



ISSUE IN FOCUS

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## The Die Is Cast: Confronting Russian Aggression in Eastern Europe

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The Ukraine crisis demonstrates that European security can no longer be taken for granted and that NATO and the broader transatlantic community are struggling to address emerging security challenges.<sup>1</sup> Whether Russia is classified revanchist, expanding its sphere of influence, or seeking to create regional hegemony, Putin's actions in both Crimea and eastern Ukraine are a stark reminder that the era of geopolitical competition in Europe is far from over. The transatlantic community must be ready to deal with similar challenges in the decades ahead.

Despite the cease-fire, Ukraine continues to battle Russian-backed separatists in its east. At the same time, the Kremlin's subversive economic and political actions in eastern Europe and former Soviet territory unabated, suggesting that Ukraine is unlikely to be Russian President Vladimir Putin's last attempt to expand Moscow's influence, and perhaps even territory, in the regions closest to Russia. Considering both Russia's war with Georgia in 2008 and Kremlin's ongoing activity throughout the Baltics and Balkans, the West should not settle for a short-term solution or the status quo in Ukraine or the region. Instead, the West should consider developing a comprehensive set of policies and strategies to counter Putin's actions in eastern Europe in ways that reassure allies and partners, reduce Russian economic influence in vital sectors, enhance deterrence, and increase the resiliency of ally and partner civil societies. The West should also identify those critical interests, such as preventing nuclear proliferation, where focused diplomatic cooperation with Russia can occur.

### Fundamentals of Russian Foreign Policy

Since his first term, Putin has expressed three tenets that appear to provide the foundation of Russian foreign policy. He reiterated these in his speech to the

Valdai International Discussion Club on October 24, 2014:

- Russia is an independent, active participant in international affairs with its own national interests that must be acknowledged and respected.
- NATO is a military alliance aimed against Russian interests. Further enlargement of NATO in Russia's near abroad, along with the development of missile defenses in Europe, is unacceptable to Moscow.
- The unipolar world has not only decreased stability and weakened international institutions but is unacceptable in the modern world.<sup>2</sup>

The Ukraine crisis illustrates all three tenets. First, ostensibly protecting its own national interests, Russia pressured former Ukrainian President Viktor Yanukovich not to sign the European Union Association Agreement that, according to Russian officials, would damage the extensive economic relationship between Russia and Ukraine. Second, military operations in Crimea set conditions for the referendum leading to annexation of the peninsula. Finally, Putin used his Valdai speech in an attempt to again discredit the United States and the unipolar system citing the "blunt cynicism" of historical US- and NATO-led Western military interventions using similar justification.<sup>3</sup>

The Ukraine incursion was preceded by the cyber war in Estonia in 2007 and the Russia-Georgia war of 2008, the latter precipitating Moscow's recognition of

<sup>1</sup> The views in this issue brief represent those of the author and not those of the Department of Defense.

<sup>2</sup> Vladimir Putin, "Meeting of the Valdai International Discussion Club," excerpts from transcript of a speech delivered to the final plenary meeting of the Valdai International Discussion Club's XI session, official site of the president of Russia, October 24, 2014, <http://eng.news.kremlin.ru/transcripts/23137>.

<sup>3</sup> Ibid.

Abkhazia and South Ossetia as independent states. Concurrently with the Ukraine crisis are Russian subversive efforts throughout eastern European nations using information manipulation. Putin has neither mentioned nor do his actions suggest he is following an established plan. Putin seems to have a strategic approach, however, that seizes emerging opportunities, in many cases by creating facts on the ground. The Kremlin is waging a long-term contest for a Russian sphere of influence.

## Exercise of Russian Elements of Power

### Overview


Russia, during the past decade, as the nation's economy and military improved, has extended a degree of influence throughout its "near abroad"—a term popularized by Russia referring to central and eastern Europe, and occasionally Finland, with a particular reference to post-Soviet states. To balance increased Western interest and presence in Russia's desired sphere of influence, the Kremlin will likely seek new opportunities to both form and strengthen established relationships to maintain influence and control. Russia will use its intelligence services in attempts to manipulate political processes, commercial relations to weave networks of influence designed to raise the costs for states resisting Russia's goals, and economic tools and military threats to counterbalance Western efforts to further integrate Europe's east into the Euro-Atlantic community.

