The High Stakes of the Ukraine Crisis

ANDREW WILSON

he chain of events that began in November 2013 with the first protests in Kiev’s central square, known as the Maidan, has still to fully unfold. In what may be a very long drama, we are probably only in Act Four. In Act One, the protests against a corrupt government turning its back on European integration became a systemic challenge to its whole modus operandi. In Act Two, a full-scale uprising prompted President Viktor Yanukovych and his circle to flee the country in February. The third act, after a mere week of euphoria, was Russia’s rapid annexation of Crimea in March. The fourth act has been a more prolonged struggle over the Donbas, the industrial heartland of eastern Ukraine.

The crisis is also clearly about much more than just Ukraine. It will therefore have longer-lasting consequences than previous local crises, such as Ukraine’s 2004 Orange Revolution, or even the Russian war in Georgia in 2008. The immediate causes were, of course, local. Ukraine has been one of the worst-governed states in the world for almost a quarter of a century since the end of the Soviet Union in 1991—if not quite the “failed state” of Russian propaganda. Under Yanukovych, who won a reasonably free election in 2010, Ukraine became a dystopia of state-organized extortion and corruption. Prosecutors now claim that total graft over four years was $100 billion—compared with a gross domestic product of $177 billion in 2013.

But the crisis has also shown the extent of Russia’s revisionist challenge to the entire post–Cold War order. Russian President Vladimir Putin claimed not only that Crimea was historically

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The Ukrainians stuck out their protests: 110 were killed by government forces, and another 166 missing and presumed dead. I was in Kiev for the worst of the fighting. Final victory came about on February 20 not because of a coup d'état or armed revolt, as claimed by Russian propaganda. Some small arms were beginning to find their way to the protesters, and there was the threat of more to come as police stations were overwhelmed. But victory was won because of an old-fashioned willingness to shed blood for the cause; the protesters were prepared to go. The same lesson applies with the war in the east, regardless of who wins. A victory for the ragtag Ukrainian army against forces with superior resources would be a major reversal of historical stereotypes. The heavy defeats for the Ukrainian forces at the end of August threatened to create another powerful myth of bravery and betrayal.

The Russians have long tended to see the Ukrainians as the “rebellious” or “disloyal” part of the Russian nation, ever since the Cossack leader Ivan Mazepa sided with the Swedes at the Battle of Poltava in 1709 (the Cossacks actually fought on both sides). But before the latest protests began, the mood was very different. The 2004 demonstrators had been held on the very same spot in a carnival atmosphere of passive protest, and succeeded in installing Viktor Yushchenko as president after an election rigged against him by Yanukovych; but this triumph then led to profound disillusion with the political process after Yushchenko’s disastrous presidency. Ukrainians surprised themselves in 2014 not just because they hit the streets again in their millions, but because they soon became determined to do things better and change the system, not only the leadership.

There is also a strong tradition of Ukrainian “Prometheanism.” Polish nationalists used this notion as a slogan in the 1920s, when President Józef Piłsudski tried to weaken the USSR by supporting non-Russian liberation movements. (In Greek mythology, Prometheus was punished by the despotice Zeus for giving the liberating tool of fire to mankind, chained to a mountain in the Caucasus—where many of the former Soviet non-Russians now live—to have his liver daily pecked out by an eagle.) This idea has belonged to the Ukrainians for even longer; they have often seen their role as guardians of liberty for all the other peoples of the Russian or Soviet empires, especially as the “second nation” or “anti-Russia” of the empire. Among the confirmed dead during the Maidan protests were one Belarusian, three Georgians (one of Armenian descent), and even one Russian—the only Russian victim of the early crisis.

The threat of democratic contagion is the Kremlin’s worst nightmare, and a key reason that it has opted for an alternative narrative of the Ukrainians as puppets of more or less everybody, including the United States and the EU, but above all as reincarnations of the Nazi threat of the 1940s. If this sounds absurd, it is. But readers can check out online videos of the grotesque propaganda performance by Putin’s favorite biker gang, “The Night Wolves,” in Crimea this August, portraying Ukrainians as goose-stepping in swastikas. While reminiscent of the number “Springtime for Hitler” from Mel Brooks’s The Producers, it is not remotely funny.

