



CHATHAM HOUSE

Chatham House, 10 St James's Square, London SW1Y 4LE

T: +44 (0)20 7957 5700 E: contact@chathamhouse.org

F: +44 (0)20 7957 5710 www.chathamhouse.org

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Transcript

Ukraine: The International Response

Neil Buckley

Eastern Europe Editor, *Financial Times*

John E Herbst

Director, Center for Complex Operations, National Defense University; US Ambassador to Ukraine (2003-06)

Rt Hon Sir Roderic Lyne

Deputy Chairman, Chatham House; British Ambassador to Russia (2000-04)

Chair: James Nixey

Head, Russia and Eurasia Programme, Chatham House

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UKRAINE: THE INTERNATIONAL RESPONSE

James Nixey:

I'll just very briefly introduce the speakers, in batting order actually. To my immediate left, Neil Buckley is Eastern Europe editor for the FT (*Financial Times*) and was a former Moscow bureau chief. Neil will look especially tonight at the situation in Crimea in the next few days and weeks. Then secondly, hopefully – I don't know if former Ambassador John Herbst can hear me or not – John, are you there?

John Herbst [via Skype]:

I am here. I hear you fine.

James Nixey:

I'm not sure we can hear you. We'll try and turn it up. You are there, in your living room, and thank you for being here. Ambassador Herbst is a former American ambassador to Ukraine and is also the director of the Center for Complex Operations at the National Defense University. Finally, on my far left, Sir Roderic Lyne is well known to all of you, I think. He is a former British ambassador to Moscow and he is deputy chairman on the Chatham House Council. Many of you here would have been here two weeks ago when I said we had the best possible panel to cover these events – that clearly was an absolute lie, we today have the best possible panel to cover these events. Ambassador Herbst will look at the reaction from Kyiv in particular, and finally Sir Roderic will look at how the Russians might respond. I know the title today was 'The International Response' – I suppose Russia's response is an international response – but we perhaps can deal with that in questions and discussion.

That's more than enough from me. Neil, I invite you to have first go.

Neil Buckley:

James, thank you very much. Thank you for the invitation to take part in this event. I will mostly look forward today, and I'll assume most of you are aware of what's been happening in Crimea in the last couple of weeks and of the importance of Crimea. But just a quick word of introduction.

Crimea, of course, a 2 million-strong peninsula, the southern part of Ukraine, the northern part of the Black Sea. Strategically very important. Has been inhabited by a number of different peoples over the centuries past – Russian influence in 1783, under Catherine the Great – but was transferred to Ukraine only in 1954 by Nikita Khrushchev, in what was essentially an administrative change. So only 60 years ago did it pass from Russia to Ukraine.

The referendum which will take place on Sunday has two questions. The first question is: are you in favour of Crimea's reunification (which is *vossoyedinyeniye* for Russian speakers) with Russia, as a subject of the Russian Federation? The second question is: are you in favour of the restoration of Crimea's 1992 constitution and of the status of Crimea as part of Ukraine? The second question is somewhat ambiguous because there were two constitutions in 1992. There was one that declared Crimea independent of Ukraine, and then there was another one later in the year that returned it to Ukraine but under the special autonomy status which it has enjoyed ever since, which guaranteed it particular rights – particular rights for the Russian language and so on. So it appears the second question may have been left deliberately confusing, perhaps to encourage as many people as possible to vote for the first option.

It appears that an overwhelmingly positive vote is the most likely scenario. The Russian population in Crimea is only 60 per cent of the total. The latest polling data, before the disturbances in Ukraine began in the last three or four months, showed that only 42 per cent of people supported rejoining Russia – although that was a significant minority even then. But what we have to remember is this referendum will take place essentially under military occupation – so if you like, at the point of a gun – and in a kind of information blockade. Ukrainian television channels have been taken off the air in Crimea. The information that is coming to Crimeans is coming entirely from Russian television now and from Crimean channels, which are portraying the new government in Kyiv very aggressively as a bunch of fascists and neo-Nazis who pose a terrible threat to Crimea. There's also been a very heavy information campaign with posters around Crimea saying things like Stop Fascism, and Let's Go Home to Russia.

