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Ukrainian Conflict and the Future of Global and European Security

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I. INTENSIFICATION OF GLOBAL CRISIS: THE PROBLEM OF "WEAK LINKS"	3
I.1. CHANGES IN THE GLOBAL "TRANSITION" LOGIC: FROM COLLECTIVE ANTI-CRISIS STRATEGIES TO STATE SELFISHNESS.....	4
I.2. THE UKRAINIAN CONFLICT AND CRISIS OF THE "GREATER EUROPE" PROJECT	6
I.3. SECURITY DIMENSION OF THE GLOBAL CRISIS: FACTORS AND MANIFESTATION	9
II. THE UKRAINIAN CONFLICT IN THE CONTEXT OF GLOBAL CRISIS	11
II.1 «MAIDAN» AND THE CAUSES OF CONFLICT.....	11
II.2 THE RUSSIAN FEDERATION AS ONE SIDE OF THE CONFLICT AND «ENFANT TERRIBLE» OF GLOBAL SECURITY	13
II.3 THE "UKRAINIAN ISSUE" IN THE CONTEXT OF GLOBAL SECURITY.....	17
GENERAL CONCLUSIONS:	19
APPENDIX 1	22
«PEACE PLAN: REBOOT».....	22
APPENDIX 2	26
POST-CONFLICT PERSPECTIVE	26
APPENDIX 3	27
PROPOSALS ON REFORMING OSCE.....	27

I. Intensification of Global crisis: the problem of “weak links”

Since the beginning of the economic crisis the world has entered a period of dynamic transformations, which are currently manifested in almost all dimensions of the life of modern civilization. The transformation processes are accelerated in global economy, in the international division of labor, international monetary and financial system; prerequisites for the transition to new models and modes of economic growth are occurring. There is exacerbated geopolitical competition between major world states and groups of countries, aiming at the leading positions in the organization of international relations in the post-crisis world. At the same time, the foundation for large-scale geo-cultural changes is being laid. The world of New Modern is emerging - a world, with a face and structure yet to be determined, the birth of which is as complex and controversial as the familiar world of the Late Modern and Postmodern of the "long 20th century".

According to the assessments of many analysts, including Z. Brzezinski, at the beginning of 21st century, the world entered a turbulence zone, with instability and chaos intensifying. A significant number of territories are affected by armed conflict, mass riots, natural disasters, man-made threats, which are amplified. Aggravation of religious, ideological, ethnic, racial controversy is taking place given the growing power of the factors reinforcing them. This factor is the growing tension between "the rich and the poor", in the internal dimension of every society and in international, inter-regional dimensions alike. In the environment of information unification, along with increased educational opportunities, there is a decline of local cultures, aggravation of identity issues and the identity of communities. And the globalized "consumers' society" makes these problems a kind of "revolutionary factor" - the struggle for justice assumes the character of "cultural-consumer" riots and revolutions with conservative slogans to preserve identity, equitable distribution of resources and equity of access to natural and social benefits and standards of life.

"The accumulation of wealth is no longer associated with solving the major problems of mankind. This indicates exhaustion of traditional mechanisms of human development and the need to change its paradigm "- Kofi Annan at the "Millennium Summit ".

Amid these processes the Ukrainian crisis is of particular importance, as a separate act of global transition, and as a drama of an independent state, forced to survive and make its choice in the conditions of a "conflict transformation" of the world.

I.1. Changes in the global “transition” logic: from collective anti-crisis strategies to state selfishness

A year after the problems in the financial markets occurred (approximately from mid-2008) it became clear, that this was not just a "fluctuation" of stock indicators. The global financial and economic system quickly plunged into a large-scale crisis, the consequences of which affected all countries without exception built into the global division of labor.

At the time, most politicians and experts saw the way out of the crisis in the logic of a "managed transition" towards a more balanced model of world order. They offered different visions of such organization: ranging from a polycentric world order (leaders of developing countries) to a new bipolar "Chimeric" - Sino-American axis (Z.Brzezinski) and even the formula of a world economic government based on the G-20 (Gordon Brown).