**Rules for Radicals**

Ukraine had something resembling a revolution in February 2014. But it did not fit any of the old paradigms of revolution. It is too early to predict whether it will bring sweeping social change like that ushered in by the French Revolution in 1789 or the Russian Revolution in 1917. The Ukrainian uprising was not a professional revolutionary seizure of power such as the one organized by the Bolsheviks. Nor did it follow the Central European model of “nonrevolutionary revolution” in 1989, or the nonviolent “revolution-as-carnival” model of the post-Soviet “color revolutions” of the 2000s, including Ukraine’s own Orange Revolution. It was a bit of everything and a bit of something new, offering interesting but complicated lessons for both protesters and autocrats across the globe.

The Maidan demonstrations lasted three months. It was already apparent after two months that passive resistance was not enough. The well-known paradoxes of “network-led revolution”—using social media for mobilization—were also clear from an early stage. Official media were bypassed, and social networks proved a big help in getting sheer numbers out on the streets. But then what? The protesters were rightly suspicious of compromised mainstream politicians, but knew that they needed voice and organization.

By January the protesters had developed novel methods, drawing on local Cossack traditions to band together in “hundreds” with sergeants rather
than an overall leadership structure. But they also resorted to old-fashioned methods of throwing cobblestones and Molotov cocktails. Constrained material conditions ensured that organization did not exactly mean professionalization. The final victory involved charging at the enemy with shields made of wood and advertising billboards (though new technologies were still useful—the protesters used text messages to tell each other where it was safe to move and where the snipers were). When Russia used covert special forces known as “little green men” to front its so-called hybrid war in Crimea and the Donbas, it thought it was copying the Maidan. But the protesters in Kiev wore homemade fatigues and tracksuits because that was all they had, not because they were outside forces in disguise.

For autocrats, the new conventional wisdom is that large-scale repression is too costly in the modern media age, given the exposure and condemnation they face if state violence is publicized on global television or transmitted online by smartphones. The lessons from Ukraine were complex. The authorities might have nipped the protests in the bud by using maximum violence as quickly as possible. Instead, they used just enough violence to provoke demonstrators to assemble in bigger numbers, but not enough to really deter them. Then they escalated the repression, but took it “offscreen”: Protesters were beaten up and kidnapped away from the Maidan; the regime made increasing use of so-called titushki—hired bands of local thugs, rather than conventional militias. These less visible, ultra-cynical tactics were designed to dampen international outrage, but they were combined with draconian “dictatorship laws” passed in mid-January that made protesters feel that they had to accelerate and radicalize their efforts before it was too late. Then the regime lost patience and began gunning people down in the streets, but it could not implement its most radical plans for using conventional armed forces and helicopters against the Maidan. Future dictators might note that the right amount of early repression is more likely to be effective, and that offscreen repression almost worked.

**Rebirth of a nation?**

According to one veteran of the Yushchenko administration whom I interviewed in 2012, “Ukrainians are good at uprisings, but not at revolutions; we are good at hunt [the anarchic overthrow of authority], but not at using the results; better at putting people in place, then it is always a problem when those people have to deliver.” There is also a conservative strain in Ukrainian political thought represented by the philosopher Viacheslav Lypynsky (1882–1931), who argued that his countrymen were too fond of rebellion and not prepared enough to do the hard work of government.

So, will it be any better this time? Will the 2014 “Revolution of Dignity” end in as much disappointment as the Orange Revolution 10 years earlier? Or was the Maidan really a “Ukrainian Gettysburg,” the birth of a new freedom and a new nation?

Petro Poroshenko’s inaugural speech addressed one element of the problem, after he won a landslide victory in a May 2014 presidential election, becoming the first candidate in any election since 1991 to win a majority in every Ukrainian region. “Until now, many people thought that we got independence without any difficulty,” he said. But now “the Heroes of Nebesna Sotnya [the ‘Heavenly Hundred’ who died on the Maidan] have died for it. The warriors and civilians of Ukraine are dying for it” in the east.

