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## The Battle For Ukraine: U.S. And Russia Must Find An Exit If Not Stage A Reset

By Doug Bandow  
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MOSCOW—The Kremlin is forbidding in even the best of weather. On the dark, dreary days when I recently visited Moscow the seat of Russia's presidency was even less welcoming. Russia is not the Soviet Union, but so far hopes for the former to develop into a genuinely liberal society have been stillborn.

However, the fact that President Vladimir Putin is an unpleasant autocrat doesn't change the necessity of Washington and Moscow working together. He is not America's number one enemy, contra the misguided claim of Mitt Romney. Putin's Russia actually has aided America by easing Washington's logistics burden in Afghanistan and refusing to arm Iran with advanced anti-aircraft missiles. The two countries have cooperated against Islamist terrorism.

Nor is Moscow threatening any core U.S. interest. The Obama administration objects to Russia's support for Syria's Assad regime, but former Secretary of State Hillary Clinton once called the Syrian president a reformer. Attempting to overthrow an important though illiberal Arab barrier to Islamic radicalism has proved to be a tragic mistake. No wonder President Putin refused to follow Washington's inconsistent lead.

His Ukrainian aggression is more serious. But the conflict does not impair fundamental American national interests. Even if Russia's actions were "a frontal challenge to the European security order," as claimed by Yale's Timothy Snyder, they would primarily pose a problem for Europe. Yet there is no indication that Moscow has any ill plans for Europe, let alone "Old Europe," America's traditional security concern.

The U.S. joined Great Britain and Russia in signing the 1994 Budapest Memorandum of Security Assurances guaranteeing Ukraine's sovereignty after Kiev gave up its nuclear-tipped missiles, abandoned during the Soviet Union's break-up. However, Washington would not have agreed to the pact had it created a formal security commitment against Moscow. Moreover, had American officials intended to issue a defense guarantee, they would have rushed Ukraine into NATO. The pact, like so many international treaties, was unenforceable fluff.

Worse, Washington contributed to the Ukraine imbroglio by foolishly joining Europe in treating Kiev as a geopolitical competition, even though that nation never was an important economic,

political, or security interest for the West. This allied blunder doesn't justify Russia's response, of course, but it precipitated Moscow's intervention. Indeed, the U.S. would not have been happy had the Soviet Union invited Mexico to join the Warsaw Pact.

Putin demonstrates that even paranoids have enemies. Russia today appears to have regressed to a pre-1914 Great Power. Moscow demands respect and focuses on border security. But allied behavior post-Cold War—expanding NATO up to Russia's border, dismantling Serbia, treating Georgia as a military ally, holding open the possibility of NATO membership for Kiev, and trying to pull Ukraine away from Moscow into Europe's economic orbit—has consistently ignored or threatened Russia's interests. It doesn't matter what Washington (and Brussels) intended. What matters is what Russian officials perceived Washington (and Brussels) to intend.

The result is an economic and political impasse with a risk of military confrontation. Crimea now is part of Russia; Moscow will not disgorge that territory absent military defeat or political collapse. Part of eastern Ukraine, with a concentration of ethnic Russians, has effectively seceded with Russian military support. That region's final status remains undetermined, but the status quo ante, rule by an anti-Russian central government in Kiev, will not be restored unless Moscow suffers decisive military, economic, or political loss.

Such results are unlikely. Ukraine's military is markedly inferior to that of Russia. The U.S. won't go to war with nuclear-armed Russia over Ukraine, and if Washington won't do so, there is no chance Europe will do so.

Could the conflict expand? There is occasional fevered talk of World War III and predictions of a Russian blitzkrieg to recreate the Soviet Union, even grabbing long-lost Imperial Russian possessions such as Finland. Such claims ignore both the global correlation of power and the nature of the Kremlin's predatory behavior so far. Unless someone goes mad—possible, but thankfully unlikely—there will be no wider war.