### Military

Moscow views NATO as an American-led alliance that continues a strategy of Russian containment. The Kremlin is determined to prevent further NATO enlargement, but Putin neither currently has the capabilities nor expressed the intent to challenge the Alliance directly. Russia has demonstrated, however, a commitment to military modernization as evidenced by the relatively professional performance and well-kept equipment of Russian forces in Crimea and eastern Ukraine, efforts to produce more sophisticated weaponry within Russia, and proposed defense spending increase to 21 percent of the gross domestic product (GDP) by 2017.<sup>4</sup> Russia already possesses military superiority over any country in the post-Soviet space and the broad defense modernization effort suggests a determination to further bolster its military power in the coming decade.

<sup>4</sup> Reid Standish, "Under the Gun: Russia Ramps Up Defense Spending and Looks Inward," *Passport* (blog), *Foreign Policy*, July 23, 2014, [http://blog.foreignpolicy.com/posts/2014/07/23/under\\_the\\_gun\\_russia\\_ramps\\_up\\_defense\\_spending\\_and\\_looks\\_inward](http://blog.foreignpolicy.com/posts/2014/07/23/under_the_gun_russia_ramps_up_defense_spending_and_looks_inward).

After the 2008 Russia-Georgia war, Putin likely concluded that Russia could use hard power in its neighborhood without the possibility of a decisive military response from the West. The Crimea and eastern Ukraine crises probably confirmed his view. More importantly, Putin likely believes he can use conventional military force in the region to create "facts on the ground" and has demonstrated during the Ukraine crisis the ability to project and concentrate superior force quickly to affect his "zone of influence" as either tension lever or a point of negotiation. Putin is likely to avoid any conventional ground invasions into eastern Europe NATO states for fear of Western reprisals, resulting from Article 5 and US commitments, and the significant economic burden that Russia would assume. The deployment of large numbers of well-equipped, combat-ready troops, however, will prove useful to intimidate and provide psychological support for the destabilization of eastern European nations by pro-Russian entities. Putin has also likely judged that covert and deniable support, such as special forces, intelligence operatives, and material for pro-Russian efforts, is both effective and



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unlikely to elicit a significant Western response.

Moving forward, Russia will probably seek to expand its capabilities for disruptive operations and propaganda efforts in cyberspace as Moscow is increasingly more skillful, sophisticated, and clandestine in this domain. Pursuing more than simple distributed denial of service (DDoS) attacks and espionage, Russia will seek to integrate the cyber dimension into a comprehensive information war targeting every aspect of eastern European society.

Although Moscow has demonstrated a desire to employ a mix of subversive actions, an overt military operation with ostensibly humanitarian or "right to protect"

justification, as observed in the Ukraine crisis, is also possible in other eastern European nations in the long term. Combined with effective nascent efforts to diversify the Russian economy limiting likely Western sanctions, improved military capability increases the potential of Putin executing a successful military operation that may promote division within the West while strengthening his domestic political power through popular support. Comparing the success in Crimea with the struggle in eastern Ukraine, and weighing the timeliness and severity of Western responses, Putin may have likely concluded that speed of action is a strategic imperative. Russia quickly seized and annexed Crimea with little more than a rhetorical response from the West. In eastern Ukraine, Moscow slowly intensified its efforts, which provided time for the West to gradually increase sanctions from personal finances and travel bans to sanctions targeting key defense and energy sectors.

### Political

In response to strengthened Western efforts to expand partnerships and alliances in the region, expect the Russian Foreign Ministry to increase frequency in meeting with leaders of Russia's "near abroad" countries. Having already met with leaders in Bulgaria, Slovenia, Serbia, and Finland, Russian officials will focus on dissuading nations from integrating more closely with Western institutions, maintaining energy export markets, safeguarding the future of the South Stream gas line project, and preserving Russian political and economic influence. This is an effort to dull the transatlantic community's long-term response to the Ukraine crisis. As Putin's July 2014 trip to South America suggests, Moscow is likely to seek additional assistance and support in other regions.

