

Countering America's Adversaries Through Sanctions Act (CAATSA)

The Countering America's Adversaries Through Sanctions Act (CAATSA) is a United States Federal Law that has imposed sanctions against Iran, Russia and North Korea. This act prevents trade partners of the United States in entering into bilateral contracts with these three nations.

The bill was passed on 27 July 2017

Since India has commercial and defensive contracts with Iran and Russia, the CAATSA does have an impact on India's foreign policy.

This article will give further information about CAATSA which will be of immense use for candidates appearing for UPSC 2021 .

Background of CAATSA

The Countering America's Adversaries Through Sanctions Act came against the backdrop of three events that would have serious implications regarding geopolitics. They are as follows:

1. Iran's Nuclear Missiles Program: The United States Government believed that any progress in Iran's nuclear missile program would further destabilize the Middle-East as Iran has repeatedly made threats against Israel, a key NATO and United States ally. The CAATSA gives authority to the President of the United States to impose sanctions against any party involved in the sale and transfer of military technology to Iran.

2. Curbing Russian influence: The Russian annexation of Crimea in 2014 and allegations of interventions in the US polls of 2016 were the catalyst for the CAATSA against Russia. Under the act sanctions can be imposed on Russia should the state or private individuals be found involved in activities such as cyber security, crude oil projects, financial institutions, corruption, human rights abuses etc

3. North Korea and weapons of mass destruction: North Korea has a nuclear weapons military program and as of 2020 it's estimated missile arsenal includes 30-40 warheads with enough fissile materials to produce 6-7 missiles per year. North Korea has made repeated threats against its South Korea repeatedly and also against the United States.

Previous administrations before had put sanctions against the North Korean dictatorship. But what makes the CAATSA different is that the bill modifies and increases the President's authority to impose sanctions on persons in violation of certain United Nations Security Council

resolutions regarding North Korea along with a wide range of other economic sanctions that can cripple the already fledgling North Korean economy.

Implications for India regarding CAATSA

The India-United States relations, especially when it comes to the defence aspect, has grown exponentially since 2008. At least by 2019, about \$15 billion worth of weapons have been purchased by India. Historically, India also purchased its weapons and the subsequent comments from Russia since the days of the Cold War. Keeping this in mind United States lawmakers had specifically told the senate that the sanctions should not effect major defense partners such as India

A waiver of such CAATSA for India has been under consideration since the law had come into force but little headway has been made in that regard. In fact, India was threatened with sanctions when it decided to buy the S-400 missile launchers from Russia and buy crude oil from Iran. What is also worrying for India is the example of Turkey who, despite being a key NATO ally, was expelled from the US F-35 fighter jet programme when it purchased S-400 missile systems from Russia.

Yet India went ahead with the S-400 deal in 2018 with no negative reaction from the United States government. The delivery of the S-400s is expected to finish by 2025. Lately the United States Government has stated that although a waiver is not possible at this time, a blanket application of sanctions against India for its defence contracts with Russia is also not being considered.

Criticism against CAATSA

Needless to say, the Countering America's Adversaries Through Sanctions Act has been met with derisions from North Korea, Russia and Iran. But the negative feeling has not only been restricted to the United State's adversaries, but key partners such as the European Union have felt that the CAATSA sheds negative light on United States-European relations as many of them have gas line projects signed with Russia.

Geopolitical think-tanks have argued that the CAATSA will hamper the United States Asian allies in resisting a rising Chinese influence. Another implication is that this would also discourage other nations from building a defensive relationship with the United States with a view to avoid any future compromises regarding strategic autonomy. These experts believe that if the CAATSA is implemented haphazardly, it could eventually backfire on United States policy in the near future.