So it seems fairly clear what the outcome is likely to be. Of course, Crimean authorities, like many in the ex-Soviet Union, are used to delivering the desired result through so-called administrative resources. It's very unclear whether there will be any international observers admitted to observe the poll as well.

The question then is: what will Russia do if there is a positive vote in Crimea to rejoin? So far both heads of Russia's houses of parliament have indicated that they would endorse this decision and swiftly move to reabsorb Crimea into Russia. Russia has also passed, or is preparing legislation, that will make it easier for new regions to be absorbed into Russia. This could all happen, theoretically, as quickly as Friday of next week, 21 March. Russia appears to have been preparing for this within Crimea itself, with a media campaign on television advising people on how they can change their passports when the time comes, and explaining that Russia will be passing out Russian passports to the people of Crimea.

I think, however, the one area of wriggle room, the one area which may still be open to some kind of negotiation, is whether Russia really does act on the result of this referendum immediately. I think the referendum is going to take place, there's nothing that's going to stop that now. There's no way that could not happen. But the one question is whether Russia immediately accepts it and moves to absorb and effectively annex Crimea, or whether it simply recognizes the result but says 'we will move in time to reabsorb Crimea', which would then leave the status a little bit more like that of South Ossetia or Abkhazia in Georgia, which have declared independence and been recognized by Russia and a handful of other countries only but remain as a kind of irritant and pressure point which Russia can use in Georgia.

There are one or two very important issues here surrounding this referendum which make it very concerning. One is that there is no real pretext for Russia's actions in Crimea. At least in South Ossetia in 2008, when the Georgian war began, a pretext was, if you like, created. There were tensions in South Ossetia and Abkhazia for some time before the summer. Arguably Russia was responsible for stoking up those tensions. And Georgia's president, Mikheil Saakashvili, launched an attack on the South Ossetian capital, Tskhinvali, in which South Ossetians died and some Russian peacekeepers died. So there was a kind of pretext then for the Russian military to come in. The Russian military came in and it was acknowledged, of course, that it was the Russian military.

In this case, there is no pretext. The case that Russia is putting is broadly that Crimea is under threat from fascists and Nazis who have taken over Kyiv, which is false. There is no direct threat. The narrow pretext which was used was that there was supposedly an attack on the interior ministry of Crimea in Simferopol by fascists from Kyiv. Our reporters, reporters from other newspapers, went to the interior ministry building and found there was absolutely no evidence of attack at all. In fact, people in the building said

there had been no attack. Even pro-Russian demonstrators and members of the Russian self-defence units that have sprung up in Crimea, who were around the building at that time, said there had been no attack on the building. So as [US Secretary of State] John Kerry said the day after it happened, this was an entirely bogus pretext, which I think makes the situation very worrying.

Russia, of course, has not acknowledged that it's actually its soldiers who are patrolling and surrounding military sites in Crimea, even though military experts here and in NATO, the Supreme Allied Commander of NATO, have come out and said that it's very easy to identify these men in Crimea as Russian Spetsnaz (special troops) and even identify the units which they've come from.

The second issue is that this referendum is clearly illegal in all sorts of ways. It's against the Ukrainian constitution, which says that parts of Ukraine can only secede through a referendum of all Ukrainians. It's against many articles of international law. There's not supposed to be any shifting of borders in the presence of military occupation. It sets a very dangerous precedent potentially that could be used by Russia elsewhere, in other former Soviet territories, and a precedent that could in fact be used by other countries, particularly China in some of its territorial disputes.

And it's a very big blow to nuclear non-proliferation efforts, because Ukraine gave up its nuclear arsenal – then the third-largest in the world – in 1994, and signed the Budapest Memorandum with Russia, the US and the UK, in which those countries pledged to respect Ukraine's territorial integrity and sovereignty. That respect has clearly been entirely broken now and the conclusion for other countries will be: don't give up nuclear weapons, and if you can get hold of them, get hold of them. That's the only security guarantee that you can have.