The uprising became the central new national symbol, soon joined by the fighting for the Donbas. There was some early sociological evidence that the traditional historical divides between Ukraine’s diverse regions were shrinking rapidly—thanks to Putin’s aggression. But it was too early to tell whether this was a temporary crisis phenomenon or not. According to one survey in March, 91 percent of residents in western and central Ukraine “completely condemned” the Russian Duma’s decision to give Putin authority to use troops in Ukraine; but the figure for southern Ukraine was 65 percent, and for eastern Ukraine, 55 percent.

Another poll showed little sense of any threat to Russian language rights, which Putin implausibly claimed as a casus belli. The percentage of those expressing such fears ranged only from 4 percent in the west to 24 percent in the east, despite 17 percent of the population being ethnic Russian and almost everybody speaking Russian to some degree. Support for Ukraine remaining a unitary state was 86 percent in the west and still 45 per-
cent in the east. Putin's once-impressive approval rating in Ukraine fell from 47 percent in October 2013 to 16 percent in April 2014. In south Ukraine it fell from 57 percent to 14 percent, and in east Ukraine, minus the Donbas, from 62 percent to 19 percent—much the same as in Ukraine as a whole. Only in the Donbas itself did support for Putin stay high, barely down from 63 percent to 60 percent.

Pro-European sentiment was also on the rise. Support for European integration rose sharply from February to March 2014, from 41 percent to 52 percent, while support for joining the Russia-led Customs Union fell from 36 percent to 27 percent.

Ukraine was certainly less polarized, having lost one of its poles—Crimea, with its ethnic Russian and Russophone majority. The future of the Donbas was unclear. There were early signs of more cohesion in the center. All of which was some grounds to hope that Ukraine's famously divided or weak national identity might consolidate in the longer run—assuming things went well.

WAR IN THE DONBAS

There was a basic contradiction, however. Some Ukrainian intellectuals asserted that Ukraine would be “more European,” more united, and economically better off without Crimea and even without the Donbas—at the same time as so many were dying fighting for it.

Crimea was taken within days. The war in east Ukraine went through many ups and downs. Russia initially expected the same easy victory as in Crimea, but by July 2014 Kiev had mounted a successful counteroffensive. If Ukraine proves able to reconquer the region, it would be a remarkable transformation after the disastrous nonperformance of Ukrainian forces during the annexation of Crimea. It would also be a potent symbol of the new nation and the most powerful rebuttal of Putin's claims about “failing Ukraine.”

However, Putin was still determined to see Ukraine fail. Since the time of writing, the situation may have become clearer. Other things being equal, a proper, even if badly equipped Ukrainian army, reinvigorated by 20,000 volunteers—including many who had fought on the Maidan—had every chance of defeating a motley coalition of Russian proxies, nationalists, locals, and mercenaries.

But Putin had other cards to play. The “hybrid war” had become more and more like a conventional war, as reinforcements of men and materials were sent across the border. The Buk missile that shot down Malaysian Airlines Flight MH17 on July 17, killing all 298 on board, was only one of many transfers of weapons. Ukraine was therefore highly suspicious that a “humanitarian convoy” from Russia could be used either to disguise arms shipments or to provoke an incident as an excuse to intervene. The convoy was also cover for sufficient reinforcements to mount a counteroffensive at the end of August, designed to inflict heavy losses on the Ukrainians that would force them to give up on hopes of victory and accept the reality of a new “frozen conflict” in the Donbas. Poroshenko signed a cease-fire, but the volunteer forces continued to oppose any peace on Russian terms.

REFORM OR BUST

Ukraine is still a badly run country. Little has been done to tackle rampant corruption. The economy is predicted to lose 6 percent of GDP in 2014. The Donbas conflict is eating up blood and treasure. Most reforms have been put off while it continues.