Moscow could also seize opportunities to manipulate, subvert, confuse, deflect, and undermine relationships between the United States and Europe, as well as among European nations. The majority of these efforts will be either indirect or in a fashion that hides the Kremlin's hand such as influence through churches, entertainment outlets, and business groups, or intervention through local gangs or nongovernment organizations. Moscow will continue to spend tremendous sums of money on English-language broadcasting, intellectual influencers, image firms, and cultural diplomacy campaigns in an effort to manipulate Western discourse. For example, the Kremlin is accelerating efforts to modernize and expand its media apparatus by earmarking a 30 percent 2015 budget increase for Russia Today (RT) and a three-fold increase for Russia Segodnya.

Additionally, Rossiya Segodnya has grown from two to thirty-nine staff in Berlin and is reportedly preparing to open local bureaus in twenty-nine world capitals.<sup>5</sup> RT is scheduled to receive a \$39 million budget increase specifically for pro-Kremlin programming in French.<sup>6</sup> Russia may also continue to release captured conversations between US and European officials—like the February 2014 conversation during which US Assistant Secretary of State Victoria Nuland and US Ambassador to Ukraine Geoffrey Pyatt disparaged the EU—that could put political leaders in awkward and uncomfortable situations.

**MOSCOW WILL CONTINUE TO SPEND TREMENDOUS SUMS OF MONEY ON ENGLISH-LANGUAGE BROADCASTING AND CULTURAL DIPLOMACY CAMPAIGNS IN AN EFFORT TO MANIPULATE WESTERN DISCOURSE.**

Although current conditions in Crimea are poor and might not suggest the possibility, Putin might be playing a longer-term game to discredit the West by creating a Potemkin peninsula in Crimea through either actual improvements or propaganda. Consider five years from now if Crimea, with Russian assistance, is viewed as a political and economic success while Ukraine struggles with violence, energy insecurity, and the inability to root out corruption—in spite of Western support, advice, and funding.

### Economic

Russia is assuming that established structures and organizations like the EU and NATO are of less importance than the economic and commercial ties among companies and nations, and it is these financial connections that will both limit the severity and reduce

5 Tom Balmforth, "Russian Median Behemoth Set to Launch Wave of Foreign Bureaus," Radio Free Europe/Radio Liberty, October 29, 2014, <http://rferl.org/content/russia-rossiya-segodnya-expansion-begrade-dushanbe/26664310>.

6 Anton Troianovski, "Russia Ramps Up Information War in Europe," *Wall Street Journal*, August 21, 2014, <http://online.wsj.com/articles/russia-ramps-up-information-war-in-europe-1408675046>.



Russian President Vladimir Putin visits the offices of Russia Today in 2013. Source: [www.kremlin.ru](http://www.kremlin.ru).

the impact of sanctions. These economic networks also ensure that many of the sanctions enacted are likely to ease quickly with de-escalation. Moscow has already demonstrated a particular adeptness for using large energy companies to purchase and invest in regional companies that serve to put Russia in a position to shape economic and political dynamics. This also exposes a transatlantic gap as European markets are far more intertwined with Russia's than are those of the United States, resulting in a European hesitancy to enact meaningful responses. The Kremlin is also assuming that Russia can withstand the financial difficulties of sanctions longer than either the West, enduring its own economic setbacks resulting from loss of trade and exchange, or the war fatigue and potential economic collapse of the eastern European country in conflict.

Putin appears aware of Russian economy's Achilles' heel—oil and gas market prices, which he does not control. Diminishing the vulnerability of energy on Kremlin's geopolitical aspirations is an imperative, and Russia has wasted little time in expanding its energy market. The \$400 billion energy deal with China to supply Russian gas over the next thirty years not only expands Gazprom's customer base but puts Russia in a

potentially stronger position to negotiate harder bargains elsewhere.<sup>7</sup> Furthermore, the deal strengthens Sino-Russian economic relations and reduces the impact of Western energy sanctions. More recently, Russia, in signing a nuclear energy cooperation deal with Argentina, which may also lead to exploitation of Argentina's Vaca Muerta shale fields, thought to be one of the largest shale reserves in the Western Hemisphere.