James Nixey:

Thank you, Neil. Ambassador Herbst, can you hear me? We've had a great context-setting from Neil here. I wonder if you could perhaps tell us a little bit more about how it looks in Kyiv, both in the run-up to the referendum and in regards to their own government, in the run-up to the 25 May elections and beyond. Because there have already been some worrying developments in how the Kyiv government is being formed. Anyway, I don't want to be prescriptive – over to you.

John Herbst:

Let's talk first about how the current Ukrainian government is reacting to the crisis in Crimea and perhaps in the east of Ukraine. I think the key word to describe their approach is caution. Obviously they are very unhappy with the Russian invasion in Crimea and they have been outspoken in defending their territorial integrity. At the same time, they have been very careful not to take any step which could be interpreted by the Russians as provocation for military action. Put another way, they're avoiding Saakashvili's mistake. The Kremlin has tried to bait Ukrainian forces into firing the first shot.

Regarding the question of who these troops are; first they appeared as local militia. They were provocative in their approach towards Ukrainian soldiers in Crimea. However, when that did not produce a Ukrainian response, they then announced for a brief period of time that they were in fact Russian soldiers. Again, no Ukrainian response in terms of firing in the streets. So now they're back to being unnamed soldiers, according to the Kremlin.

The government in Kyiv understands that to withstand this Russian pressure, they have to be able to unite the country. One of the shrewdest things they have done is to reach out to oligarchs and elites in the east, to bring them into their government. So Mr [Serhiy] Taruta, the industrialist from the Donbas, is now the acting governor of Donetsk. Mr [Ihor] Kolomoisky, a major oligarch in Dnipropetrovsk, is now the governor there. Even more interesting is the fact that before Kolomoisky was offered that post, Victor Penchuk was offered the job. Yulia Tymoshenko and Victor Penchuk were mortal enemies. I suspect Tymoshenko has something to do with these offers to the oligarchs in the east, and if she is behind the offer to Penchuk it just shows that the most formidable tactical politician in Ukraine is doing everything in her power to make Ukraine stronger, to deal with the Russian danger.

The government in Kyiv has also been active in preventing Russian shenanigans in the east. The often-discussed divide between east and west Ukraine is much less today than it was 20 years ago at independence, and 10 years ago when I was in Kyiv. Because of that, because natural Ukrainian citizens who are pro-Russian are not going out in the streets in any numbers in Donetsk, in Kharkhiv, in Dnipropetrovsk, the Russians are having to bus in their own citizens to pretend to be Ukrainians demanding action against the 'fascists' in Kyiv. The government in Kyiv has been careful to avoid any provocation vis-à-vis these protesters, although they have their own organizers on the streets who have been putting together demonstrations in Kharkhiv and Donetsk in favour of the government in Kyiv.

So that's their reaction to the current crisis. Oh, one more point that's important, and it's an unknown. It's pretty clear to me, as an analyst, that the government is not going to fight Crimea with arms. However, they are sending signals that they may fight in the east. There's also, it looks like, some conscription of young men going on as a precaution – the formulation of national guards as a precaution against a Russian invasion in the east. I'm not certain how they will react if any Russian troops actually cross the border. But the possibility of bloodshed goes up seriously if that happens, as opposed to what's happening in Crimea.

Excuse me, there's one more point on the current standoff. The Russians in Crimea have a logistical problem if the Ukrainian government chooses to play the type of hardball vis-à-vis supplying Crimea that Putin has been playing with gas supplies to Ukraine since the winter of 2005-06. All the electricity and water coming into the peninsula comes from the rest of Ukraine. So Ukrainian authorities could shut that off. I don't know if they will but this is something to watch.

Okay, looking beyond the current standoff in Crimea. It's pretty clear that elections will go ahead in Ukraine for a new president in May. It's also likely that despite this serious national crisis, the elections coming up will feature jockeying among the different parties for position. How that plays out I can predict right now, but I think it's premature, it's just speculative. But certainly Yulia Tymoshenko remains a very ambitious lady, even if she does not look to be in very good health after her years in captivity. Equally true, Mr [Vitali] Klitschko remains very popular around the country. Heavyweight champions tend to be popular wherever they go, so he has a natural attraction in the east which most other politicians in the current government do not have. Petro Poroshenko has emerged from these months of crisis with a new stature that he had not enjoyed before. It's likely that these folks will be angling for an advantage even as the country faces this nasty threat from the Kremlin.

