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Hello 2015: the tide turns against Vladimir Putin in Ukraine

Guest writer Dec 19 12:23 Comment



By Taras Kuzio of the University of Alberta

In a Slovyansk café bar this month I received a rude wake-up call about the weakness of western support for Ukraine in the face of Russia's annexation of Crimea and its aggression in the Donbas. A soldier on a neighbouring table listened in to my conversation in English with a humanitarian aid worker and, when he got up to leave, delivered the comment: "You useless fuckers". Many more Ukrainians have been dismayed at the weak response from the US, Canada and Europe.

The Ukrainian soldier would have less cause to use such language after December 11, when the UK House of Commons held a major debate on Ukraine and, a day later, both houses of the US Congress adopted the Ukraine Freedom Support Act of 2014. The Act lays out its aims as the "provision of military capabilities to the Government of Ukraine that will enhance the ability of that Government to defend itself and to restore its sovereignty and territorial integrity in the face of unlawful actions by the Government of the Russian Federation."

The Act authorises the supply of new anti-tank and anti-armour weapons, radar, tactical troop operated surveillance drones and communications equipment. (Last month, the US delivered 20 anti-mortar radar systems to Ukraine.) In addition, the Act increases sanctions against Russian military and energy companies and provides support for Ukraine's drive to become energy independent, for increased Russian language broadcasting to Russia, and for civil society and independent media in that country.

The Ukraine Freedom Support Act should be seen in conjunction with five other factors that have turned the tide against Vladimir Putin, Russia's president.

First, Putin missed a window in the spring to invade when the Ukrainian state had in some cases disintegrated in the east and south and there was post-revolutionary chaos in Kiev after President Viktor Yanukovich fled. Since then, Ukrainian army and volunteer battalions of the newly formed National Guard have been established and re-equipped and by August were on the verge of defeating the separatists, forcing Putin to accept defeat or to invade (he chose the latter).

Although an admirer of the Soviet Union, Putin forgot two of its key moments. The first is that Ukraine had a large military industrial economy that has been kick-started to produce weapons for its forces. The second is that Ukrainians were prized as good soldiers and made up the majority of middle-ranking officers and sergeants in the Soviet army (similar to the role of Scots in the British army).

Putin's project to establish a 'New Russia' in Russian-speaking eastern and southern Ukraine was overcome by Ukrainian military forces on the ground and by local pro-Ukrainian patriots, who defeated pro-Russian separatists on the streets in cities such as Kharkiv and Odesa. Russian proxies only managed to take control of a third of the territory of the Donbas.

Second, Russia is a petro-state that is reliant for two thirds of its budget on the export of energy. While the state budget was based on an assumption of \$95 a barrel, the price of oil has slumped below \$60, with some predictions saying it could fall as low as \$40.

Third, western sanctions are having an impact on the Russian economy and tougher sanctions would be imposed if Russia were to

move from hybrid to full war in Ukraine. Such a step would be fatal for the Russian economy, possibly akin to the late 1980s for the Soviet economy.

Fourth, the local population has turned against the separatists in Luhansk, who control the industrial half of the region, where the Russian army has been forced to intervene to evict Cossacks who have been accused of imposing a chaotic administration and corruption of humanitarian relief. Media reports of some older people dying of hunger in Luhansk were confirmed to me by the international humanitarian worker I talked to in Slovyansk.

Fifth, Russian actions have turned away influential European countries such as Germany, where Chancellor Angela Merkel has become a vocal critic of Putin. Years of Russian investment in lobbying western European leaders has been undermined and Putin's only allies today are anti-EU forces such as France's Le Pen and Hungary's Jobbik.

Taken together, the adoption of the Ukraine Freedom Support Act and these five factors make it unlikely that Russia will move from denial of its presence under the cover of a hybrid war to an all-out invasion of Ukraine, which has a far larger territory than Georgia or Moldova, which also have frozen conflicts. An invasion of Ukraine would require the use of at least half of Russia's three quarters of a million armed forces personnel, leaving a strategic vacuum on the Chinese border and in the northern Caucasus. In the latter case, this would be used as an opportunity by Chechens to launch an uprising, as we witnessed this month in Grozny. An invasion would mean far higher Russian army losses, already in the thousands, increasing popular opposition in Russia to the war.

An invasion to create a land corridor to the Crimea, the scenario most often touted in the west, would have to cover a huge area and Russian troops would have to fight for control of the port of Mariupol, heavily defended by the nationalistic Azov National Guard battalion, and cross two pro-Ukrainian regions of Mykolayiv and Zaporizhzhya where separatism is non-existent. At the same time, without a land corridor Crimea will continue to stagnate as it is reliant on Ukraine for tourists (70 per cent of pre-annexation visitors were from Ukraine), foodstuffs, water and gas supplies.

The tide has turned against Putin and it is little wonder that he is far less cocky than earlier in the year. Ukraine will have a tough year ahead in 2015 but so too will Russia.

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This is the seventh in a series of guest posts on the outlook for emerging markets in 2015.

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