Russia will likely seek further diversification of its energy market through deals with North Korea and Iran while exploring greater economic diversity through agriculture, the defense industry, and German raw material markets. To further diversify, Russian companies are weighing switching contracts with Asian countries to renminbi and other Asian currencies to reduce dependency on the US dollar and Western financial markets. As an additional measure, Russian companies will likely seek to decrease vulnerability through domestic markets.

<sup>7</sup> Alexander Kolyandr, "Gazprom Expects \$25 Billion Prepayment in China Gas Deal," *Wall Street Journal*, June 18, 2014, <http://online.wsj.com/articles/gazprom-expects-25-billion-china-gas-deal-prepayment-1403075890>.

## Transatlantic Strategy and Policy

### Overview

European nations that are home to a significant number of Russian speakers, are former Soviet or Warsaw Pact states, or are frontline states for NATO are the most vulnerable to Russian influence and aggression. Many of these nations have demonstrated the greatest commitment to upholding the ideals of a global, rules-based order with respect for national sovereignty and territorial integrity. Some became members of the European Union and NATO, while others are moving closer to Euro-Atlantic integration through participation in the Eastern Partnership effort and the negotiation of the EU Association Agreements. For these nations, the United States and the transatlantic community must demonstrate long-term political, economic, and military commitment. Support for these most vulnerable states is the foundation for a strategy and policies ensuring a secure and prosperous Europe.

Although Russia's actions in Crimea and Ukraine generated condemnation from the West, they also highlighted growing fissures in the transatlantic alliance. It is also notable that the Ukraine crisis received remarkably little interest from nations outside the West, such as China and India. This is unlikely to change in the near term, and the United States will need to lead in executing a strategy and establishing policies focused on eastern Europe to enhance deterrence, reduce strategic economic dependence, stem corruption, and increase the resiliency of civil societies.

The United States should, however, retain diplomatic cooperation with Russia where interests align, but Washington can no longer assume Moscow is a partner or shares Western values and vision of the proper conduct of nations. Those issues where Russian and Western interests likely coincide include global nuclear security, Syria, Iran's nuclear development, the Arctic, and combating the growing extremist threat in the Middle East. A reasonable goal is a Russia that halts its use of force or intimidation in an attempt to dominate its region, does not attempt to hinder the further Euro-Atlantic integration of eastern Europe, and cooperates with the West on common interests.

### Security

European defense budgets have steadily declined over the last two decades. Not only has defense spending decreased, but nations such as Italy, Germany, and France are contributing to Russia's military

modernization through the sale of armored vehicles, the construction of state-of-the-art training facilities, and the potential sale of advanced warships, respectively. Paris, however, has delayed a decision on the sale of the Mistral-class ships until November due to Moscow's escalation in Ukraine. Although Russia's invasion of Crimea and military activity in eastern Ukraine have energized discussions on defense spending, most European nations have yet to demonstrate significant, concrete steps to enhance national defense or collective security. While NATO members agreed at the Wales Summit in 2014 to meet the 2 percent of GDP defense expenditure mark by the end of the next decade, firm commitments must be demonstrated.

THOSE ISSUES WHERE RUSSIAN AND WESTERN INTERESTS LIKELY COINCIDE INCLUDE GLOBAL NUCLEAR SECURITY AND COMBATING THE EXTREMIST THREAT IN THE MIDDLE EAST.

Eastern European nations, for the most part, represent a bright spot in an otherwise bleak outlook for improving collective security in the region both most vulnerable and willing to confront Russian aggression. These nations, albeit with the least to contribute economically and militarily, stand on the front line with an increasingly aggressive Russia and, if adequately supported, can serve as the bulwark against the new challenges to transatlantic security.

### Strategy/Policy

***European Reassurance Initiative.*** The United States needs to quickly approve and operationalize the proposed \$1 billion European Reassurance Initiative to temporarily increase American troop presence in eastern Europe through additional exercises and training, prepositioning more equipment to Europe for quicker military responses, and sending military experts to accepting nations to assist in improving

their own defense capabilities. Concurrently, Washington should also consider planning and budgeting for a similar enduring commitment to support the NATO Readiness Action Plan—the Alliance’s comprehensive security plan agreed upon at the Wales Summit to improve collective defense, crisis management, and cooperative security.