The reform of WTO and IMF, aimed at expanding the representation of the interests of developing countries, were planned under the logic of driven transformation. It was expected that it would result in institutional strengthening and an increase in the capacity of the G-20 on adopting coordinated anti-crisis decisions. There was a revival in the discussions of a global transition to a model of sustainable economic growth and achievement of the MDGs, elaborated under the auspices of the UN. Discussions on the transformation of the international finance system began. Practical steps were taken to address the problem of "offshore havens" and establishing control over the movement of capital.

It is symptomatic, that during this time period there are increased discussions on the restructuring of global security and that of Europe, in particular. Productive consultations are held on improving UN efficiency: empowerment of the UN General Assembly, changes in the quantitative structure and powers of the Security Council. There is discussion on the reform of OSCE, including under the "Corfu Process". In the relations between key players, there are loud statements about a "reboot", intentions are declared to move in the plane of further demilitarization of the world.

A distinctive feature of the "managed transition" logic was the good will and desire of all parties to find a collective, compromise strategy to the challenges of the crisis. Subsequent events evidenced that the idea of a "collective response" to the crisis did not find a practical application. The leading countries quickly returned to finding "national" anti-crisis strategies, that were largely not burdened by the need to harmonize their own steps and interests with others.

The first signs of these "selfish" strategies being implemented was the competitive devaluation of national currencies, which led to the creation of artificial advantages of the export sector of individual national economies. Later, in 2010, this phenomenon was very aptly described by the then Finance Minister of Brazil, Guido Mantega, calling it "currency wars".

Shortly after "currency" wars there was a rise in "resource" and "trade" wars, which used different types of "tools": from restrictions on exports of strategic raw materials from a country, to increased non-tariff barriers on access of imports to the domestic market.

Meanwhile, since the beginning of 2010 there has been an increase of global geopolitical tensions. The government's failure to solve economic problems in many 'periphery' countries (including the Middle East, the Arab Maghreb, Africa and Southeast Asia) gave rise to mass riots on social and religious background. In the face of rising global competition interference of global players and rapid internationalization of these conflict did not lead to their settlement. On the contrary, there is further escalation, "spread" and their gradual transformation into a tool in the global game of geopolitical centers.

At the same time, there is a slow down in the reform process of almost all international institutions. Despite the adopted decisions, reform of the IMF is virtually blocked, coordination of the WTO reform is facing difficulties. The issue of UN reform and reform of the the Security Council is gradually being removed from the agenda, negotiations to reform the OSCE and control of arms in Europe (CFE) have reached a deadlock.

Meanwhile, there is rapid growth of new geopolitical and geo-economic alliances, that will aspire to the role of growth centers in the post-crisis world. These include – a US initiative on forming Transatlantic and Trans-Pacific communities, accelerated construction of YEAES by Russia, China's activity on the development of APEC and SCO, the decision of member countries of the Gulf Cooperation Council to strengthen political and military cooperation.

By the end of 2014 - early 2015 the trend of increased competition and rising geopolitical tension only increased. The contradictions between major geopolitical players failed to be removed. In the economic sphere, along with local constraints the practice of total trade and financial "embargo" is being increasingly applied. In the geopolitical plane there is the threat of direct armed clashes between rival countries

and blocs of countries with the disturbing prospect of the use of nuclear deterrence forces.

I.2. The Ukrainian conflict and crisis of the "Greater Europe" Project

Development of the situation in the European region became a manifestation and, at the same time, a reflection of the changes in the logic of global "transition". Peaceful "collective" Europe, with the logic of shared responsibility for overcoming the crisis, turned into a blazing fire of resistance, through collision of "selfish" strategies.

Since the early 2000s, the formula of building a "Greater Europe": from Vladivostok to Dublin had been gaining more and more popularity in Europe and the former Soviet Union.

The forward in the realization of this idea de facto became the European Union, which strongly promoted a number of initiatives on multi-speed integration and convergence. Since 2003, the European Neighbourhood Policy was launched in Eastern Europe (Ukraine, Belarus, Moldova). In 2008 France proposed a Mediterranean Union project, aimed to harmonize EU relations with its neighbors in the region. At the time, part of the movement towards a joint space was also the development of EU-RF relations. Even the Russian leadership under President Dmitry Medvedev repeatedly emphasized the civilizational affinity of the EU and the RF.