Last point. I think it was a brilliant stroke for the government in Kyiv to invite Taruta and Kolomoisky into the government. However, and this is an important however, doing that once again empowers the oligarchs, who represent a specific (you might say) socioeconomic problem for the country. It was absolutely clear that the people on the Maidan who forced Yanukovich out were unhappy with the oligarchs, including the oligarchs in the opposition parties in Kyiv. So their ability to check the influence of the old oligarchs, their ability to serve as a counterweight to the nastiness of normal 'business as usual' politics in Ukraine, has gone down as a result of this measure of

bringing the oligarchs to withstand the Kremlin. That's basically what I have to say.

James Nixey:

Thank you very much, Ambassador. That was crystal clear as well as very informed, albeit perhaps slightly more optimistic about the current makeup and probable makeup of the Kyiv government than I was expecting. Perhaps we can come back to that. Roderic: Russia. In particular, not so much motives but strategy and intentions going forward.

Roderic Lyne:

The Russian political commentator Gennady Bofit yesterday described the situation, from a Russian perspective, as a steamroller going downhill: it's impossible to stop and nobody knows exactly how much damage it will cause in the end. I think we need to remember that the Russian president plays judo, not chess. That means he understands leverage. It means that when he takes a fall, when he's put on the mat, his instinct is to leap up straightaway and try to get the other guy on the mat. He is not somebody who tends to think several steps down the road.

I think Russia now finds itself in a pretty awkward position. The economy is in trouble – it's weakening. It's a real point of vulnerability. It depends on exports to the European Union – the largest, by far, export market for Russia. It's very short of investment. It's suffering capital flight. So it's not in a good place. I think the Western reaction thus far has been probably rather stronger than the Kremlin expected, including a more united European reaction. I think they will have been surprised by the strength of the reaction in particular from Germany: seeing Foreign Minister [Frank-Walter] Steinmeier going around the Baltic states to try to offer reassurance about their sovereignty; the very strong words today by Chancellor Angela Merkel. There has been no support thus far for Russia's actions from anywhere around the world. China has very obviously put itself at a distance from Russia on this.

So right now Russia has won Crimea and it's lost Ukraine. So where does it go from here? I think we need to just go back and say, what were the Russian objectives? The broad strategic objective for many years, as we know, has been to be the dominant force in the post-Soviet space; to prevent Western incursion into that space – or, as it's commonly described in Moscow, Western encirclement; very much to integrate Ukraine, by far the most

important part of that space for Russia, and Belarus, to the extent possible, in structures controlled by Russia. That doesn't mean taking over their sovereignty. It does mean having a dominant or a controlling position there. Certainly trying to leverage them into the Eurasian Union, but also dominating sectors of the economy – the gas supply, banking, telecoms, parts of heavy industry.

In the current crisis, the first objective – this is where it all started – was to get Ukraine to sign up to the customs union with Russia and Belarus (Kazakhstan to come in) and prevent an agreement with the European Union. Initially, Moscow won that – and then it lost, with the ouster of Yanukovich. It's still an objective but I think Moscow has made it much harder to achieve.

Second objective, after the ouster of Yanukovich, was to undermine the interim government, to try to secure a rebalancing of the forces in Kyiv, in Ukraine, in a more favourable direction to Russia. That's still in play. It's also much harder to achieve now, particularly because of the defection of so many of the deputies from the Party of the Regions and of oligarchs and of other leading figures in Ukraine, many of them native Russian speakers – people who were always in favour of friendlier relations with Russia but who were very attached to Ukrainian sovereignty. It was rather striking that very early in this crisis, former Presidents [Leonid] Kuchma and [Leonid] Kravchuk, who were certainly not hostile to Russia, signed up with [Viktor] Yushchenko on a statement that basically said: hands off our sovereignty.