**Basing.** Demonstrating the transatlantic alliance’s enduring commitment to collective defense is arguably the most challenging strategic aspect of NATO’s Readiness Action Plan, which also holds the greatest risk to escalation. Although the proposed European Reassurance Initiative and Very High Readiness Joint Task Force are important first steps improving eastern European security and sending a message to Russia, Putin likely interprets the rotational nature of forces as temporary and not a sufficient deterrent. Instead, Putin is more likely to avoid significant provocative actions while deepening economic relationships and waiting. Permanent basing is complicated by European disunity over the decision of a constant presence in eastern Europe, most notably by western European nations, Germany especially. To Russia, however, the type of basing is more important than the actual size of the force or the scope of the training by the commitment it demonstrates.

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**Annulling agreements.** Declaring the 1997 NATO-Russian Founding Act null and void opens new basing for US troops, NATO forces, and prepositioning in areas which best serve an eastern European-focused strategy. Russia has violated the United Nations Charter, the NATO-Russian Founding Act, which envisioned a “current and foreseeable security environment,” and the 1994 Budapest Memorandums on Security Assurances, which affirmed “respect the

independence and sovereignty and existing borders of Ukraine.”<sup>8</sup> This basing serves to not only reassure allies but send the clearest possible message to Moscow.

**Maritime expansion.** The European Reassurance Initiative proposal increases the US Navy’s presence in the Baltic and Black Seas. Washington may also consider a more assertive approach in the Black Sea with a greater maritime commitment centered on Romania. This places US ships and aircraft in the Black Sea which will restrict the Russian fleet at Sevastopol and extend defensive capabilities to Georgia and Azerbaijan, both targets of Russian influence and destabilization.

### Capabilities

**Defense spending.** Washington should also encourage eastern Europeans to not just increase defense spending but to focus spending on equipment and technology that can be integrated into NATO’s existing capabilities. Agreements by the Alliance at the Wales Summit must be met with action. An increase in military aid based on each individual nation’s own contribution may serve as an incentive to modernize. To further encourage collective defense, members of transatlantic alliance may consider discounted foreign military sales.

**Intelligence and counterintelligence.** The European Reassurance Initiative increases military support and improves responses to Russia’s military aggression but does not address subversive destabilization efforts already underway. While improving the capability for eastern European nations to wrest terrain away from “little green men” with minimal casualties through the training of special forces is essential, more effort is required to reduce and ultimately prevent the conditions that lead to destabilization. These efforts should specifically address counterintelligence and intelligence sharing to identify, marginalize, and eventually remove malign actors.

**Cyber.** As both Estonia and Ukraine can attest, Russia is becoming more active in cyberspace and transatlantic efforts to improve technology, security, and industry cooperation in the digital realm are needed to reduce Russian espionage and information manipulation. Endorsement at the Wales Summit of the Alliance’s enhanced cyber defense policy, which states

8 Founding Act on Mutual Relations, Cooperation and Security between NATO and the Russian Federation, Paris, France, May 27, 1997, [http://www.nato.int/cps/en/natolive/official\\_texts\\_25468.htm](http://www.nato.int/cps/en/natolive/official_texts_25468.htm); Budapest Memorandums on Security Assurances, 1994, <http://www.cfr.org/arms-control-disarmament-and-nonproliferation/budapest-memorandums-security-assurances-1994/p32484>.

that a major cyberattack against a member state could be covered by Article 5, is an important step to bolster deterrence.

**Soft security.** Law enforcement security should accompany defense measures to limit destabilization. Efforts to improve border control, immigration enforcement, and organized crime disruption through either bilateral or multilateral means, such as financial aid, training, and exchanges, or existing European Union institutions and nongovernmental organizations are essential aspects of a comprehensive security plan. Approval of the Pentagon's \$19 million proposal to train units of Ukraine's National Guard in aspects of internal defense is an example of a quick and essential first step.<sup>9</sup>

### National Unity and Resiliency

**Civil society.** Forceful and widespread use United States' elements of soft power and ability to organize offer the best methods to address Russia's extensive subversive political and propaganda activities. A critical aspect of disrupting Russian activities and increasing resiliency in eastern European nations is by strengthening their civil societies. The United States should not only support and encourage efforts to strengthen eastern European civil societies through education, advisers, and exchanges, but leverage western European nations and international institutions such as the Organization for Security and Cooperation in Europe (OSCE).

