

# US threatens trade embargo as fighting continues to escalate, sanctions devastate Russian economy

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15 March 2022

Announcing a further escalation of the economic warfare against Russia, US Deputy Treasury Secretary Wally Adeyemo threatened on Monday that the United States was considering the imposition of a full trade embargo on Russia and the closure of international waterways to the country. Both demands had earlier been advanced by Ukrainian President Volodymyr Zelensky.

The threats came after another dangerous escalation of the conflict on Sunday, when 8 Russian cruise missiles struck the International Center for Peacekeeping and Security in Yavoriv, a town just 10 miles from Ukraine's border with NATO member Poland. The air strike reportedly killed 35 people and injured 134.

On Sunday evening, Russia announced that more such attacks could follow, claiming that the attack had killed "180 foreign mercenaries" and disrupted Western arms supplies. Speaking to the *Washington Post* on conditions of anonymity, a US defense official denied that shipments of Western military aid had been disrupted.

Twenty NATO countries are involved in large-scale shipments of ammunition, handheld or shoulder-fired anti-tank and anti-aircraft systems to Ukraine—weapons that are particularly suitable for use in insurgencies. The US alone has pledged a total of \$1.2 billion to Ukraine this year, with Biden announcing the latest tranche of \$200 million on Saturday.

NATO and the Ukrainian government are also explicitly encouraging foreign fighters, as well as far-right forces all over the world, to come to Ukraine to join the "International Legion" and fight in fascist paramilitary formations, such as the Azov Battalion. The latter has reportedly been able to grow its membership significantly in recent weeks.

The Center in Yavoriv, where members of the "International Legion" have been stationed, has long been

a major hub for the military supplies and training that NATO has provided to Ukraine's military since the US-backed far-right coup of 2014. According to BuzzFeed, troops from the Florida National Guard were training Ukrainian soldiers at the facility as part of a NATO mission as recently as early February.

Fighting, especially in southern Ukraine and around the city of Mariupol, continues to escalate, with signs that both sides are increasingly targeting civilian areas and the Russian military intensifying its attack on Ukrainian cities.

On Monday, a missile strike killed at least 23 people in Donetsk in East Ukraine, among them 20 civilians and several children, according to the Russian-backed separatist authorities. Blaming the attack on the Ukrainian military, the separatist leader Denis Pushilin called it a "war crime." While the Ukrainian army denied responsibility for the attack, blaming it on Russia, the Western press has maintained a conspicuous silence on the incident which may have been the deadliest for civilians in the war yet.

The UN's most recent estimates put the number of civilian deaths at 596, among them 43 children. Over 4 million people have been forced to flee; about 1.5 million of them are now in Poland.

Peace negotiations between Russia and Ukraine are continuing, and a representative of Zelensky's administration indicated on Monday that a settlement could be reached "within a week or two or in May." Both Ukrainian and American officials had earlier pointed to a readiness for "compromise" on the part of the Kremlin.

In the first admission that the war was not going as planned by a Russian military figure, the head of Russia's National Guard, General Viktor Zolotov, acknowledged in a speech on Sunday that "not everything is going as

fast as we would like.” The speech has since been removed from the National Guard’s website. The Kremlin has now also admitted that draftees are being sent to Ukraine, something Russia had earlier denied.

There have also been unconfirmed reports that Russia has requested military aid from China. Military analysts are speculating why Russia, which has many times more air power than Ukraine, has so far made only very limited use of it. An analysis in the German magazine *Der Spiegel* suggested that poor equipment, the lack of experience by pilots, as well as fears of high casualties among soldiers, may be behind the Kremlin’s hesitancy. Western-delivered air defense systems are reportedly doing serious damage to Russia’s air force.

The latest figures from the Russian Defense Ministry put the number at 498 Russian soldiers have died, but the figures have not been updated in over two weeks and are widely believed to be severe underestimates.

The war and the impact of the sanctions have significantly deepened an already serious crisis of the Putin regime. On Friday, White House Press Secretary Jen Psaki gloated that with the existing sanctions, the US and its allies had “basically crushed the Russian economy.”

A recent piece in *Foreign Affairs* gave an inkling of the extraordinary scale of the social disaster that the economic warfare by the imperialist powers is producing: “Russians will soon face shortages of basic products—not just luxury goods such as iPhones and iPads, the import of which is now banned, but also more ordinary goods and commodities such as clothes, cars, household appliances, and food.” The piece warned that “entire industries could shut down in the coming months, precipitating not just shortages of goods but mass unemployment, a collapse of the tax base, and an inability to pay salaries to state employees. Already, Russia’s largest automobile producer has had to temporarily halt production because of shortages of imported components.”

Even before the war, millions of Russian workers had been completely impoverished by the restoration of capitalism in 1991 and were struggling to buy basic food staples. Many, especially pensioners, have been long dependent on home-grown food in order to eke out a living.

The impact of the sanctions will extend well beyond Russia’s borders, compounding the immediate horrific impact of the war itself. Together, Russia and Ukraine provide about 30 percent of the world’s wheat consumption. While Ukraine’s economy has been

brought to a standstill by the war, Russia has banned the export of all grains and sugar until August 31 to counteract the impact of the sanctions.

In anticipation of a severe food crisis, countries across the globe have begun imposing export restrictions, and wheat markets have hit an all-time high. UN Secretary-General Antonio Guterres warned on Monday of “a hurricane of hunger and a meltdown of the global food system.”

The war in Ukraine, which is increasingly assuming the form of an open conflict with NATO, combined with the impact of the economic sanctions, has also deepened rifts within Russia’s ruling class and has driven larger sections of the upper middle class into exile or toward openly supporting the pro-US “liberal” opposition of Alexei Navalny or both.

Members of Russia’s narrow upper and middle classes, who had savings and connections abroad, have left the country in droves for the Baltic states and former Soviet republics in the Caucasus. As of last week, their number was estimated to be as high as 150-200,000, but the real number is likely much higher.

In a widely publicized incident on Monday, an editor at Russia’s state-owned Channel 1 TV station interrupted a show with a “no war” sign. In a video message, she declared her support for Navalny and called on Russians to join the anti-war demonstrations that have been politically dominated by the liberal opposition. Several oligarchs that used to be close to Putin, including Oleg Deripaska, have also spoken out against the war.

Workers must lend no support whatsoever to these forces. They do not stand for “peace” but a section for the oligarchy and upper middle class that seeks an alignment with NATO and is involved in an imperialist-backed regime change operation that can only lead to further austerity and wars. Workers must oppose the Putin regime and its criminal war in Ukraine from the standpoint of their own independent class interests, fighting on the basis of revolutionary internationalism and in alliance with workers in Ukraine, across Europe and the United States for the overthrow of the capitalist system.



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