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Biden Likely to Maintain Sanctions as Major Foreign Policy Tool

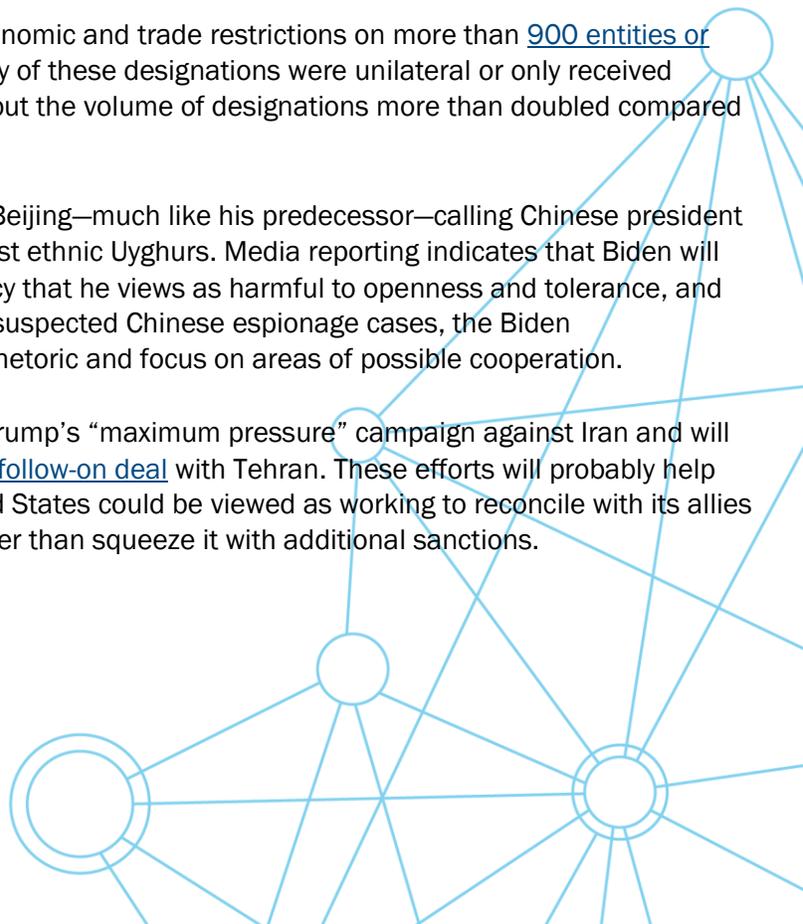
Executive Summary

Although the new Biden administration will probably maintain many of the foreign policy goals and sanctions programs used by its predecessor, FiveBy anticipates that the president-elect will prioritize rebuilding relationships with allies to enhance the effectiveness of US sanctions. The Biden administration will almost certainly use these newly rebuilt relationships to coordinate on multilateral sanctions programs that emphasize human rights, with particular focus on the People's Republic of China (PRC) and Russia. The Biden administration will also probably take gradual diplomatic steps to engage with Iran on reducing its nuclear activities, rather than immediately rejoin the Joint Comprehensive Plan of Action (JCPOA).

Use of Sanctions under a Biden Administration

FiveBy expects sanctions to remain a major US foreign-policy tool for the incoming Biden administration and assesses that President-elect Biden is unlikely to pivot away from the previous administration's aggressive use of OFAC designations. However, Biden will probably first review the myriad of sanctions programs created by his predecessor and pursue a more targeted, multilateral approach that focuses on malign actors, while [mitigating economic damage](#) to the populace of the sanctioned countries.

- On average, the Trump administration imposed economic and trade restrictions on more than [900 entities or individuals](#) each year during his term in office. Many of these designations were unilateral or only received limited support from the international community, but the volume of designations more than doubled compared with Barack Obama's first term.
- Biden [has recently](#) taken a tougher stance toward Beijing—much like his predecessor—calling Chinese president Xi a “thug” and accusing China of “genocide” against ethnic Uyghurs. Media reporting indicates that Biden will probably abandon aspects of the Trump China policy that he views as harmful to openness and tolerance, and although investigations probably will continue into suspected Chinese espionage cases, the Biden administration will probably tone down anti-China rhetoric and focus on areas of possible cooperation.
- Biden is [probably not going to continue](#) President Trump's “maximum pressure” campaign against Iran and will likely work to rejoin the JCPOA [before working on a follow-on deal](#) with Tehran. These efforts will probably help bring Iran to the negotiating table, where the United States could be viewed as working to reconcile with its allies and help engage with Tehran using diplomacy, rather than squeeze it with additional sanctions.



