THE GREAT UNRAVELLING:
FOUR DOOMSDAY SCENARIOS FOR EUROPE'S RUSSIA POLICY

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SUMMARY

- Despite all odds, Europe has managed to remain united and firm on its policy towards Russia since its invasion of Ukraine in 2014. But what are the forces that could undermine this policy and what would be the consequences of such an unravelling? This paper presents four doomsday scenarios for how Europe's policy towards Russia could collapse.

- The scenarios outlined in this paper are: (1) the EU decides to enforce the Russian interpretation of the Minsk agreements on Ukraine; (2) the EU succumbs to Ukraine fatigue and accepts the status quo, including another frozen conflict in the neighbourhood; (3) the US disengages from Ukraine and ends sanctions on Russia, throwing European policy into disarray; and (4) a "grand power bargain" between Trump and Putin shatters EU unity and allows Russia to bring Ukraine into its sphere of influence.

- To prevent any of these doomsday scenarios from unfolding, the EU must stay the course by maintaining a strong and united Russia policy. It can do this by automating the sanctions renewal process and stepping in where the US is stepping out in Ukraine.

In the three years since the invasion of Ukraine, something rather remarkable has happened: Europe has maintained unity on its policy towards Russia. The question of what to do about Russia has a long history of dividing the European Union – sometimes bitterly so. But today there is a broad consensus on the challenge that Russia poses, along with an acceptance – though grudging in certain quarters – of the measures that Europe should take to contain it. This consensus has survived the refugee crisis, the Brexit vote, the election of Donald Trump, and a host of other elections and political upsets, as well as the differing views on sanctions among Europeans, and Russia's best efforts to split Europe. It has also defied the pundits' predictions that European unity would collapse. In the end, Europe's unity has proven stronger and more resilient than many believed it could be.

Despite this unity, what are the forces pulling the EU apart on Russia and Ukraine? And what would the consequences be if Europe's policy towards Russia and Ukraine unravelled? The purpose of this essay is to consider these questions. But it does so not by describing the past or the present but rather by considering possible futures. These scenarios show different ways in which European policy towards Russia and Ukraine could come crashing down. Their purpose is to highlight the political dynamics and forces that could undermine the current policy as well as to demonstrate the strengths and weaknesses of Europe's stance. They also show the consequences of Europe not staying the course.

The four scenarios of collapse are:

1. an 'enforced Minsk', in which Europe forces Kyiv to accept the Minsk agreements on Russian terms;

2. a normalisation of the status quo in which Europe loses interest in Ukraine and accepts another frozen conflict in Europe;

3. an abandonment of the sanctions framework on Russia and support for Ukraine; and

4. a 'great power bargain' between the US and Russia on European security.

As with any scenario exercise, this is a speculative undertaking. The purpose is not to predict the future but to consider the possible worst-case scenarios in order to reveal what is at stake, where Europe's vulnerabilities are, and, hopefully, to spark debate about the future of Europe's policy towards Russia and Ukraine.

Scenario one: 'Enforced Minsk'

German voters went to the polls on 24 September 2017. Only a few months earlier, Chancellor Angela Merkel's chances of clinching yet another term seemed like a forgone conclusion. The prospect of Donald Trump, Marine Le Pen, and the Five Star Movement governing the planet had made many Germans uneasy and led them to opt for stability. But by election day, the mood had changed. Tired of watching the same chancellor on television for over a decade, vast numbers of Germans complained about 'Merkel fatigue', longed for something new, and decided to vote for fringe parties, or not vote at all. A terrorist attack carried out a week before the elections by a refugee under surveillance by the Federal Office for the Protection of the Constitution caused a crisis of confidence in the government – and again boosted anti-establishment sentiment.

As the results of the elections trickled in during the evening of 24 September – incidentally the warmest day in Germany in two centuries – television viewers slowly came to the realisation that support for Merkel's Christian Democratic Union party (CDU) and the Christian Social Union (CSU) had collapsed. The parties lost to the Social Democratic Party (SPD) by a double-digit margin. That same evening, Merkel told a stunned nation that she was stepping down after 12 years as chancellor. The next day, SPD leader Martin Schulz declared that there had been an agreement to form a coalition government comprised of the Social Democrats, *Die Linke*, and the Greens.

The shift in Germany's policy towards Russia was not immediate, but it took only a week. Key staff in the Chancellery were replaced by newcomers who lacked understanding of the tactical obstacles faced in the Normandy Format negotiations or the Trilateral Contact Group in Minsk. After a hasty policy review, the new Chancellery staff adopted a '*Neuanfang mit Russland*' policy – a 'new beginning with Russia' policy. They concluded that Russia had been treated unfairly and that Kyiv was primarily to blame for non-implementation of the Minsk agreements. Anonymous sources in the Chancellery vehemently denied that the review had anything to do with the detrimental effects of the sanctions on the German economy. The new foreign minister and Die Linke party leader, Sahra Wagenknecht, publicly came out in favour of this 'new beginning'.

Berlin's first step consisted of pressurising Kyiv into accepting Russia's demands for local elections in the People's Republics of Donetsk (DNR) and Lugansk (LNR) and for the adoption, by Kyiv, of a law conferring special status on the territories without any sustained ceasefire or troop withdrawals. This new approach to Minsk was opposed by the Baltic states, the Scandinavians, the United Kingdom, and several eastern European states. But they were unable to mount a meaningful coalition to counter Berlin's might, in particular, because the Trump administration had come out – for once – in support of Berlin. The still fresh-faced French president, Emmanuel Macron, was instinctively firm on Russia, especially after its meddling in his country's presidential election. But he shied away from picking a fight with Berlin over Russia and Ukraine since his priority was to build a working relationship with Berlin to push through his economic agenda.

