



## **USA\*Engage Statement on U.S. Russia Economic Sanctions**

**Washington DC - May 9, 2014:** The crisis in Ukraine demands a concerted response from the European Union and the United States.

The Obama Administration has worked with the EU, and particularly Germany, to implement targeted economic sanctions to change the calculations of persons identified as responsible for the violence in Ukraine. The President and Germany's Chancellor Merkel have made clear that further, coordinated sanctions will be implemented, depending on events in Ukraine, critically the Presidential elections scheduled for May 25.

Recently, some Members of Congress have called for legislation of draconian, unilateral U.S. sanctions on key sectors of the Russian economy and exclusion of Russia from the global financial system.

The historical record is clear; unilateral U.S. sanctions are a lose-lose tactic. The U.S. sanctions fail because companies in other countries fill the void left by U.S. companies, U.S. companies lose markets to their global competitors, and U.S. company assets may have to be abandoned with inevitable loss for the U.S. economy. Only multilateral sanctions, actually adhered to, have any chance of tactical success.

Russia covers one sixth of the world's land mass, is a critical trading partner with the EU, and has become a major market for U.S. companies across sectors. Its economy is deeply embedded in the world's financial system. Furthermore, building a stable and secure Ukraine requires the cooperation of the EU and Russia.

For these reasons, we believe the President should continue to have the authority and flexibility to work in concert with U.S. allies, without legislative imposition, to help Ukrainians maintain their independence.

### **About USA\*Engage**

USA\*Engage ([www.usaengage.org](http://www.usaengage.org)) is a coalition of small and large businesses, agriculture groups and trade associations working to seek alternatives to the proliferation of unilateral U.S. foreign policy sanctions and to promote the benefits of U.S. engagement abroad. Established in 1997 and organized under the National Foreign Trade Council ([www.nftc.org](http://www.nftc.org)), USA\*Engage leads a campaign to inform policymakers, opinion leaders, and the public about the counterproductive nature of unilateral sanctions, the importance of exports and overseas investment for American competitiveness and jobs, and the role of American companies in promoting human rights and democracy worldwide.

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