While the Kremlin's unjustified use of force warrants sanctions as temporary punishment, they are counterproductive as permanent policy. The restrictions have hurt the Russian economy, and especially the value of the ruble. But so far the unrelated drop in oil prices has had a much greater impact. Moreover, underlying structural flaws, including pervasive corruption, political interference, and lack of the rule of law, limit the economy's ability to adapt. Over the long-term a persistent economic slowdown will hurt Putin politically, but not as much as a climbdown in Ukraine. Then all of the costs, human and financial, would be seen as being in vain.

The Europeans have even less political leverage over Moscow. The former are divided, with rising disquiet the longer the crisis continues and the more intense the sanctions become. Russia also has moved closer to China, expanding the former's options. So far Putin's policy remains popular at home—not among the liberal professionals with whom I spent my time in Moscow, but among those who really count, the rest of the population. Indeed, there are voices, from the Duma to nationalist Alexander Dugin, calling for recognition of Ukrainian territory as independent republics and even occupation of much of Ukraine.

While Washington and Brussels remain committed to reversing Russia's policy, they have no plausible strategy to do so. Even the Obama administration rejects crackpot schemes for military intervention—such as putting American troops into a war zone and daring Moscow to attack. The U.S. has nothing at stake which warrants a Cold War-style military confrontation. Having escaped the threat of large-scale conflict while the Soviet Union was directly challenging America ideologically as well as geopolitically, it would be foolish to jump into the abyss today for far less important stakes.

Allied military maneuvers and deployments elsewhere are useless, since neither the U.S. nor Europe has any intention of using those forces against Russia. Non-lethal aid to Kiev serves little purpose other than wasting scarce American resources. Military assistance would strengthen the Ukrainian armed forces—last week Lithuania announced its intention to provide limited arms. But the conflict matters far more to Moscow than to the allies, so the former always will spend and risk more to achieve its ends. Earlier this month President Putin insisted that he would not allow the rebels to be defeated.

Which explains why NATO membership for Ukraine would be particularly foolish. Despite past opposition from the Ukrainian people, President Poroshenko supports accession: “We have worked out an intense plan for the next six years, so that the country meets the criteria to join the EU and to join NATO.” The alliance formally stands by its 2008 decision that Kiev can join if it meets NATO standards. Alas, bringing the conflict-prone country into the alliance would make existing members—and especially America, which would be the primary military guarantor—less secure. Alliances should deliver security, not charity.

Tightening sanctions is another possibility, though historically they have proved to be much better at inflicting economic harm than forcing political change, their actual objective, as in this case. Russia is hurting, but may view tougher sanctions as a step toward rather than an alternative to war. Threatening economic collapse, however unlikely, could make Moscow more likely to strike out.

In fact, Russia's economy is likely to withstand, though at a potentially high price, whatever Europe is willing to impose. Moscow may find alternative if more costly investment and commercial opportunities available through China and the Persian Gulf. At the same time the West, too, will suffer economically; although Russia's economic importance is small for America, Moscow is Europe's third biggest economic partner, after the U.S. and China.

The ongoing continental economic slowdown will put even greater pressure on the disunited Europeans. Two weeks ago the Czech Republic's finance minister, Andrej Babis, complained: “It brings nothing, these sanctions. They will only have a negative impact.” Last week the EU expanded sanctions, but primarily on Ukraine's separatist leaders—a meaningless gesture, since they probably aren't planning a shopping tour of Europe. At the same time the new EU foreign minister, Federica Mogherini, seemed to soften European policy, declaring that “Russia is for sure part of the problem, but is also for sure part of the solution.”

Worst is the economic condition of Ukraine, the epicenter of conflict. Government expenditures are up, revenues are down, and foreign investment is on hold. The economy has tanked; Donetsk

and Luhansk provinces, location of most of the fighting, previously accounted for around 16 percent of Ukraine's GDP. The longer the crisis persists, the greater the financial drain Kiev will be for America and Europe. Everyone is losing.

Nor do Washington and Brussels have a political path to victory: Kicking Putin out of international meetings is meaningless and more angry declarations will not change Moscow's behavior. Persistently poor economic results may ultimately turn voters against Putin, but even that may not translate into sufficient pressure for geopolitical concessions abroad.