Rebuilding Relationships, Uniting Around Common Challenges

President-elect Biden and his administration appear committed to rebuilding the relationships with Washington's traditional partners in Europe and East Asia, which includes renewed cooperation on issues such as the COVID-19 pandemic, climate change, and multilateralism.

COVID-19

The Biden-Harris team established a [COVID-19 Advisory Board](#) on 9 November—shortly after the presidential election—and [published](#) its plan to combat the virus, indicating an eagerness to rejoin the international community in fighting the pandemic. Biden believes that rejoining the World Health Organization (WHO) is essential to efforts to coordinate a [global response to the disease](#), especially if the United States is to lead a coalition for vaccine distribution and development.

Climate change

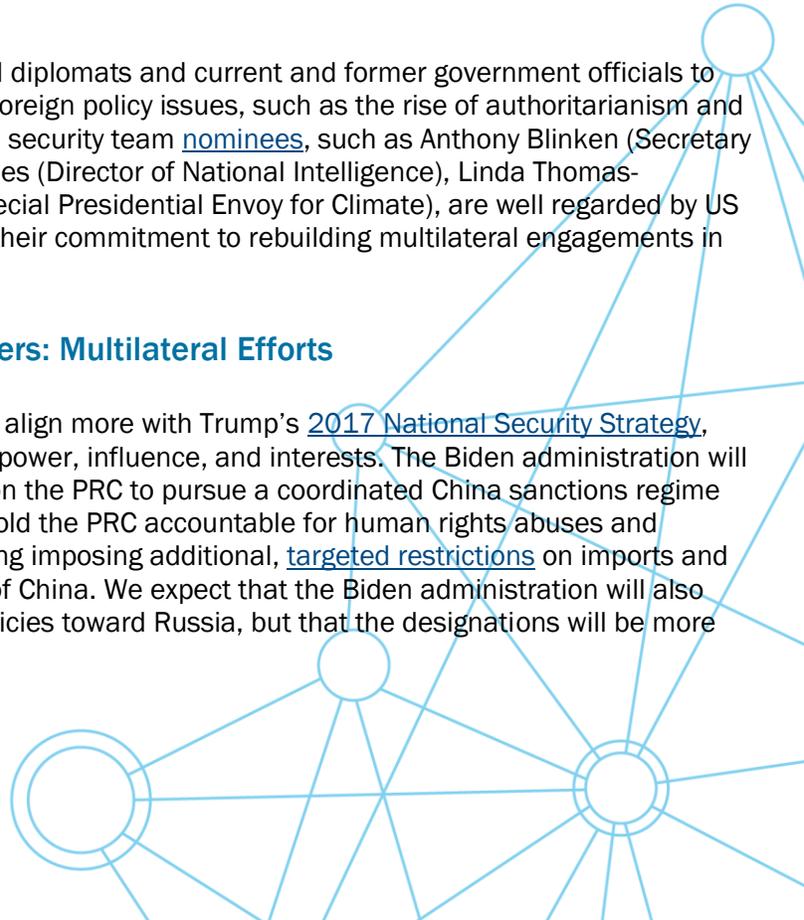
President-elect Biden has pledged to rejoin the Paris climate accord on his first day in office, drawing accolades from world leaders, and recently [extended](#) this promise to include a \$2 trillion stimulus package to help the United States cut emissions to net zero by 2055. In addition, Biden plans to lead a diplomatic effort among major countries to ramp up climate change efforts, including convening a climate world summit to directly engage the leaders of major carbon-emitting nations to persuade them to make more ambitious national pledges to cut emissions.