**Anticorruption efforts.** Organize and involve international networks of anticorruption nongovernmental organizations (NGOs) to help squeeze corrupt flows from Russia. These organizations, such as the Berlin-based Transparency International, would benefit from support from the transatlantic alliance to put painful pressure on current networks on a daily basis, naming and shaming corrupt networks, and pressuring governments to shut them down. These activities and organizations could eventually play a role similar to the human rights organizations of the 1970s and 1980s.

**Counter- and anti-propaganda efforts.** To combat Russia's information manipulation, eastern European countries need to build and institutionalize independent and government capacity to address Russian disinformation and formally track the role of Kremlin-connected influencers, such as lobbyists and

journalists, to expose them and limit their effect. Support for independent anti- and counter-propaganda programs is critical, especially given the history of corruption and politically motivated oligarchical control of government programs. Programs run by private sponsors or civil society addressing popular concerns will likely be seen as more trustworthy.

A CRITICAL ASPECT  
OF DISRUPTING  
RUSSIAN ACTIVITIES  
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**Unity of Message.** Finally, the G7 should consider bringing Russia back into the G8 to provide an institutional forum to send a united message to Putin, provided Moscow meets agreed upon commitments in Ukraine. During the G7 Summit, which coincided with the 2014 D-Day ceremony, leaders made strong statements regarding Russia's actions in Ukraine after concluding their meetings. Immediately following these statements, however, leaders of Britain, Germany, and France each held separate meetings with Putin. Their public statements aside, it is uncertain as to exactly what message Putin received. This is especially important regarding sanctions in that while the transatlantic alliance finds a common cause in the act of sanctioning, lack of consistency in messaging as to the ultimate goal of the sanctions may limit their effectiveness in moderating Russian behavior. Putin will seek every opportunity to expand, expose, and create seams in the transatlantic alliance and the West should seek efforts to prevent Moscow's exploitation of inconsistent, unclear, or divergent messages. Furthermore, Russia is likely to exert a greater degree of its leverage as a permanent member of the United Nations Security Council with veto power in response to Western political isolation efforts.

<sup>9</sup> Maggie Ybarra, "Pentagon Wants Extra \$19M to Equip, Train, Ukrainian Troops," *Washington Times*, August 1, 2014, <http://www.washingtontimes.com/news/2014/aug/1/pentagon-wants-19m-arm-train-ukrainian-troops/>.

## Economic Strength and Independence

### Energy

The clearest and most significant economic message the West can send to Putin is a commitment to reducing eastern Europe's dependence on Russian energy and thus reducing Moscow's economic and commercial leverage. The Russian economy, heavily dependent on energy as oil and gas account for 68 percent of Russian export revenues, relies on maintaining these markets and is vulnerable to global price fluctuations.<sup>10</sup>

**Storage and reverse flow.** In the short- to mid-term, increasing European oil and LNG storage capacity, combined with the ability to reverse the flow of pipelines, reduces uncertainty and the impact of price increases should Russian decide to temporarily halt European exports.

THE WEST SHOULD CONSIDER DEVELOPING A COMPREHENSIVE SET OF POLICIES AND STRATEGIES TO COUNTER PUTIN'S ACTIONS IN EASTERN EUROPE IN WAYS THAT REASSURE ALLIES AND PARTNERS.

**Decreased dependency.** Longer-term policies that permit an increase in American oil and gas exports, investment in energy exploration in the Balkans, and development of alternative energy sources will serve to decrease Europe's dependency on Russian energy. Ending all Russian exports to Europe is an unrealistic goal, but the West can reduce the geopolitical impact through decreasing dependency and making Russia's exports increasingly subject to market conditions.