Through increased diplomatic efforts, the impact of "soft power", for the organization of space for partnership on the continent, the EU sought to become a truly independent development center. The Greater Europe formula gave the EU a chance to gradually consolidate its role of a financial, technological, political leader. Meanwhile, the implementation of the new regional security concept opened the possibility to reduce the risks of military conflict in Europe and optimize the EU's commitment to the US.

To the RF the logic behind closer ties with the EU gave a chance to accelerate economic modernization. It presented the opportunity to attract necessary resources and technology for the development program of the Arctic, Eastern Siberia, in the implementation of space and energy projects. The final arrangement of the European security profile was equally important to Russia. This enabled Russia to focus on the challenges of terrorism and religious extremism, which pose a significant threat to the eastern regions of the Russian Federation, undermining its position in the Caucasus and Central Asia.

This was a very attractive approach not only for the EU and the RF. The problem of competition in the "buffer zones" (Moldova, Ukraine, Georgia) was virtually eliminated on the continent. The prospects of finding resolutions to "frozen conflicts" arose (Transnistria, Abkhazia, South Ossetia, Nagorno-Karabakh). Broad prospects opened up for economic cooperation, free movement of resources, capital and labor across the continent. Meanwhile, in the "frontier" countries, such as Ukraine, Moldova, Belarus, the risks of internal stresses due to the need to choose between integration projects were eliminated. These "border" countries turned into "connecting" ones, which presented new opportunities for the development of national economies.

A Greater Europe seemed such an appealing idea, that even the conflict between the RF and Georgia in August 2008, for some time was regarded as an unfortunate incident, that should not slow down but rather speed up work on integration.

The political culmination of the Greater Europe plan can be considered the trilateral (Germany, France, the RF) summit in Deauville 19.10.2010, during which an action plan was agreed upon, which foresaw that in 10-15 years the EU and the RF are to have a common economic visa-free space with a common security system .

As part of the idea of a Greater Europe the Association Agreement with the EU *did* really give Ukraine a competitive advantage in the process of continental integration. Rapid adaptation to European standards and technical regulations, as the most advanced, became an incentive to accelerate the modernization of national economy, the social security system. An opportunity presented itself to strengthen national positions in the regional division of labor, to maintain its export niches, and, in the long term, increase production volumes. At the same time, Ukraine tried to balance the western vector by establishing FTA with CIS and implementation of the "3 + 1" formula in relations with the RF and countries of the Eurasian Union, which was witnessing accelerated formation.

However, in the face of escalating global competition such tactics of Ukraine brought about the opposite result.

Abandoning efforts to coordinate their positions, the big players chose the strategy of "political and economic domination" and control over "areas of exceptional geopolitical interests". Tensions between the RF and the EU began to grow. Since mid-2011, it is constantly manifested in trade conflicts, reciprocal political demarches, cultural and ideological provocations.

The European Union is noticeably gravitating towards the Euro-Atlantic vector of development and establishing a Transatlantic Economic Zone with the United States.

Whereas, Russia, especially after the Cyprus crisis, expects development thought mobilization and etatisation of its economy. Meanwhile, RF leadership sought to compensate the threat of losing the European market by accelerated access to the markets of PRC and South-East Asia.

This being the case, the EU and YEAE, rather quickly, changed from protagonists - the two centers of a single integration process, into antagonists, vying for influence.

Under the new circumstances Ukraine's tactics of balancing between Europe and Russia became a source of new contradictions. Europe perceives this course as a double game, while the Russian Federation views this as Ukraine's final step out of the "influence zone".

The Summit in Vilnius, where Ukraine requested for postponement of the Association Agreement, became the "point of explosion", the reason for the escalation of the situation in Ukraine itself and in the relations between centers of integration on the continent.

From the "forward" of continental integration, Ukraine became the "detonator" of continental crisis. The "safety pin of the charge was yanked", which may definitively bury the idea of a Greater Europe, EU dreams of subjectivity and end a nearly 400-year period of westernization of the RF.

In order not to lose the historical perspective, the EU and the RF will have to quickly determine their priorities. Given the intensity of the Ukrainian crisis and fury of the confrontation the situation on the continent could change radically and for long.