Multilateralism

FiveBy expects that the Biden team will rely on experienced diplomats and current and former government officials to reengage and realign with global partners on security and foreign policy issues, such as the rise of authoritarianism and human rights violations. Biden's foreign policy and national security team [nominees](#), such as Anthony Blinken (Secretary of State), Jake Sullivan (National Security Advisor), Avril Hines (Director of National Intelligence), Linda Thomas-Greenfield (US Ambassador to the UN), and John Kerry (Special Presidential Envoy for Climate), are well regarded by US [allies](#) in Europe and East Asia and have repeatedly voiced their commitment to rebuilding multilateral engagements in the foreign policy sphere.

Sanctioning Adversaries and Human Rights Abusers: Multilateral Efforts

The former Vice President's view of the PRC has evolved to align more with Trump's [2017 National Security Strategy](#), which positioned Beijing as a direct challenge to American power, influence, and interests. The Biden administration will probably use recommendations in a recent Senate [report](#) on the PRC to pursue a coordinated China sanctions regime with European partners that builds on previous efforts to hold the PRC accountable for human rights abuses and violations of globally accepted best trade practices, including imposing additional, [targeted restrictions](#) on imports and helping companies [rebuild supply chain](#) networks outside of China. We expect that the Biden administration will also continue many of the Trump administration's sanctions policies toward Russia, but that the designations will be more targeted and coordinated with global partners.



- The majority report, released by the Senate Foreign Relations Committee in November 2020, acknowledges that the PRC is a significant political, economic, and security challenge. It advises that the United States and its European partners must work together to help create an “open system of rules, norms, and institutions that uphold individual rights and freedoms, advance market-based economic prosperity, and safeguard shared security interests” and confront China’s attempts to undermine the rule of law.
- Biden will probably maintain the Trump administration’s tough policies on China, but with added support from an international consensus against the country’s most problematic human rights abuses—particularly the plight of its Uyghur population in Xinjiang province. Biden has [acknowledged](#) that the most effective way to challenge the PRC is to build a united front of friends and partners to hold the country accountable for its “abusive behavior.”
- We expect the Biden administration to more forcefully hold Russia accountable for its disinformation and political influence efforts and ensure its sanctions policy [consistently aligns](#) with those of its international partners. Biden will also probably [urge](#) US allies to avoid sending mixed messages to the Kremlin, such as seeking expanded economic ties via [Nord Stream 2](#) while simultaneously condemning the assassination attempts of [opposition figures](#) and other [human rights violations](#).
- European officials [expect President Biden](#) to put pressure on Germany to back out of its Nord Stream 2 project with Russia, and according to one German diplomat, there is little reason to believe that the Biden administration will lift existing sanctions against the Russian side of the project. Expanded Nord Stream 2 sanctions [are included](#) in the must-pass National Defense Authorization Act and could ensnare several German entities, as well as Russian pipe-laying vessels, in the US sanctions net.

Trouble with Tehran

After the Trump administration’s [withdrawal](#) from the JCPOA, the subsequent “[maximum pressure](#)” campaign, and the assassinations of IRGC-QF Commander, [Qasem Soleimani](#), and Iran’s top [nuclear scientist](#), Mohsen Fakhri-zadeh, diplomatic engagements with Tehran will be more challenging for the incoming Biden administration. Biden’s [opportunities](#) to reengage with Iran include reinstating sanctions waivers for Iranian oil exports and removing the designation of the country’s central bank as a financier of terrorism as gestures of good will. Although Biden has [expressed his support](#) for renewed US participation in the JCPOA, FiveBy does not expect Biden to pursue an immediate return to the nuclear deal without preconditions, since Tehran now has more than [12 times](#) the amount of enriched uranium permitted under the agreement, and its parliament recently voted to [suspend UN inspections](#) of its nuclear program that were required under the JCPOA. The IRGC-QF also continues to fund, train, and [support](#) militant groups that attack US and other western interests in Afghanistan, Iraq, Syria, Yemen, and Palestine, severely limiting bipartisan support in Congress for renewed diplomatic engagement with Iran. The Biden administration is therefore likely to attempt to [work with JCPOA members](#) to get Tehran back to the negotiating table to return to more stringent nuclear restrictions.

