". Although the vast majority of the accounts spoke only in Chinese language, and 95 per cent had fewer than eight followers, [ASPI stated](#):

“The disruption caused by COVID-19 has created a permissive environment for the CCP to experiment with overt manipulation of global social media audiences on Western platforms. There’s much to suggest that the CCP’s propaganda apparatus has been watching the tactics and impact of Russian disinformation.” (ASPI conveniently ignores the ongoing [debunking of “Russiagate” hysteria.](#)) [ASPI receives funding](#) from the Australian government, and also from the US State Department, NATO and arms manufacturers including Lockheed Martin, Raytheon, Northrop Grumman and MBDA Missile Systems—whose interests does ASPI represent?

Magnitsky sanctions are aggressive and destabilising, “just one step short of war”, provoking retaliation from sovereign nations. In his testimony Kevin stated sanctions “take us closer to World War III”. The ghoulish spectre of war profiteers as Magnitsky benefactors and anti-China agitators reveals expectations of a lucrative payout—the true enemy of the military industrial complex is peace.

*By Melissa Harrison, Australian Alert Service, 8 July 2020*

## **Ambassador Tony Kevin: Sanctions are one step short of war**

Following is the transcript of former Australian Ambassador to Poland and Cambodia Tony Kevin’s 25 June testimony to the Australian Parliament’s Foreign Affairs committee against the proposed Magnitsky Act, which seeks to sanction individual officials in foreign countries accused of human rights abuses. The global push for so-called Magnitsky Acts is based on a fraud, [the false account of hedge fund financier Bill Browder](#) of the death of Russian accountant Sergei Magnitsky. Tony Kevin’s testimony addressed the issue of targeted sanctions generally, but a separate Facebook statement addressed Browder’s personal role in the campaign: “It is Tony Kevin’s opinion that the campaigns pursued around the Western world by Mr William Browder, a well-known anti-Russian Government advocate, who seeks to promote laws enabling parliaments to impose autonomous targeted sanctions particularly against Russians, should not be entertained by the Australian Parliament. In Tony Kevin’s opinion: Mr Browder appears to bear deep personal grudges against Russia and its President Vladimir Putin; Mr Browder is supported by a small number of Russians and Russian émigrés living in the West, who are driven by anti-Putin bias. Mr Browder has convinced many well-meaning people in the Western human rights movement to support his views. Tony Kevin expresses these views without disrespect to Mr Browder who is entitled to advocate his own views on this issue in public, as Tony Kevin is entitled to advocate his own views on the issue in public.”

**Mr Kevin:** I thank the



Former senior Australian diplomat and Ambassador to Poland and Cambodia Tony Kevin.

committee for inviting me to appear. I’m a retired Australian senior diplomat with 30 years’ career service, including postings to the former Soviet Union in 1969-71; to the Australian Permanent Delegation to the United Nations in 1974-78; as ambassador to Poland, the Czech Republic and Slovakia in 1990-94; and to Cambodia as ambassador in 1994-97. I retired from foreign affairs after 30 years of service in 1998 at age 55, and I’m now 77. I’ve since written and published non-fiction books on various public interest topics. My two most recent books, which are relevant to this inquiry, were *Return to Moscow*, published by University of Western Australia in 2017, and *Russia and the West—the last two action-packed years 2017-2019*, published in 2019.

In my opening remarks I’d like to pay tribute to the major commemoration in Moscow yesterday of the 75th anniversary of the final surrender of Nazi forces in Berlin on 7 May 1945. The Soviet Union bore the brunt of World War II in Europe ... we should pay tribute to the Soviet Union and Russian Federation sacrifice in World War II, which was commemorated yesterday, by coincidence. I’ll get straight onto my submission commentary now.

I've argued against the use of autonomous sanctions, whether they're imposed by coalitions of the willing or by groups of like-minded countries. I oppose any sanctions imposed outside the United Nations Security Council. I've also argued that secondary sanctions, or punishments against third-party nations deemed to have violated autonomous sanctions, should be equally unlawful in international law. My position is identical to that of Russia and China, two very large, permanent members of the United Nations Security Council. President Putin has recently commented in an important article, "It is unacceptable to turn the economy into an instrument of pressure and confrontation", and that of course relates to the whole area of economic sanctions. The governments of China and Russia consistently denounce autonomous sanctions for what I believe to be very good reasons that are set out in my submission.

In summary, sanctions are just one step short of war. They are extremely cruel to the citizens of sanctioned countries and they cause enormous human suffering, as the recent experience of Iraq, Libya, Syria, Iran and Venezuela has shown. Unless they're approved in exceptional circumstances by the United Nations Security Council, in my view no alleged humanitarian or human rights cause is worth the suffering inflicted on populations by sanctions. Madeleine Albright, to her great shame, said in 1996 that the death of half a million Iraqi children through starvation and disease caused by international sanctions and lack of supplies was a price worth paying to overcome Saddam Hussein's regime.

It is a matter of fact that the sanctions against Iraq in the 1990s were the last time the UN Security Council approved any sanctions. The world was shocked at the suffering they caused. However, the United States and its allies, including Australia, have continued to impose autonomous sanctions and regimes on particular governments they dislike, outside the authority of the UN Security Council. Australia has supported recent and current autonomous sanctions against Libya, Syria, Iran, Venezuela and even against Russia. So far Australia has not tried to impose autonomous sanctions against China, though there have been advocates before this committee for imposing sanctions on China over alleged human rights violations against the Uighur people in western China or against protesters in Hong Kong.

The use of sanctions is accelerating the decoupling of the world economy into two separate, essentially hostile, trading and investment blocks—that led by the USA and that led by China and Russia. Australia, with our particular job here in the Asia-Pacific region and our major trading partners oriented to China, will be a particular victim if such a trend continues. Important parts of our economy are already suffering in consequence of the deterioration of our political relations with China, our most important trading partner.