At least if the conflict is over by October, the elections may usher in a new parliament and new government dominated by reform forces for the first time since 1991. The benefits of a trade agreement signed with the EU in July will begin to kick in. Ukraine's new civil society will promote and support reform—and preempt any backsliding by the authorities. The sheer awful-
ness of the economic situation will force change. Historically, bad times have always been good news for Ukraine: Two previous bursts of reform in 1994–95 and 1999–2000 brought the country back from the brink of economic collapse, whereas times were too comfortable after the Orange Revolution in 2004, reducing the pressure to reform.

Well, at least that was the old pattern. Now the West, and Europe in particular, may simply be too preoccupied and introspective to give Ukraine the level of support it will need. There are plenty of other crises in the world, from Syria to the South China Sea, and others will no doubt come along.

The pessimistic scenario is that there are too many pieces that have to fall into place for Ukraine to begin meeting the original demands of the Maidan protesters to clean up public life. Politics might be embittered if Ukraine is forced to sue for peace. Whether or not Russia retreats from the conflict in the Donbas, its spoiler power remains immense. It can easily disrupt some of the necessary conditions for reform if it chooses, by meddling in the elections or trying to wreck the economy.

**Myths and Ambitions**

Thousands of words have been written on “what Putin thinks” during the crisis. The one thing that is certain is that for Russia the crisis is about much more than just Ukraine. First and foremost, it is a crisis for Russia itself. All the myths that have been allowed to fester and ferment Russia’s gigantic persecution complex since 1991 have now come to a head. The sheer nonsense that Russia claims to believe is now on a pathological scale.

None of these myths stand up to scrutiny, but the West is constantly feeding Russia’s myopia with all its own talk about respecting Russian feelings and historical insecurities, and Moscow’s legitimate interests in its “backyard.” The USSR did not “lose the Cold War”—it unilaterally disarmed. The West did not destroy the USSR—the George H.W. Bush administration fought to preserve it as long as possible. The Soviet Union was ended by those who no longer wanted to be in the Union—that is, the Soviet Republics themselves—and by late 1991 that meant both Russia and Ukraine. If Russia was “humiliated” in the traumatic 1990s, it was humiliated by other Russians—the oligarchs and mafiosi who stole the national wealth. NATO has expanded since 1991, but has not been encircling Russia in recent years. After the initial Russia “reset” by the Obama administration in 2009, there were many other mini-resets: by Poland, by Georgia, and even by NATO itself, which developed a new Russia-friendly policy under Secretary General Anders Fogh Rasmussen. If Russia was surrounded, it was surrounded by a ring of potential friends. Russia has not been fighting foreign fascists in the Donbas, it has been fighting brother Slavs. I could go on.

But the cost of the 2011–12 demonstrations’ failure to unseat Putin is now clear. He has based his new presidency on an overlapping triple project: pushing “conservative values” against postmodern Europe, launching the Eurasian Union as an alternative to the EU, and exalting the “Russian World” (the name of a new Putin-backed nongovernmental organization) and the Eastern Orthodox Church as Russia’s unique “civilization” and its local home and shelter from the storms of globalization. His victory speech after the annexation of Crimea, which claimed Russia was a “divided nation” separated by artificial borders like Cold War Germany, also asserted a vaguely and expansively defined “responsibility to protect” not just ethnic Russians abroad, but all those allied in some way to “the Russian civilization.”

This is a massive revisionist agenda, made all the more disturbing by Russia’s claim that it is not a revisionist power at all, since it never agreed to or was never consulted about the post–Cold War order in the first place. There is also growing alarm at Russia’s modus operandi—including its covert sponsorship of proxy armies, its violation of borders and international agreements, and its egregious propaganda, as well as a longer history of subversion and covert action in what Russia still calls its “near abroad.”

Every other post-Soviet state feels threatened to some degree, both friend and foe. Even authoritarian, Russia-friendly Belarus has been trying to diversify its options. Other postcommunist states that are now in the EU and NATO are beginning to wonder how safe they are, particularly Latvia and Estonia with their large Russian-speaking minorities. The EU as a whole is wondering about the wisdom of remaining dependent on Russian oil

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and gas, with the risk of another supply cutoff this coming winter.