### Sanctions

**Uncertainty of economic sanctions.** The current sanctions regime has created tremendous uncertainty

in Russia's economy resulting in a falling ruble, capital flight in excess of \$75 billion, and reduced economic outlook. However, it remains difficult to accurately assess whether any of Russia's actions, either escalation or de-escalation, are a direct result of sanctions. Putin classified Western sanctions as a "hindrance" in his Valdai speech, but indicated a willingness to accept limited hardship rather than make behavior changing concessions. The West's sectoral sanctions appear to create higher costs than Putin expected but perhaps not high enough to change his course.

The West should not underestimate Putin's ability to divert economic sanctions targeting Kremlin leadership and oligarchs to the Russian people, whose struggles will certainly fuel his anti-Western rhetoric, or the willingness of the Russian people to suffer for a nationalistic cause. Putin's ban on food imports in response to the West's latest round of sanctions are certain to create hardships for the Russian people, and, with the support of propaganda, could signal the beginning of heroic citizen sacrifices for a nation at war with the West.

### Economic Alternatives

Affecting central and western Europe to a greater extent than eastern Europe is Moscow's geopolitical economic influence from military equipment sales. It is understandable that struggling European economies will seize opportunities for defense sales in order to maintain their industrial base. However, it is important to realize that military equipment sales provide Russia an exploitable commercial influence and reduce Europe's security by contributing directly to Russia's military modernization and power projection capabilities. Washington should not expect European countries to simply terminate military contracts with Russia without economic compensation for expended effort, in the case of the French warships, or reasonable alternatives to improve European economies and maintain the defense industrial base.

**Alternatives to military sales.** In order to ease the near-term financial burden of ending current contracts, the United States and NATO should consider purchasing military equipment destined for Russia. This equipment could then be employed in any number of NATO deterrence missions, exercises, or contingency operations, to include supporting the Alliance's Readiness Action Plan.

**Transatlantic Trade and Investment Partnership (TTIP).** In the wake of the Ukraine crisis, TTIP has taken on a strategic significance beyond its impact on

<sup>10</sup> US Energy Information Administration, "Oil and Natural Gas Sales Accounted for 68% of Russia's Total Export Revenues in 2013," July 23, 2014, <http://www.eia.gov/todayinenergy/detail.cfm?id=17231>.





John Kerry meets with Vitali Klitschko, Petro Poroshenko, Oleh Tyahnybok, and Sergey Tigipko at the Verkhovna Rada in Kyiv, Ukraine, in March 2014, just a few months before Poroshenko was sworn in as president. *Source:* US Department of State.

trade and transatlantic economic growth. TTIP is a trade agreement under negotiation between the European Union and the United States that aims at removing trade barriers in a wide range of economic sectors to make it easier to buy and sell goods and services between the EU and the United States. A successful conclusion to the TTIP negotiations would signal transatlantic unity and establish an economic entity producing roughly 50 percent of the world's GDP and would strengthen the transatlantic community's ability to shape global norms.

### Conclusion

Successful execution of transatlantic strategies and policies to confront Russian foreign policy in eastern Europe requires steadfast American leadership through unwavering commitments. NATO must firmly and credibly demonstrate an enduring undertaking to defend the allies. Putin will not be dissuaded by rhetoric, and he will thrive on European and transatlantic disunity.

The Ukraine crisis exposed a challenge to Washington's cornerstone of American leadership—coalition building. To secure American interests in Europe, there may be a need to create a number of coalitions in a

balance as each European nation decides if and how it will support a specific strategy or policy. Europe's current landscape, for example, suggests most of NATO's eastern Europe members are supportive of increased troop levels, exercises, and permanent basing. The same cannot be said of western and southern Europe. Conversely, European countries can generally agree on the need to take steps to reduce Russian propaganda and corruption facilitation.

The transatlantic alliance needs to emerge from the Ukraine crisis with a stronger commitment to common defense, economic policies reducing Russian geopolitical influence, increased civil society resiliency, and unity among members. The United States and Europe should also demonstrate that they can, and will, defend the principles of rules-based international order. Finally, Washington's leadership through action is necessary to advance Europe's security and identify ways to work with Russia on those mutual interests where Moscow's influence is needed.

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