Member states that had long been interested in lifting sanctions – Italy, Hungary, and Austria – were delighted with the new winds blowing down from Berlin and lined up to support the new approach. They were quick to portray Ukraine as a lost cause and a failed state. While they were tactful enough to avoid calling openly for the immediate lifting of sanctions, they pushed the line that Europe needed to be tougher on Ukraine and impose more conditions to ensure that Kyiv implemented its obligations under Minsk.

The European Council meeting in December 2017 was something of a turning point. In a late-night session, Chancellor Martin Schulz cornered a clutch of north European leaders huddling in a corridor and strong-armed them into supporting his new beginning with Russia and, in particular, his plan to revise the sanctions policy against Russia. The new policy held that sanctions on Russia would only be renewed if Kyiv adopted the Donbas special status law and allowed Russia to hold local elections in the DNR and LNR.

The EU's new approach was met with heavy resistance in Kyiv and caused an outcry within Ukrainian civil society. But the Ukrainian government had little choice but to accept this new reality. Even at the Eastern Partnership Summit in November, Schulz had already linked the continuation of visa liberalisation and the Deep and Comprehensive Free Trade Area agreement (DCFTA) with implementation of Minsk. The Ukrainian president, Petro Poroshenko, feared that confronting Europe might put three years' worth of reform in jeopardy and was mindful that Ukraine could barely survive without European support.

Poroshenko agreed to the EU's demands in order to avoid criticism from his European colleagues, yet he secretly hoped that the Office for Democratic Institutions and Human Rights (ODIHR) would, in the end, not recognise the elections as legitimate. But ODIHR – already under heavy pressure from various autocrats in central Asia and 'sovereign democracies' in Europe – caved in to Wagenknecht's demand that the organisation accept the 'new reality' and devised a statement on the elections that amounted to rubber-stamping them as free and fair.

The local elections in the Donbas were nothing less than a farce. As voters headed to the polls, machine gun fire could be heard in the distance. Ukrainian political parties were barred from running and Ukrainian media were banned from visiting the Donbas to cover the elections. Instead, local 'separatist' media ran the show, reporting a misleading blend of fact and fiction. Special detachments of officers sent by the Russian Armed Forces' Main Intelligence Directorate sought to intimidate and even eliminate candidates who did not support the Russian occupation.

A war-like situation of daily shelling and fire-fights on the separatist 'borders', and the presence of landmines, made campaigning all but impossible and deterred internally displaced persons living on the Kyiv-controlled side from making the treacherous journey to polling stations. The few ODIHR election observers symbolically deployed to the DNR and LNR were escorted by separatist militias and only taken to designated polling stations. The outcome was a given and the elections were merely a spectacle to legitimise the separatists.

Understanding that the separatist regimes were now here to stay, nearly half the population of DNR and LNR packed up their belongings and crossed into the Kyiv-controlled parts of the Donbas. Those who remained were mostly pensioners who were too old to leave, or war veterans who would be arrested if they ever crossed the line.

Days after the elections, the new authorities demanded additional funds from Kyiv to finance the people's republics. In particular, they demanded social payments, arguing that the Minsk agreements required this. Berlin and other European capitals seemed to confirm this interpretation of Minsk, enraging the Ukrainians. Budgetary sessions of the Ukrainian Rada ended in fist-fights because lawmakers did not want to be associated with amendments to funnel more money into the Russian proxy states.

The elections were proclaimed a great success in Moscow. Seeing that it had come closer to its goal of bringing Ukraine into its orbit, the Kremlin ordered the DNR and LNR forces to increase their military pressure on Ukraine. Russian intelligence personnel based in the DNR and LNR used their newly won immunity to liaise with pro-Russian activists across Ukraine. In Odessa, Kharkiv, Dnipro and other cities, members of subversive hooligan clubs (*titushki*) began

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exerting pressure on local reformists, investigative journalists, and politicians. Corrupt local security services did little to stop their expansion and collusion with organised crime.[1] These helped to create pro-Russian front organisations in preparation for a wider insurgency and to portray Ukraine as a failing state in Europe. In an increasingly destabilised Ukraine, the prospects for economic growth diminished, and investors began to leave the country.

But the tipping point came when the separatists tried to claim their seats in the Rada. Under the pretext of 'reintegrating' the Donbas, as ultimately foreseen in the Minsk agreements, separatist politicians took part in the 2019 elections. The Donbas candidates were mostly Russian-backed separatists who had fought in the war there. Most of the candidates were easily elected, which meant the end of normal political life in Kyiv. Ukrainian civil society organised massive demonstrations against the members of parliament who were seen as Russian Trojan horses. It did not take long before the demonstrations turned violent.

The outbreak of violence was the signal for the *titushki* clubs across Ukraine to stage major anti-government protests. These orchestrated protests managed to attract Ukrainians who felt deep frustration with the government in Kyiv and anger at the economic downturn, the corruption, and the war in the east. In several cities, protests and counter-protests ended in rioting and clashes with the police. The human toll was significantly higher than the 2014 revolution. The Kremlin watched closely to see whether the ongoing revolts presented an opportunity for them to stage a takeover in Kyiv.

Separatist forces, many of which were composed of regular Russian soldiers, were transformed into "people's militia units", as the footnote in the second Minsk agreement called them. They continued to receive material support from Russia but could now do so legally as part of the cross-border cooperation framework, which Moscow claimed was all in line with Minsk. This was facilitated by Russia's control of the border, which it had refused to relinquish to Ukraine, claiming that it would only do so once Ukraine had fully lived up to its Minsk-related obligations.

As the anti-government protests grew, these units were sent across the line of contact to provide protection for the demonstrators. Separatist *putsches* were launched in Odessa and Dnipro, but ultimately failed. One of the, however, did succeed, in Kharkiv. Under such circumstances, policymaking in Kyiv ground to a complete halt. Poroshenko declared a nationwide state of emergency and began ruling by decree. A new government was formed with prime minister Arsen Avakov at the helm. Having already built up his own 'deep state' during his stint as minister of interior, he became Ukraine's new patriotic strongman. He relied on the Ukrainian Intelligence Service to rule the country, using the intel it gathered for political purposes.