The scenario of rupture of civilizations is all the more likely. Under this scenario there is a new demarcation strip between the EU and the RF, preventing further collaboration and cooperation. The EU will be forced to accelerated integration into the "Euro-Atlantic project", which the USA is very actively lobbying. Or, by abandoning the American project, Europe will remain in geopolitical solitude in a very disadvantageous position: with the economy in a protracted recession and limited resources for development, with problems of religious extremism and growing nationalistic reactions among member states, and military-political threats from the RF, in which, ultimately, forces that are focused on gaining geopolitical revenge will prevail. The prospect of Europe will be reduced to a simple choice: dissolution in the Atlantic project, quiet stagnation and a likely collapse.

Meanwhile, Russia's break in relations with Europe will lead to the unfolding of a financial and economic crisis and subsequent scientific and technological lag.

Etatization and mobilization of the economy without an active presence in foreign markets can only postpone the crisis. But it will not provide long-term, steady development. It is highly unlikely that Asian markets (technology, capital and marketing) in the short and medium term will fully replace Russia's co-operation with the EU. The socio-economic achievements of the last 10 years of development will be lost. The problem of xenophobia, religious and ethnic intolerance will intensify; these were compensated by economic growth and improvement in living standards in previous years. Meanwhile, there will be a rise in risks of centrifugal tendencies and the collapse of the state as early as the medium term.

No matter which side of "rupture of civilizations" Ukraine will take, this scenario will not bring any benefits the country.

Ukraine's chosen role as a "merchant of geopolitical benefits" in this civilization confrontation will not give the benefits estimated by individual experts and politicians. On the contrary, it will make Ukraine a country with high investment risks, that will limit the implementation of high technology projects and arrival of investments into the real sector. The imbalance in the development of various sectors of the national economy will deepen, deindustrialization, degradation of the social security system and falling living standards will accelerate. This, in turn, will lead to the expansion of demographic problems, exodus and changes in the ethnic landscape of the country. The risks of rapid socio-economic degradation and loss of statehood will increase.

The second scenario – cessation of crisis escalation and a new impetus to integration, currently, has little chance of being implemented, and that chance is reducing every day. However, there is still a chance to channel the situation in the dialogue dimension and restore movement in the plane of cooperation, not confrontation. This will require significant changes in the internal politics of Ukraine and the restoration of a political dialogue between the EU and the RF in moving the project to create a single continental zone.

This being the case, it is evident, that internal reforms in Ukraine and steps to normalize EU-RF relations should be made not only consistently, but simultaneously as well. Synchronism and interconnectedness of these efforts will be key to solving the Ukrainian crisis. Following such logic, it is of paramount importance to develop new approaches of providing collective security in the region.

I.3. Security dimension of the global crisis: factors and manifestation

The current world order inherited its basic design of international institutions on maintaining security from the bipolar world. The main objective of their work in the mid-twentieth century was to prevent a new global armed conflict, a task the system more or less coped with successfully. However, it became clear as early as the 60-70ies of the last century that even with the participation of superpowers this configuration of institutions is not fit for the settlement of regional crises.

Inability to respond to the many challenges of regional conflicts and crises became even more evident in the post-Soviet period. The main purpose of the security institutions of the "cold war" era since the mid 90's and at present is mainly to provide political support to military campaigns. Their role in preventing and resolving international conflicts and crises is significantly reduced, and in some cases is almost reduced to zero.

Preventive diplomacy, as a method of recognizing and preventing conflict escalation is largely replaced by preventive use of force. Whereas, the need for international legal legitimacy for enforcement actions is often ignored. Even large-scale military operations often take place outside the framework of international security institutions, or even regardless of their position. The most illustrative example was the use of NATO forces in Yugoslavia (1999), US operation in Iraq (2003), which took place without a proper UN mandate.

The ability of security institutions to respond to challenges and adopt decisions necessary for the stabilization of the situation are often blocked at the level of the UN Security Council. The widespread use of veto by the permanent members puts the Security Council into a state of political paralysis and converts it into a platform for delivering propaganda statements.

This is clearly demonstrated by the long conflict in Syria and intense armed confrontation in Ukraine. Political formulas do not work, while there are no legitimate mechanisms to collective forced end of hostilities.

Even under the auspices of international security institutions security measures often do not reach their goal. On the contrary, they often lead to long-term degradation. As demonstrated by international intervention in Libya, the lack of instruments of international post-conflict settlement results in the reproduction of conflict and its escalation.

