

◆ WSJ NEWS EXCLUSIVE | WORLD

# U.S. to Urge Democracies to Sanction Corrupt Foreign Officials, Human-Rights Abusers

Biden administration will unveil sanctions in run-up to Summit for Democracy



The Treasury Department, in Washington, D.C., oversees sanctions policy.

PHOTO: SAMUEL CORUM/BLOOMBERG NEWS

By [Ian Talley](#) and [Dustin Volz](#)

Updated Dec. 3, 2021 4:47 pm ET

WASHINGTON—The U.S. next week will levy sanctions against foreign-government officials and people it accuses of corruption and human-rights abuse, and urge other nations to join its pressure campaign at its coming Summit for Democracy, administration officials said.

The sanctions will be imposed in the lead-up to the two-day virtual summit on Thursday and Friday, at which administration officials hope to persuade government officials from more than 100 nations to impose similar measures, according to the officials.

White House officials have said they see the sanctions as an important tool in the Biden administration's efforts to spark what it calls a Democratic renewal around the globe. The administration has also said it would give priority to securing coordinated international action as critical to ensuring the sanctions are effective.

The U.S. will impose the sanctions under a variety of authorities, including the so-called Global Magnitsky powers, named after a Russian whistleblowing lawyer who died in a Moscow jail after accusing the government of corruption.

“Over the course of the week, Treasury will take a series of actions to designate individuals who are engaged in malign activities that undermine democracy and democratic institutions around the world including corruption, repression, organized crime, and serious human-rights abuse,” an official said.

U.S. officials haven’t said whom the new sanctions would target. Lawmakers and activists outside the government have called for the administration to sanction more Russian oligarchs, Chinese officials, and other notable alleged corrupt actors and human-rights abusers. Iran is also a possible target, given the widespread allegations in the West of corruption in the government and torture and killing of dissidents.

The Treasury Department, which oversees sanctions policy, is also taking other actions to counter corruption, the official said, including closing loopholes that allow corrupt officials to exploit the real-estate market and increasing transparency of corporate ownership.

Australia on Thursday adopted new rules enabling it more easily to sanction accused human-rights abusers, becoming the latest U.S. ally to pass a law styled after the U.S.’s Magnitsky laws. Canada, the European Union and the U.K. have also updated their rules to better target human-rights violators.



President Biden will host the virtual Summit for Democracy next Thursday and Friday.

PHOTO: OLIVER CONTRERAS/ZUMA PRESS

Coordinated international Magnitsky sanctions are part of a broader set of commitments and initiatives the administration aims to secure at the summit, a senior administration official said. Some of those initiatives include safeguarding media rights and fair elections, fighting corruption, and encouraging political leadership of women, girls and marginalized populations.

In addition, the Biden administration aims to limit export of surveillance tools and other technologies that authoritarian governments can use to suppress human rights, the Biden administration said, an alleged practice in China.

Daniel Fried, a former State Department diplomat who crafted several of the Obama administration's sanction policies, said the White House believes tackling corruption is an essential element of reinvigorating democracy.

“We expect its commitments to be more focused there than in other issue areas,” he said.

The summit offers the administration a good opportunity to expand the number of countries coordinating action against corruption and human-rights abuse, said Mr. Fried, now a fellow at the Washington-based Atlantic Council think tank.

“This could look like other nations adopting versions of the United States' Russia-specific Magnitsky Act and the subsequent Global Magnitsky Act, or even creating a broader mechanism for coordinated, multilateral sanctions,” he said.

Administration officials say corruption and human-rights abuse are scourges of democracy, activities committed by authoritarian regimes and their supporters to preserve their power and enrich themselves at the expense of their citizens.

The blacklisting of government and military officials and their allies in the private sector is meant to stem abuse and corruption by both the targets and other offenders around the world.

The Magnitsky sanctions involve freezing any assets individuals have within U.S. jurisdiction and complicating their financial and real estate dealings overseas. By detailing allegations justifying sanctions, the action is also intended to discredit them at home and abroad.

Among those targeted in the past include Saudi Arabian officials and entities involved in the murder of Jamal Khashoggi, a Chinese gangster known as “Broken Tooth” allegedly

involved in corruption in Myanmar and other Asian nations, and an Israeli businessman involved in corrupt mining and oil deals in the Democratic Republic of the Congo.

**Write to Ian Talley at [ian.talley@wsj.com](mailto:ian.talley@wsj.com) and Dustin Volz at [dustin.volz@wsj.com](mailto:dustin.volz@wsj.com)**

*Appeared in the December 4, 2021, print edition as 'U.S. Urges Sanctions To Counter Corruption.'*

Copyright © 2021 Dow Jones & Company, Inc. All Rights Reserved

This copy is for your personal, non-commercial use only. To order presentation-ready copies for distribution to your colleagues, clients or customers visit <https://www.djreprints.com>.