The international outcry over Russia's actions began all over again, but Europe was divided on how to react this time. Several member states, pointing to the "new beginning with Russia" policy, refused to go along with any further measures against Russia. Instead, the best that the European Council could come up with was to issue carefully worded conclusions calling on all sides to show restraint and seek a peaceful solution. The US reaction was equally balanced and equivocal. The willingness to play along with the Minsk plan and steer Ukraine into a quagmire had not only delegitimised Poroshenko, it had destroyed the Ukrainian people's trust in the entire post-Maidan political class and the EU. Those who could, from the young innovative generation, left Ukraine for Europe.

The decision to force the Minsk agreements upon Kyiv made central and eastern European countries in the EU weary of western European leadership. The distrust within Europe and subsequent conflicts brought EU policymaking to a standstill, impeding reform of the EU and the eurozone. The formation of issue-specific coalitions or permanent structured cooperation, as outlined in the treaties, was blocked by northern and eastern European member states due to their distrust of the old members. The credibility of EU's Common Foreign and Security Policy was dealt a serious blow, especially its ability to deliver stability and reform in the eastern neighbourhood. The inability of Brussels to find any consolidated policy vis-à-vis Russia led some member states to consider forging bilateral deals to ensure their own security needs were met. In the end, the political chaos in Kyiv spilled over into Brussels.

Scenario two: Normalising the status quo in Ukraine

The Eastern Partnership Summit was held in November 2017 with little fanfare but many questions about what would come next for the region. For Ukraine, the two big deliverables – the Deep and Comprehensive Free Trade Area agreement (DCFTA) and visa liberalisation – had been delivered, but there were no new flagship projects to promote the Europeanisation of Ukraine or to incentivise further reforms. Europe, preoccupied with domestic crises and political squabbles caused by the Brexit negotiations, had, by late 2017, lost interest in Ukraine. While some member states still considered Ukraine important, they could not muster the political will in Europe to push for further deepening of relations. Germany and a few other member states had even tried to roll back European Union commitments acknowledging Ukraine's European aspirations. 2018 was a year of muddling through.

In Ukraine, the lack of attention from Europe, and the lack of new deliverables, led first to stagnation and then backsliding on reforms. Petro Poroshenko reached out to oligarchs from the era of Viktor Yanukovych to redistribute their economic gains in exchange for political loyalty. The 2019 elections pitted Poroshenko against the oligarch Victor Pinchuk – an easy win for the latter. Brussels was

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1 There are already indications that this is happening. See: "Dnipro crackdown shows resurgence of police brutality", *Kyiv Post*, 12 May 2017, available at https://www.kyivpost.com/ukraine-politics/dnipro-crackdown-shows-resurgence-police-brutality.html?utm_source=traqli&utm_medium=email&utm_campaign=traqli_daily.

not unhappy about the outcome, but this 'victory' had come at the cost of delegitimising and isolating alternative pro-European candidates, such as Serhiy Leshchenko. Selective investigations, politically motivated trials, and biased television coverage, were again part of Ukraine's domestic politics. Soon 'new Ukraine' looked much like 'old Ukraine', and the traditional supporters of Kyiv in Brussels were less and less tempted to raise their voices on the country's behalf.

By 2019, the two people's republics in the Donbas had become de facto military dictatorships run from the Kremlin. The local economies – beyond organised crime – had effectively collapsed. Once most of the oligarch Rinat Akhmetov's factories had been nationalised and re-located to Russia, separatist armed forces became the main employer. After pressure from Europe to make 'progress on Minsk' and the realisation in Kyiv that the EU had lost interest in Ukraine, the Rada passed a short constitutional amendment to give increased autonomy to the Donbas on the condition that it would only enter into force when Russia withdrew its forces and handed back control of the border. Moscow rejected this condition and maintained its control of the entities through its military and intelligence presence.

The security situation along the line of contact remained unchanged, with daily exchanges of artillery and gunfire. Russia still enjoyed a wide range of military options in the region – forcing Kyiv to divert a sizeable part of its budget and government attention to keeping up its military presence in the East. The continuous tension in the Donbas region deterred investors and businesses, creating economic imbalances within the country and increasing latent tensions within the rest of Ukraine.

Angela Merkel resigned as chancellor in the summer of 2020. Her successor, the former German minister of the interior, Thomas de Maizière, was not sympathetic to Russia but had little experience of dealing with Putin. With a special status law in place for the DNR and LNR – albeit an unimplementable one due to the Russian military presence – many observers in Europe concluded that the Minsk agreements would only ever be partially implemented. Full implementation, they argued, was unrealistic and they should accept what they could achieve. In the autumn of 2020, after another banking crisis in Italy, southern Europe was hit by a recession. Disputes over fiscal stability and labour market reforms erupted again between the northern member states and the 'olive belt'. For Emmanuel Macron, this recession was especially bitter, as the effects of his economic reforms were about to be felt. Pro-Russian populists from the left and the right accused him of being a 'tool of international capitalism' when he tried to save the French financial sector. Once hawkish towards Russia, Macron found himself needing to appease the country for domestic reasons. Not wanting to undermine Macron, de Maizière became more disposed towards 'flexibility' on Russia and Ukraine.

After a half-hearted push by France and Germany to inject new life into the Minsk process, the EU decided that since Russia had made "some progress" towards implementing them, sanctions should be partially lifted. This, it was argued, would encourage the Kremlin to pursue further implementation. Sanctions were lifted on arms and dual-use goods, and financial restrictions on state-owned enterprises were also lifted. The lifting of these sanctions – incidentally the ones that mattered most to Russia – signalled to Moscow that Europe had given up on the eastern neighbourhood, and prioritised relations with Russia once again. To the dismay of Italian and French businesses, Russia did not fully reciprocate, only lifting its counter-sanctions towards individuals. Its restrictive measures on trade had become a permanent – and for some a lucrative – feature of Russia's economy.