Amid the drop in effectiveness and influence of global security institutions, *the problem of global militarization* is intensifying. In particular, the signs of the

beginning of a new "arms race", including its most dangerous nuclear component, are becoming more obvious.

The present system of international security is barely able to respond to crises, initiated by terrorist, extremist and fundamentalist movements. Assistance to countries in their fight against terrorism and extremism is largely given in bilateral or bloc formats.

Insufficient and limited are the opportunities of the international security system in responding to the challenges of economic, information, resource and humanitarian security in individual countries. This greatly reduces the potential of international institutions in handling "hybrid" conflicts and prevent them from escalating into an open phase.

Amid the deployment of the next wave of global economic crisis and growing conflicts between major world powers, regional leaders, bloc of countries such weakness of international and regional security institutions is a threat in itself. The lack of reliable safety devices against the spread of conflicts poses the threat of new large-scale armed confrontations. Even ones with no winners.

II. The Ukrainian conflict in the context of a global crisis

II.1 "Maidan" and the causes of conflict

The revolutionary events in Ukraine in autumn 2014 stopped the degradation process of sovereign Ukraine (its post-Soviet project, in the version 1991). A kind of break and acceleration, much desired by the Kremlin, of the process of Ukraine's "absorption" (not a real state) occurred in 2008, when the Kremlin formalized its vision for Ukraine in the new Eurasian Union. In 2013, this scenario began to look quite realistic.

The policy of Ukraine's re-colonization (during 2008-2013) was carried out in four main areas – the economic system as a whole, the energy sector, the security sector, and the information policy. The Russian President was well aware of the peculiarities of former President Yanukovich's corporation-state. This gave him the confidence to assume that Ukraine – is not a "state" in the usual sense of the term, and accordingly determined the level of his intervention in the domestic and foreign policy of Ukraine. Out of all spheres of the country's functioning Yanukovich's highest goal was personal enrichment, whereas the Putin regime had a much broader set of tasks in Ukraine. In the economic sphere the aim of the RF was to securely bind Ukraine to Russia, prevent

rapprochement with the European Union and the United States, avert institutional and structural modernization of the economy. Increasing Ukraine's energy dependence not only facilitated the achievement of these goals, but also expanded Kremlin's capabilities of carrying out an energy policy of dictation at the international level. Ultimately, the transformation of state institutions into a centralized system for the extraction of resources from the economy opened up vast opportunities for the RF to "purchase the state's political and military leadership in bulk" and "to clone" on Ukrainian territory a quasi-state designed for convenient Russian foreign control.

In this context, *the causes of the Ukrainian conflict in its "Maidan" phase was the aggravation of these contradictions, essentially a rapid display of devastating world events on national land.* The ruling elite engaged in personal enrichment through plundering the resources of the state, amid systematic violations of political, economic, social and cultural rights of Ukrainian citizens. Rising unemployment, poverty against the background of theft of public resources, corruption, lack of fair judiciary, insecurity, but most importantly - the lack of prospects for solving these problems, conservation of this kleptocratic-clan structure created the basis for social explosion.

The reason for the crisis was the refusal of the head of state to sign the Association Agreement with the EU. But the rapid reversal in the direction of the Customs Union put an end to the hopes of the active, conscious part of Ukrainian society of democratic development of the state based on European principles, and therefore to their personal expectations.

At the beginning of the crisis, the social stratification of society reached critical values. Two-thirds of state property is controlled by a hundred of the rich. Experts estimate the income gap of "decile" groups -10% of the richest and 10% of the poorest Ukrainians reached 35 times. At the beginning of 2013 Ukraine, (and) the RF where the leading countries in Europe on the number of people, who became rich rapidly - 397 persons had assets of over \$ 30 million.

The large number of people living below the poverty line (in Ukraine, according to UN data 80% of the population is poor), significant differentiation of incomes generate not only economic implications, but also violate democratic principles of a market economy, the human right to a dignified life.

It is recognized that this figure (decile coefficient) with the limit value of 10:1 is critical for national security and indicates the probability of social instability.