**SMART SANCTIONS?**

The less said about the EU’s role in the crisis, the better. Moscow is likely to take the EU seriously only when it accepts losses to its own business interests as the price of confronting aggression, and it has yet to really do so, even after the tragedy of MH17. But as of mid-2014 the collective Eurozone economy was flatlining once more. Germany, the EU’s unquestioned economic leader, has also acted as its political leader during the crisis, but it has shown poor leadership. It has constantly tried to push Ukraine into a bad peace, asking it to treat Russia’s separatist proxies as equal partners and refrain from conducting a war on its own territory that it thought at one time it had a chance of winning.

The United States is a different matter, since it stands at the apex of the global financial system. America’s hard power may be waning and its soft power easy to criticize, but it still has a massive comparative advantage in financial power and in intelligence. So the Obama administration has increasingly resorted to “smart power”: The new cutting edges of American power are not just the Marines or drones, but the Securities and Exchange Commission and the Treasury’s Office of Foreign Assets Control. Washington actually crossed the Rubicon of sanctions the day before the MH17 tragedy, on July 16. It finally hit the key companies like Rosneft, Novatek, and Gazprombank that are owned by Putin’s friends and that Russia depends on for export revenue. Corporations could be cut off from foreign capital, and the Russian banking system cut off from foreign sources of liquidity.

There is no doubt that Russia is vulnerable in the short run. Unlike the United States or most EU states, Moscow’s government debt is minimal, but private debt is a massive $740 billion, including $432 billion in corporate debt and $214 billion in banking debt. Russia also suffered a $74.5 billion capital outflow in the first half of 2014, according to its Central Bank. The all-important energy sector desperately needs investment and foreign know-how even to maintain current output.

In the longer term, American smart power might backfire. A dozen countries are now directly subject to US sanctions, plus there are “secondary sanctions” on firms in many more. The nearly $9 billion US fine against the French bank BNP Paribas in June 2014 for violating sanctions against Sudan, Iran, and Cuba was highly symbolic. It guaranteed short-term compliance, but Washington was starting to hit some important players.

Russian corporations and banks can get money in the short term from the National Bank or from Asian sources. In the longer term, Russia has threatened to set up its own international payments system. At a BRICS summit in July, Brazil, Russia, India, China, and South Africa announced the formation of their own New Development Bank, with $50 billion in capital and a $100 billion Currency Reserve Arrangement, to be based in Shanghai by 2016. Russia talks of building alliances and markets in Asia instead of Europe, but that would take years; and its much-vaunted 30-year, $400 billion gas deal signed with China in May was actually a great deal for the Chinese. The price was low, as Beijing exploited Russia’s transparently political motivations.

**BEYOND BORDERS**

The Ukraine crisis has shown how ineffective European soft power is, and how distant from the region the United States has become. Continued sanctions even at the current level, to be sure, would undoubtedly harm a stagnant Russian economy quickly, and then Putin’s lofty popularity rating would be put to the test. In the longer run, the world is diversifying away from Western dominance; but in the here and now, Russia is vulnerable.

However, Ukraine is even more vulnerable. If it does not succeed in holding itself together and transforming itself, the implications are dire. If it achieves only one of those aims at the expense of the other, that would be almost as bad. “Transition” is clearly much harder than it was immediately after the collapse of communism in 1989–91, now that the West is weaker and Russia is not only stronger but committed to keeping its neighbors weak.

If the external environment is indeed so unfavorable, no other post-Soviet state will be tempted to try to reform or break free of Russia’s embrace, and democratic regression on the EU periphery in the Balkans and in states like Hungary will gather pace. Russia’s tactics will be copied by others. The damage to the EU’s reputation as a serious foreign policy player will be immense, and questions about the United States’ declining influence will inevitably arise. The future borders of Ukraine are a serious enough matter, but the crisis is about much more than just that.