The Kremlin perceived the gradual retreat of Europe as de facto acquiescence to its interests and ambitions in the eastern neighbourhood. Europe's actions lent credence to Moscow's belief that, as long as it stuck to its position, Europeans would always give in to pressure – even if it took time. Europe held on in Ukraine for longer than it did in Georgia, but in the end it gave up there as well.

Soon after the partial lifting of sanctions, Moscow increased its active measures in Ukraine. Orders were sent out to connect organised crime networks, the anti-government opposition, and *titushki* hooligan clubs, with the Russian intelligence services operating from the Donbas. The people's republics became sanctuaries for drug smuggling and human trafficking networks, money laundering, forgery, and cyber-crime. The spread of these activities not only destabilised Ukraine, but also gave birth to permanent tension between Brussels and Kyiv, with the former demanding that the latter block the spread of organised crime from Donbas. Corruption among some political actors, oligarchs, and domestic security services, was the second stage of destabilisation. It reinforced the dysfunctional state of Ukraine's government, increased domestic cleavages, and furthered delays to the implementation of the DCFTA.

The stalemate in reforms hindered the diversification of trade relations and Ukraine remained dependent on the Russian market, which provided an opening for Moscow to exert influence on key oligarchs. European businesses lost interest in the Ukrainian market due to high levels of corruption and an inefficient judiciary. Ukraine suffered from extensive brain-drain, under-investment, unemployment, and economic stagnation.

While Russia did not have the resources to replace the investment of departing European businesses, the status quo meant that Kyiv was unable to move towards the West. This kind of controlled and ambiguous instability served the Kremlin well because it neither had to directly manage Ukraine, nor to expose itself to Western criticism for subduing the country. Still, it could delegitimise the EU as a stabilising force in the neighbourhood and beyond, and dissuade Europeans from trying to further engage in other countries on Russia's periphery.

The Kremlin concluded that controlled instability was an ideal tool for controlling the neighbourhood and, by extension, containing Europe and the West. The chaos it created prevented Euro-Atlantic institutions from enlarging further and made European stabilisation of the immediate neighbourhood a costly affair that prevented the West from applying its tools elsewhere. Accepting the Donbas as a frozen conflict was the optimal result for Russia in the short term.

Scenario three: Collapse of sanctions and the end of support for Ukraine

While the daily revelations concerning the Trump team's ties to Russia were something of a distraction for the US president during 2017, his government still managed to win its battle with Congress over cuts to foreign assistance budgets.[2] This was just one strand of the administration's general goal of retreating from the business of "giving out free lunches to ungrateful allies", as Donald Trump had tweeted. More specifically, the administration's push reflected its intention to stop supporting Ukraine and lift sanctions against Russia. This intention had become clear in leaked transcripts of phone calls between the Trump team and Russian officials during the election campaign.

EU member states initially reacted to the US cuts by calling for the EU to "double down" on support efforts in Ukraine. Trump's antics during his first six months in office had made him politically toxic in Europe and actually contributed to a strengthening of European unity. European politicians quickly realised that taking on Trump and pushing policies that ran counter to whatever Trump said or did had immediate and broad appeal among voters. Even in Italy, calls for supporting Ukraine could be heard. At one point, anti-Trumpism became a real unifying force in European politics.

But this unity dividend proved to be short-lived. With the United States having lost interest in Ukraine, the balance of power within the EU shifted to the southern members who were largely dubious about EU engagement in Ukraine. Italy, Austria, Greece, and Hungary seized the opportunity presented by Washington's slashing of aid to push for the EU to do the same. There was some resistance from Germany, which, together with Sweden and a few eastern European states, increased humanitarian assistance to Ukraine. The United Kingdom increased its bilateral support for Ukraine too, but only discreetly, so as not to appear too out of sync with the United States. But Poland and several others were reluctant about following Berlin since they did not want to take sides in the growing transatlantic rift. Other states – particularly France, which was still focusing on domestic reforms – remained ominously silent.

When European and Ukrainian leaders met in Kyiv at the EU-Ukraine summit in July 2017, there was not enough political will or consensus among Europeans for any sort of "doubling down". Transatlantic coordination had been essential for upholding the strategic Western response towards Russian action in Ukraine. It was also the glue that kept Europeans together and firm in their backing for Ukraine. A lack of commitment from Trump towards NATO's Article 5 – the bloc's mutual defence clause – had also made many Europeans nervous about being over-exposed in Ukraine and too hawkish on Russia. The family photo from the summit showed a handful of sulky European leaders struggling to put on a brave face; leading European newspapers spilled much ink speculating about the meaning of limp handshakes at the summit.

Because the EU was split on how to progress in Ukraine, European leaders were only able to agree on a strategic review of the current support effort. In early 2018, assistance programmes for Ukraine were put on hold until the review was concluded and a new policy approach agreed. Increases in bilateral assistance from Germany, Poland, the UK, the Scandinavian countries, and the Baltic countries were too small to fill the gap created by this freeze. Support for Ukraine was also attacked in the domestic debate in several European states as populist parties turned the issue into a *cause célèbre*. In mid-2018, Federica Mogherini, the EU's high representative for foreign affairs, tried to reconcile the different positions of member states, but this effort was ultimately in vain. When European heads of government eventually discussed the issue, they failed to agree on a common policy – hence the freeze in assistance became permanent.

The end of assistance to Ukraine reignited an intra-European discussion on the Minsk process and the Normandy Format. Leaders of Italy, Greece, and Austria, became louder in demanding that local elections in the Donbas should be held regardless of the security situation if Kyiv wanted to continue receiving European support. Merkel and a few other leaders pushed back on this, favouring the 'security first' approach. But as Washington became vocal in supporting Italy – largely in order to gain leverage over Germany on trade – the European consensus fell apart again. The demand for elections without preconditions on security infuriated Kyiv and Ukrainian society. Minsk was considered by a majority of Ukrainians to be a betrayal of the Ukrainian soldiers fighting on the frontline since it legitimised the presence of Russia's proxy separatists. But now, having to hold elections without a ceasefire was seen as a double betrayal. With domestic pressure increasing on Poroshenko to stand up to Europe and protect Ukraine's interests, the room for manoeuvre on both sides shrank.