I would like to say something very briefly on Syria. In my opinion, Australia's whole view of the conflict in Syria has been distorted by the anti-Syrian governments' and anti-Russian governments' propaganda and disinformation to which we are exposed. The rebellion against President Assad has been thoughtfully represented in Western media as a human rights cause. In fact, it was a fanatical Islamist insurrection against the legitimate sovereign Syrian government. This Islamist insurrection was overtly and covertly supported with money and armaments from Saudi Arabia and some Gulf states and from the USA, the UK, Turkey and Israel. Russia, China and Iran have legitimately come to the aid of President Assad at his request, and their common efforts to defend Syria have largely defeated the military insurgents who are now hemmed into the small enclave of Idlib on the Turkish border.

Now the United States is seeking, through tighter sanctions under the new Caesar Act, to strangle the war-damaged Syrian economy and to prevent its reconstruction. The USA continues to support the rebels in Idlib, violating Syrian sovereignty in this and other ways. Australia looks set to support the tighter US sanctions under the Caesar Act, thereby contributing to the continued suffering of the Syrian and Lebanese people.

I ask the committee to take note of two recent articles: "[Caesar Tries to Suffocate 17 Million Syrians](#)" by US investigative journalist Rick Sterling and "[Caesar Act ushers in a new phase of suffering for Syrians](#)" by Daniel Sleiman on the Eureka Street website of 25 June 2020. I've given these articles to the secretariat.

I was speaking about the effects of the Caesar Act on the Syrian people and I was noting that it's causing great hardship to 17 million persons still living under the authority of the Syrian government. Only three million persons living in Idlib are getting any Western humanitarian or food aid. Meanwhile, the United States occupies Syria's oilfields in the north-east and is effectively stealing Syrian oil. The Caesar Act will result in thousands more civilians suffering and dying needlessly. The Assad government in my opinion will not fall, because it will be supported by Russia, China and Iran, but it will thereby be further alienated from the Western trading world. There are important impacts on Lebanon as well. Returning to the main body of my submission, the autonomous sanctions train has already left the station, as I noted, in that in 2011 our parliament passed laws to enable autonomous sanctions. I understand that under the present legislation in place—and I've read the Department of Foreign Affairs' submission No. 63—our foreign minister retains the discretionary powers as to whether to apply autonomous sanctions or not. I favour her retaining those discretionary powers and I oppose the view of many submissions that the Australian parliament should pass laws giving it expanded powers to impose autonomous sanctions against governments and sovereign countries or

against targeted individuals or companies from those countries.

In my opinion, as a former senior Australian diplomat, autonomous targeted sanctions, which are the subject of this reference, violate and insult national sovereignty of states and they violate existing widely accepted principles of international cooperation, which are themselves based on the sovereign equality of states. No nation or group of nations should have the right to pronounce judgment or pass sentence on citizens of other nations or to violate their property and travel rights outside the authority of the UN Security Council system.

## Questions

**From Chris Hayes:** *How should the shooting down of MH17 be addressed?*

**Mr Kevin:** There is a huge disinformation narrative about Russia which prevails in Western countries and also, increasingly, about China, which unfortunately colours the way most people think about news about Russia or about international events concerning Russia. Unfortunately, MH17, which we could have a whole parliamentary inquiry on by itself, is a very contentious issue. I don't believe there's evidence that Russia was involved in the shooting down of that plane. I don't believe the hearing in the Hague is a fair judicial hearing. The truth will be told on MH17, but not just yet. The main point is that, if the Americans have, as they at the time said they had, satellite imagery of the shooting down of the plane, why on earth have they never revealed it? Why hasn't it come to light?

**Mr Hayes:** *What about the claims about the Uighurs in China?*

**Mr Kevin:** I'm personally suspicious of much of the evidence of what's supposed to be happening in Xinjiang, in western China. You can do a great deal with photographic imagery these days. I would not be prepared to point the finger of blame at China on this. I would obviously be happy if the Human Rights Council of the United Nations—we come to the Human Rights Council now—were to find that there was a case to be answered. That's the way that the international human rights system is supposed to work. It's the question of ganging up on a country that I object to.

**From Senator Abetz:** *How should we address human rights abuses without sanctions?*

**Mr Kevin:** As I've tried to explain in my submission, there's a great disproportionality between the way Magnitsky type laws impact on great powers and on small, weak, defenceless countries. When they're applied to small, weak, defenceless countries like Iran, Syria, Libya or Venezuela they have a disproportionate effect on the people who we're supposed to be trying to help. But you don't help people by starving them to death or denying them essential medical supplies. And I would argue that, on the other hand, when you try and apply those sorts of pressures to large powerful countries like Russia or China you're simply alienating those countries from the rest of the world, or from our part of the world, and you're increasing the risks of sanctions becoming hot war in the long run.

**From Julian Hill:** *Aren't targeted sanctions preferable to current approaches?*

**Mr Kevin:** I come back to my earlier point that there's a great deal of conflicting narrative floating around the world now about alleged misbehaviour by Russia and China, and I find a lot of those narratives implausible—and a lot of other people do too. So, when we're in that situation of contested narratives, I think we've got to be very careful before we start throwing our weight around internationally from a moral high horse, as it were, and telling citizens of other countries what they can and cannot do. I just find it rather distasteful, and I wouldn't like any Australian to be subjected to that. I think what's sauce for the goose is sauce for the gander. We've got Julian Assange at the moment who's been gravely mistreated by a friendly government over in England—and I'm very unhappy about that—but is my government going to start sanctions against England? Unfortunately not. I can have my citizen view and I'd like them to but they won't.