The problem is not just a "frozen conflict" involving Ukraine and separatists. The bigger risk is a frozen conflict between Russia and America/Europe. Ukraine broken and bankrupt; Europe and Russia at political odds and in economic pain. Washington and Moscow locked in a Cold War lite, in conflict even when their interests coincide.

Which means everyone needs to look for an exit from the current impasse.

The objective should be practical: a modus vivendi by which the U.S. and Europe can cooperate with Russia on important issues. The leaders don't have to trust one another; the peoples don't have to like one another; the countries don't have to respect one another. But the governments need to recognize each other's interests and calibrate policy accordingly. The result likely would be unsatisfying compromise, but that would be better than the current situation.

Some Russia critics claim that compromise is impossible since Vladimir Putin wants to reconstitute the Soviet Union. First Donetsk, then Kiev. First Ukraine, then the Baltic States. First New Europe, then Old Europe. While it's impossible to know what is on Putin's mind, his behavior suggests someone with firm but bounded ambitions. In March his government insisted on geopolitical neutrality, economic non-exclusivity, and domestic devolution for Ukraine, and the Kremlin has done nothing to contradict that since.

Any concessions will leave Ukrainians unsatisfied, but they live in a bad neighborhood and have antagonized a powerful neighbor. Their nation faces economic ruin and territorial dismemberment. Fairness and justice are irrelevant. Military power is trump.

President Petro Poroshenko tweeted: "We are prepared for a scenario of total war." Journalist Mustafa Nayyem urged Americans not to push Ukraine to compromise, as it did with Crimea, when "we didn't have military forces; now we have them."

But Ukraine will lose any fight unless Washington and Brussels are willing to intervene, which they most decidedly are not. Kiev's only option is to cut the best deal possible. Which the West then should accept. If the Proshenko government wants to keep fighting, it should understand that Ukrainians will face the consequences on their own.

The outlines of a compromise long have been obvious. First, Ukraine remains independent, in control of its borders with a democratic system delivering necessary economic and political reform. Second, Russia stops military intervention in Ukraine and aid to Ukrainian separatists.

Third, Kiev pledges to eschew military relations, both NATO membership and less formal connections, with the Western powers.

Fourth, Ukrainians trade both east and west, with no other country claiming exclusive or primary access. Fifth, the central government devolves wide-ranging power on the provinces, especially the Russian-speaking areas currently in rebellion. Sixth, both sides drop economic sanctions against the other. Seventh, outside peacekeepers/observers monitor potential fighting, human rights abuses, arms smuggling, and other violations of the accord.

It brings to mind the status of Finland during the Cold War. Helsinki maintained free domestic political institutions while avoiding involvement in any anti-Soviet military activities. “Finlandization” may not have been fair, but it reflected the region’s geopolitical realities. So also may it be with Ukraine today. As Samuel Charap of the International Institute for Strategic Studies observed, Russia can achieve its objective through either war or peace. In contrast, Kiev requires the latter to prosper, and that almost certainly requires a deal.

Of course, it’s possible Moscow wouldn’t negotiate. But that would be useful information as well. Russian intransigence won’t be evident unless Ukraine and its friends push talks with an objective other than the status quo ante.

It is oft said that the world today is dangerous. It is, but not because other nations pose much of a threat to America. The U.S. continues to dominate the globe militarily, economically, politically, and culturally. Any country striking America would be left in smoking ruins by Washington’s retaliatory strike. Terrorism remains a serious security concern, but Washington could cut that risk by ending its promiscuous intervention abroad. Constantly bombing, invading, and occupying other nations creates enemies.

The principle danger to America comes from hubris, the conviction of U.S. elites that they have been anointed by God to run the world. And their assumption that the rest of the world wants to be run by them. As a result, Washington constantly foments hostility, generates chaos, exacerbates conflicts, attempts social engineering, and makes other nations’ battles its own. So it is with Ukraine. Russia is wrong in its treatment of Kiev. But there’s little positive that Washington can do about it, at least at acceptable cost.

Ukraine is an ongoing tragedy. That nation is being ravaged by conflict. Everyone involved underestimated the cost of their actions. The result is an expensive impasse for all. It is imperative to find a way out.

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