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2 In April 2017, the US government cut development aid by 68 percent. See: Bryant Harris, Robbie Gramer, and Emily Tamkin, "The End of Foreign Aid As We Know It", *Foreign Policy*, 24 April 2017, available at http://foreignpolicy.com/2017/04/24/u-s-agency-for-international-development-foreign-aid-state-department-trump-slash-foreign-funding/.

The real shock, however, came just days after the November 2018 mid-term elections in the United States when the Republican party won a landslide victory. Minutes before midnight on 15 November, an emboldened and unimpeachable President Trump signed an executive order cancelling all sanctions on Russia with immediate effect. Despite previous efforts by both houses to tie the administration down on Russia, binding legislation on sanctions had been vetoed by the president. After the signing ceremony, Trump tweeted: "Sanctions on Russia are FINALLY over. Huge success! Time to work with Russia on fighting terrorism".

European leaders, having learned of the news via Twitter, began calling each other to figure out a common position. The German chancellor, Angela Merkel, gained some support from colleagues in northern Europe that this was yet another example of why Europe needed to stand firm and united given that the US could no longer be trusted. It was an opportunity to show that the EU's sanctions policy was independent of that of the US. But southern Europe pushed back, arguing that it was pointless for the EU to continue its sanctions regime without US sanctions in place. Having had good trading links with Russia in the past, and struggling with economic crises, they asked: why should Europe pay the price of sanctions while US companies could reap all the benefits of doing business

in Russia? In the end, the divide within the EU grew too wide and no common position could be agreed upon. The sanctions lapsed.

At the 20th EU-Ukraine summit in December 2018 the split in vision and policies was clear for all to see. The breakdown of the sanctions policy and the end of assistance to Ukraine had sapped the EU's credibility and any leverage it had in Ukraine. The summit ended early as the entrenched positions on both sides could not be reconciled. Leading European newspapers speculated about the meaning of missing handshakes.

While leaving the summit, some heads of government from northern Europe pledged to continue – and indeed increase – their sanctions on Russia. But pundits were quick to point out that this only highlighted the divisions in Europe and the collapse of consensus. The leaders of Poland, Estonia, Latvia, Lithuania, and the UK also promised Poroshenko that Ukraine would receive support in the form of military trainers and advisers, along with lethal weapons.

But, despite these scattered efforts to compensate for the breakdown of policy, the end of EU sanctions against Russia dealt a devastating blow to Ukraine. The perception in Ukraine was that first the US and now the EU had given

up on the country and left it to deal with Russia alone. An isolated but pugilistic Poroshenko declared the Normandy Format and Minsk process dead.

As the presidential election in Ukraine approached and the main challenger, Yulia Tymoshenko, gained in the polls, Poroshenko's language turned increasingly anti-EU and nationalistic. This message found deep resonance among the Ukrainians, many of whom felt betrayed by the EU after the sacrifices made in Maidan square and in the Donbas. Historians would later use biblical terms to describe the significance of ending the sanctions to Ukraine's European aspirations.

Large parts of the Ukrainian political elite quickly resorted to 'old habits' and abandoned the harsh transparency and anti-corruption rules put in place thanks to international pressure. The 2019 parliamentary election resulted in an even more fragmented Rada, with populist parties gaining major shares of the vote. In the years that followed, Ukraine entered a period of domestic political turbulence, changing governments more than twice a year.

Meanwhile, in Moscow, the narrative that its policy on Ukraine had been a great success was accepted as gospel truth. Kremlin insiders believed that they had singlehandedly managed to push the West out of the neighbourhood while at the same time rupturing the transatlantic alliance and dividing the EU. As Ukraine dived deeper into crisis, Moscow stepped up its activity in the Donbas and used political unrest to instigate further uprisings around the country. The Kremlin employed its full range of destabilising and subversive measures: propaganda and disinformation, corruption, cyber-attacks, false-flag attacks by 'Ukrainian nationalists', sponsorship of illegal armed groups, and support for organised crime.

The aim of these actions was not only to destabilise Ukraine but to discredit it as a 'failed state' and deter Brussels from ever restarting support programmes in Ukraine. Pro-Russian parties in Europe, notably France's *Front National* and Germany's *Alternative für Deutschland* (AfD), embraced this narrative and even demanded sanctions on Ukraine, citing "democratic backsliding" due to the uncertain circumstances. On top of its subversive activities, Moscow tried to increase Kyiv's economic isolation by initiating a naval blockade on the remaining Ukrainian Black Sea ports to curtail attempts by Kyiv to tap export markets beyond the EU. While Moscow ultimately aimed to bring Ukraine into its sphere of influence, it could accept – as second best – a weak and dysfunctional Ukraine that had no prospects of moving further towards the West.

In Ukraine, a paralysed Rada could neither deliver on reforms nor on stable support for the government. Time and again the Ukrainian army proved to be the only stable, functioning institution in the country, setting the scene for it to become a 'state within the state'. After Ukraine lost international support, some civil society actors turned towards the army with their demands for reform. Despite

the progress made on reforms, the Ukraine that eventually emerged resembled a Kemalist republic, where the armed forces are the true guardian of the political order, rather than a European-style democracy.