Third objective is the non-return of Crimea to Ukraine. I think that's much more a point of tactical leverage than a great strategic gain. After all, strategically, because of the basing agreement, Russia already had Crimea. There is no threat to Russia or Russia's strategic position through Crimea.

Then we must never forget the personal objectives of President Putin and the ruling group and the very small circle of people within which real decisions are made in Moscow, where the critical factor is to retain power, retain control. Clearly, taking Crimea has been enormously popular – not with the intelligentsia, not with the political class or the business class (where clearly there is a lot of unhappiness about this action) but with the mass of the Russian populace. Good for Mr Putin's ratings.

So where are we now? I think there are three possible scenarios. I think we'll have a better idea, firstly, after Secretary Kerry's discussions tomorrow with Foreign Minister [Sergey] Lavrov, and then when we see how Moscow reacts, in the way that Neil was discussing, to the referendum on Sunday, as to whether a negotiated diplomatic outcome is possible. But I see three

theoretical possibilities, one of which would be a negotiated outcome. Russia is not yet past the point of no return. Putin has not yet officially and formally used the powers that he gave himself through the Federation Council to deploy Russian troops – in an acknowledged way – onto Ukrainian territory. They are still taking the position that these guys with no badges on their uniform are some kind of unofficial local forces – they're not ours, guv. In a way, that's helpful.

A negotiated outcome would certainly require Russia to reaffirm respect for Ukrainian sovereignty, to remove the use or the threat of force. I think part of it would be agreement on a process to negotiate the future status of Crimea, which clearly is something about which there could have been a negotiation. It's made much harder when there's unilateral action but there is stuff to negotiate there. I think there would need to be recognition that Russia has legitimate interests in Ukraine, which indeed it clearly has, and in Ukraine's best interest, a good relationship with Russia is essential.

The Russians would want something to, as it were, legitimise the government in Kyiv. I think that would be a difficult point of negotiation. At the moment they are talking to it in a small way but they are taking the view that this is not the legitimately constituted authority, it's the result of a coup. I very much doubt if there is much to negotiate about Ukraine's relationship with the European Union. Clearly, if you did have a negotiated outcome, there would be a halting of the sanctions process. That, for Putin, would allow him to claim victory over Crimea and to avoid worse damage in other areas, but it would leave him in a weaker position in Ukraine. So it wouldn't be a great outcome.

The middle scenario – I think probably the most likely one – is one in which actually there turn out not to be grounds for negotiation, in which certainly that window would be closed if Russia recognized or indeed annexed Crimea. Russia has a number of options when you get the result of the referendum, whether it's straightforward annexation or recognition of some form of autonomy. The risk is that at this point they would close the door and you would be in a situation of continuing tension along the border – a frozen conflict. A Northern Cyprus, an Abkhazia. Again, this is something where Mr Putin would claim victory to his domestic audience but at considerable cost. Quite a lot of political isolation. The end of the Eurasian Union, I would have thought, in a meaningful sense, his aspirations for it. Long-run damage to the economy, which would bite over time, and quite possibly splits in the elite of a serious kind. And he would have lost Kyiv.

The most serious scenario – I hope the least probable but absolutely cannot be excluded – would be a further escalation. A push across the border into eastern Ukraine, deployment of Russian troops and a serious risk of conflict between Russian and Ukrainian forces. The Russians would not be welcomed as liberators in eastern Ukraine. That would clearly trigger a very strong and lasting reaction from the West. I think it would be high-risk for Putin, not least internally, because I think at that point – this is guesswork – I think if Russian and Ukrainian troops start shooting at each other, then the people who at the moment are applauding his actions in Russia would start to get pretty uncomfortable. I think support might drain away and certainly the consequences in terms of Russia's alienation from the rest of the world would be very severe.

But in the current situation, with armed men running around and some pretty wild and hot-headed people and hardliners on both sides, an incident can trigger this. You certainly cannot exclude this scenario. It would leave a fortress Russia. A fortress Russia wasn't a great option even in Brezhnev's day. It's a much worse one for a weaker Russia in a globalized world.