Beyond Ukraine, Moscow was still set on renegotiating the post-cold war security order on Russian terms and extending its influence into other regions, especially since the end of sanctions had provided a boost to the economy. But the costs for Russia of instigating new conflicts in its immediate neighbourhood were perceived to be too high in Moscow. Russia was therefore tempted to try other fronts. It found fertile ground in the western Balkans, where dissatisfaction with the EU, local corruption, political mismanagement, and the refugee crisis had again stirred up nationalist tension and sparked calls for revising the territorial status quo once more.[3] Russia's close contact with Serb nationalists and ultra-conservative Orthodox forces in Bosnia and Herzegovina, Croatia, Montenegro, Macedonia, and Kosovo, meant that it had natural allies on the ground. Domestically, the unravelling of the political order in the Balkans was seen in Moscow as vengeance for the 'decade of humiliation' it faced in the 1990s. Having used Ukraine as a 'test case', Russia employed its methods of subversion to generate more 'controlled instability' in a region much closer to home for EU member states.

Scenario four: The 'great power' bargain

In the margins of the 72nd session of the United Nations General Assembly in New York in September 2017, the Russian president, Vladimir Putin, and his American counterpart, Donald Trump, met *tête-a-tête* in the gilded halls of Trump Tower to discuss bilateral relations. To Trump, US-Russia antagonism had always been a bothersome obstacle to the overarching goal of uniting white Christian powers to fight radical Islam. As the tone of the conversation became more amicable, Putin pulled out a fully prepared document entitled: 'Treaty of Strategic Cooperation between the United States and the Russian Federation'. The two-page document spelled out, in short sentences, how the US and Russia should divide the Middle East and Europe into different "areas of special responsibility" and "cooperate" under the umbrella of the war against terror. The eastern neighbourhood fell squarely within the Russian sphere. Happy to finally strike a deal with Russia, and with the enthusiastic cheering of his aide, Steve Bannon, Trump immediately signed the treaty. Upon touching down back in Washington, DC, he signed a series of executive orders to withdraw all US military personnel from the region, end sanctions on Russia, and cancel all US-funded programmes relating to Ukraine and Georgia.

For the Kremlin, the Trump-Putin Pact was a key strategic victory. Replacing the current European security order with

3   For a picture of current sentiment towards Russia in the western Balkans see: Francisco de Borja Lasheras, Vessela Tcherneva, and Fredrik Wesslau, "Return to Instability, How Migration and Great power Politics Threaten The Western Balkans", European Council on Foreign Relations, 21 March 2016, available at http://www.ecfr.eu/publications/summary/return_to_instability_6045.

one based on delineated spheres of influence was far more important to Moscow than actual territorial acquisitions in the immediate neighbourhood.[4] For years, Moscow had tried to package this goal with different wrapping paper: from the new treaty on European Security, to formalised EU-Eurasian Economic Union (EEU) relations, to making the Organization for Security Co-operation in Europe the centre-piece of European security. But no one in the West had ever taken the bait – until now.

When word of the treaty leaked, the reaction from the Washington establishment was as loud as it was predictable and ineffectual. Efforts by Senators John McCain and Joe Lieberman to set up a bipartisan caucus to veto the deal failed as most Republicans feared they would be punished by Trump's support base in the 2018 midterm elections if they struck out against him. Some left-wing Democrats supported Trump on Russia in return for a more protectionist foreign trade policy and restrictions on political lobbying in Washington.

In Europe, the political mainstream was in shock. Trump's deliberate failure to mention NATO's mutual defence clause at the NATO summit in May had already rattled Europeans and their assumptions about the European security order.[5] Now, Trump's willingness to cut a deal over the heads of Europeans caused reverberations around the continent. The newly re-elected German chancellor, Angela Merkel and the French president, Emmanuel Macron, held a joint press conference telling the world that the West, as we had known it, was no more and that Europe had to fend for itself. Opinion leaders wrote op-eds declaring the end of the post-war order, and think-tankers wrote think-pieces either arguing that we now needed to rethink a new model for European security or claiming that a new Molotov-Ribbentrop Pact had been signed.

The immediate effect was one of more unity in Europe. The argument that the US could not be trusted and that Europe was now on its own resonated throughout a shell-shocked Europe. The foreign ministers of Germany and France put forward a joint non-paper setting out, as they called it, "a roadmap for the establishment of a robust defence mechanism and architecture structure". This concept was quickly endorsed by other EU foreign ministers – even by the sceptics who did not want EU defence integration to compete with NATO or wanted to protect their defence industries. There were also pledges to increase support for Ukraine to offset the consequences of it being thrown under the bus by Washington. The need to stick together in the face of US abandonment of the neighbourhood was seen as paramount – at least for a couple of months.

4 For more on Russia's longstanding desire to re-shape the international order, see: Steven Pifer, "The growing Russian military threat in Europe, Assessing and addressing the challenge: The case of Ukraine", Brookings Institution, 17 May 2017, available at https://www.brookings.edu/testimonies/the-growing-russian-military-threat-in-europe/; Kadri Liik, "What does Russia want", the European Council on Foreign Relations, 26 May 2017, available at http://www.ecfr.eu/article/commentary_what_does_russia_want_7297.

5 Susan B Glasser, "Trump National Security Team Blindsided by NATO Speech", *Politico*, 5 June 2017, available at www.politico.com/magazine/story/2017/06/05/trump-nato-speech-national-security-team-215227.

By the end of 2017, unity was starting to fray. The Trump-Putin Pact had divided Europe into spheres of influence but had also undercut the basic assumptions of NATO as an alliance. Several allies calculated that, since collective defence was no longer reliable, they had to gain bilateral security assurances. Poland and the Baltic states entered into secret negotiations with the US to secure bilateral defence guarantees. Hungary and Austria also started secret negotiations, but with Moscow on non-aggression pacts. Other EU member states followed what would later become known as the 'DC track' or the 'Moscow track'. Merkel and Macron recognised the historic challenge that Europe was facing and did what they could to hold Europeans together. But, despite the outrage over the Trump-Putin Pact, no European leader was willing to leave his or her country without reliable security guarantees or, indeed, risk the security of his or her own country for that of Ukraine or Georgia.

In Kyiv, Poroshenko tried in vain to mobilise his few remaining international supporters, while at the same time declaring a state of emergency and ordering partial mobilisation of troops. The Kremlin acted as fast as it could to implement the Trump-Putin Pact and, in particular, to pre-empt the possibility of the Trump administration reneging on its commitments. Moscow had learned how to deal with Trump's unpredictability and sought to actively manage it. Senior Kremlin adviser Vladislav Surkov was dispatched to Kyiv with a sealed letter from Putin to Poroshenko. The basic demands were as follows:

- To formally renege on the Association Agreement with the EU and renounce Ukraine's aspiration to become a member of NATO and the EU;

- To join the EEU and the Collective Security Treaty Organisation (CSTO);

- To agree to security and intelligence service cooperation with Russia, as well as the deployment of Russian troops in Ukraine;

- To formally recognise Crimea as Russian territory and accept an amnesty for the personnel engaged in the Donbas conflict.

Putin believed that these goals were within reach, as the Kremlin considered Ukraine's western orientation to be a problem at the level of elites, rather than the people. Once the current ruling elites were replaced by other elites, Ukrainians would go along with Moscow's demands, remembering their fraternal ties with Russia. But this was yet another grave miscalculation by Moscow in Ukraine. As the Maidan revolution had shown, the situation was rather the opposite. Revolutionary feelings were primarily directed against the ruling class in Ukraine who were leaning towards Russia, and only tilted against Moscow when its support for the corrupt old elites became all too obvious. And while large parts of the Ukrainian population had grown weary of their president and

government over the last few years, the Kremlin misread the anti-government sentiment as pro-Russian support.

In the meeting with Surkov, Poroshenko read the letter and immediately rejected the demands, stating that Ukraine was never part of any negotiations on a 'grand bargain' and that no foreign power had the right to decide Ukraine's future. Despite threats of 'grave consequences', Surkov left the presidential administration empty-handed and flew back to Moscow to brief Putin. After a short meeting, Putin ordered staff to initiate Operation Ukrainian Fall, a plan to depose Poroshenko in what would appear to be a palace coup and install the pro-Russian politician Viktor Medvedchuk as president.

Putin also ordered the mobilisation of the western and southern military districts. This build-up gained little international attention as the world's media was more focused on the unfolding coup attempt in Kyiv. The increased military infrastructure on the border to Ukraine since 2014 also helped to conceal the Russian build-up.

Trump had not understood that the US-Russia pact gave Putin the right to intervene militarily in Ukraine, but any discussions on the exact meaning of the pact became purely academic when Putin ordered a full-scale invasion of Ukraine on 1 January 2018. The first phase of the attack began with one amphibious group landing on the shores of Odessa from the Black Sea, one operative manoeuvre group moving from Rostov-on-Don towards Dnipro, and another from Voronezh to Kharkiv. Making a pre-emptive strike, and taking advantage of the chaos in Kyiv, the Russian air force overwhelmed and neutralised the Ukrainian air force in the first 24 hours of the conflict. To cut the capital off from Western support, Russian paratroopers landed west of Kyiv.

After an emergency European Council meeting, its president, Donald Tusk, told a packed hall of journalists that the leaders of the EU had met following news of Russia's renewed aggression in Ukraine. He said that the EU condemned Russia's actions and called for Moscow to pull back its forces. The EU would consider further measures as the situation evolved. Asked by a *Politico* correspondent whether the EU was taking any punitive steps against Russia, Tusk said that because of new bilateral security arrangements member states had been pursuing, there was, at that time, no agreement on measures against Russia.

In the middle of the press conference, iPhones started buzzing with news that Russia had called a high-readiness manoeuvre of its nuclear forces, deploying land-based intercontinental ballistic missiles into firing positions, and sending strategic bombers to patrol the coasts of Germany and France. Merkel and Macron called Trump to convince him of the danger and the need to push back against this nuclear posturing, but their efforts were in vain. On its own, Europe would not risk a nuclear confrontation with Russia over Ukraine.

The initial military operation in Ukraine went smoothly for the Kremlin. But after the first week, it became bogged down. Ukrainian armed forces managed to destroy all bridges across the Dnieper river, halting the Russian advance. Some Ukrainian units deployed to the Anti-Terrorist Operation zone in Donetsk, and units in Luhansk managed to delay the advance of Russian forces towards the Dnieper river, setting up pockets of Ukrainian resistance on the eastern bank. Former Ukrainian volunteer formations and dispersed Ukrainian army personnel set up resistance units attacking land-bound supply lines used by the Russian armed forces. With the cooperation of the local population, Ukrainian forces also effectively isolated the Russian paratroopers in the west of the country.

Surprisingly heavy losses during the first months of the conflict caused Russia to change its *modus operandi*. Instead of aiming for a quick victory, the Russian armed forces shifted to their long game, resting on the superior firepower of their artillery and air force to slowly break through any resistance. Despite Ukrainian attempts to subdue them, Russian forces gradually moved westwards towards Kyiv.

The number of internally displaced persons was in the millions, with the majority trying to reach Poland and Slovakia. Much of western Ukraine held out against Russian forces because its mountainous terrain posed a challenge for Russian military hardware, and because the Kremlin expected even stiffer resistance there. Instead of facing Russian military advances, Ukraine's already-poor western provinces had to deal with the stream of refugees coming from the east. Western humanitarian assistance could only prevent the worst of this humanitarian catastrophe.

European civil society engaged in humanitarian aid efforts for refugees in western Ukraine and in Europe. This led to negative reactions from Moscow, as even engaging in Ukraine for humanitarian reasons was perceived by Moscow as illegal meddling in its sphere of influence. Some of the refugees turned back to join the Ukrainian resistance after they had brought their families to shelter in the West. They were accompanied by European volunteer troops, particularly from Poland, the Baltic states, and Scandinavian countries.

To dissuade Europe from any further engagement in Ukraine, Russia stepped up military provocations on NATO's eastern flank. While the Kremlin could not afford another war in addition to its Ukrainian adventure, it did engage in 'fly-bys', airspace incursions, and simulated nuclear attacks to "bring Europeans to reason". But as Russian society began to mobilise, hearing constant news reports about the number of dead soldiers coming back from Ukraine, anti-war protests sprang up in Russia. When war veterans and security personnel began to join the protests, the Kremlin stepped up its provocative actions against the Baltic countries and Poland, claiming that it was the one being attacked and that Russia was, in fact, at war with NATO.

Eastern European states felt directly threatened by Russian provocations and began to react to them. Finland and Sweden decided it was time to hold referendums on joining NATO. The most salient argument from the 'No' camp was that joining was now pointless since NATO had become obsolete. But the move towards membership caused Russia to further escalate its attempts to intimidate them. In light of the US retreat from its role as guarantor of European security, Poland openly considered leaving the Treaty on the Nonproliferation of Nuclear Weapons (NPT) and developing indigenous nuclear capability to guarantee its own security. Finally, the EU agreed to co-finance French nuclear weapons and signed a nuclear-sharing agreement with France. Moscow took this step as a pretext to exit the Intermediate-Range Nuclear Forces Treaty – signed at the end of the cold war to ban all long-range nuclear missiles – and forward-deploy nuclear weapons to Belarus, Crimea, and Kaliningrad. While the situation after the annexation of Crimea might have been a 'cold war-lite', Europe found itself back to the future: in a new and dangerous cold war proper.

Conclusion

This essay presents a series of pessimistic doomsday scenarios. Europe's unity is more resilient and its capacity to navigate treacherous waters is greater than that which is set out here. But some of the events described are unfolding in the real world right now. The evaporation of US interest and influence in Ukraine since Donald Trump took office (and the lack of US pressure on Kyiv to move ahead with reforms) has led to a partial roll-back of reform legislation, an increase in police abuse, and selective investigations against critical politicians in Ukraine. Trump's stated intention to strike a deal with Russia, suggestions that the US would drop sanctions, and his ambiguity over US security guarantees for Europe have, so far, pushed Europeans closer together and made them more committed to looking after their own security. But this unity could crumble should the US actually take steps towards making a grand bargain with Russia or disengaging from NATO.

European leaders have little choice but to try to compensate for the absence of US leadership on Ukraine. This task rests primarily with Germany. It seems increasingly likely that Berlin will need to carry the stick that the Obama administration wielded in Ukraine. And while much of the attention in Berlin has been on the implementation of the Minsk agreements, the nitty-gritty detail of reform implementation and reform assistance is the actual battleground that matters. This is where Berlin needs to assert itself in a much more prominent, visible, and intrusive way. Emmanuel Macron may turn out to be a strong ally in this.

While the EU's priority should be to press for further reforms, the Minsk process is important as a way to manage and contain the conflict and to give Ukraine the time it needs for reforms. The problem with the Minsk agreements is that, if they are implemented the wrong way, they would make

Ukraine a dysfunctional state, destroy its democracy, and send Ukraine back several steps on its already shaky path towards modernisation. Europe has to steer clear of easy fixes and shortcuts on Minsk.

Moscow recognises the potentially debilitating power of the Minsk agreements for Ukraine, which is why Moscow continues to push Kyiv to implement its obligations while doing nothing to live up to its own obligations. Ultimately, Moscow has no intention of implementing Minsk. Rather, it sees Minsk as a useful tool for pressuring Kyiv to legitimise the separatists and formally bring them into Ukraine's body politic. But the tremendous challenges surrounding Minsk implementation – and the low likelihood of it ever actually being implemented – is not a reason to give up on Minsk. It is, however, a reason to push Russia even harder to implement its own side of the bargain in a manner that does not undermine Ukraine.

The sanctions regime is one of the primary sources of pressure that the EU has on Russia. But this pressure is not so much about the negative impact on the Russian economy as it is about the symbolic value of Europe not accepting Russia's actions in Ukraine as legitimate. The sanctions represent Europe's commitment to protecting Ukraine's territorial integrity and to resolving the conflict in the Donbas. Lifting the sanctions without Minsk having been implemented would send the signal that Europe has given up on Ukraine – which is exactly what Moscow is aiming for.

Criticism that the sanctions are not working because Russia is still fighting the war in the east misses the point. If anything, the answer to this criticism is that sanctions should be increased rather than lifted. While the political conditions for increasing sanctions are probably not in place, the EU should consider extending its renewal period from every six months to once a year or automating the renewal process. This would make the political conditionality of lifting sanctions once Minsk is fully implemented more credible and remove biannual opportunities for Moscow to split the EU. It would also allow for a healthier and more strategic discussion within the EU about what to do with Russia. The constant focus on sanctions means that there is little space for broader discussion about Europe's strategy towards Russia. A firmer commitment to the conditionality around sanctions would also make it easier for more hawkish member states to discuss forms of selective engagement with Russia.

But the EU will face bigger issues if Washington decides to lift its sanctions. This will force the EU to consider whether the policy makes sense and can be effective without the US. It could lead to the EU's unity on sanctions collapsing and, consequently, its overall policy towards Russia collapsing, as set out in scenario three.

Europe needs to resist the Russian narrative of Ukraine being a failed state. Although segments of Kyiv's political class are still corrupt, the country has progressed against the odds.

Without sustained European support, Ukraine's struggle will be even more difficult and the negative fallout of this struggle will be bigger. Emboldened by its success in Ukraine, Russia will understand what is possible in other parts of the world. Given this situation, it is the West, ironically, that is the most liable to turn Ukraine into a failed state.

All scenarios outlined in this paper are based on extrapolations of mistakes the West makes. But it does not have to end this way. Europe could stay the course and remain vigilant on Russia and Ukraine. There is no reason to believe the transformation of Ukraine and other eastern neighbourhood states cannot succeed in the long run. But it will be a bumpy ride.

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Acknowledgements

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