The most active and productive part of Ukraine's population – entrepreneurs, workers were ready to embark upon the path of protests. The budget was filled largely through the tax burden on SMBs, added to daily corruption pressure (bribery, extortion). Domestic production was being destroyed by imports, public assets were looted.

Strategic enterprises - ports, machine building enterprises, communications were pushed to bankruptcy, sold for nothing.

A peaceful way out of the crisis would have been possible through peaceful change of government, implementation of necessary reforms. Instead, the externally controlled ruling elite showed a radical change of policy – deviation from the democratic path and a return to the path of authoritarianism, the course of joining the club of dictators - "Customs Union", attempts to resolve social conflicts by violent means, impunity.

II.2 The Russian Federation as one side of the conflict and “enfant terrible” of global security

Ukraine’s exit from the post-Soviet Project and the transition to a Ukrainian European project was a test of strength and vitality of the Russian imperial power. Ukrainian Maidan in 2014 stirred up the phantom pain of the Empire and old fears of imminent internal and global changes. The path of Ukraine - is the personification of the drama of transition from dictatorship to democracy. Russia’s nonlinear history of development in the last century - the events of 1917, 1991, 2014 - reveal a complex process of the strengthening of Russian statehood in the era of the collapse of classical empires. The conflict in Ukraine – is a demonstration of the incompleteness of the transformation of the Russian Empire into a modern state. Russian policy towards Ukraine, which resulted in the seizure of territories and a military conflict is a reflection of internal contradictions and fears of the RF, which it can not overcome by other means.

At the beginning of the XXI century the Russian Federation is not considered a third "pole of power", and is seen only as a strong regional state. This perception stems from the figures of the country’s socio-economic development, which do not correspond to the figures of developed countries, high levels of corruption, demographic potential.

The share of the RF in the world’s GDP grew at the expense of rising prices for hydrocarbons (2000 - 0.8%, 2013 - 2.8%). According to estimates of the World Bank and the IMF, in 2019 the share of the RF will fall to 2.5%. Meanwhile, the US share in 2019 will remain almost at the level of current indicators - 21.8%, while China's share will increase to 14.7%. These calculations, made at the beginning of 2014, do not take into account the impact of US and EU sanctions on the Russian economy. According to expert estimates, in 2019 the share of RF in world GDP will be 1.8%, which turns the country into an economic dwarf.

Not accepting inferiority, Russia demonstrates the ambition to create a new pole of power, bringing into its circle states with a certain economic potential, and discontent

with the Bretton Woods system (the World Bank and International Monetary Fund), and a number of situational conflicts (USA-India, US-Brazil).

BRICS - is another attempt to create a club, which would be an alternative of the G7 and other formats. But internal contradictions, in-equivalence and weakness of some players, dependence on international financial institutions question the organization's ability to exist. The neutrality of BRICS members on the "Ukrainian" issue may eventually have a negative impact on them, as these countries also lack security, internal stability (separatism, terrorism) and have border disputes. Russia, which initiated its establishment, will not be able to lead, given the interests of China. As BRICS will largely depend on the position of China, the degree of understanding between China and India, this club should only be considered as a periphery of China, as a pole of power. Even the fact that the Bank of BRICS development is located in Shanghai reveals where the decision-making center will be located. Currently, the project is in question: the aggressive rhetoric of the Russian leadership, demonstrative violation of international rules clearly defined Russia's role as a world aggressor and caused its isolation. New allies have their national interests and are unlikely to put themselves in unfavorable economic conditions for the sake of the RF.

The success of the BRICS and other structures, alternatives of the World Bank and IMF, are possible only the US and EU demonstrate absolute neutrality on the issues. But China, India and Brazil are very dependent on trade relations with these countries, while sanctions against Russia do not allow to develop this project altogether.

Iran, which, apart from BRICS, could act as a Russia's ally, is interested in obtaining Russia's share of the market supply of hydrocarbons to Europe, lifting of economic sanctions, therefore, it will act within the agreements with the USA and the EU.

The Shanghai Cooperation Organization (SCO) is an attempt to create a regional security alliance. The level of economic and military capacities is uneven, and accordingly, this will determine the level of contribution to the organization. At present, the most powerful in this format, China will play the most important role and accordingly, can use SCO to influence weaker and dependent countries. This is obviously through the economic and not yet articulated territorial interests of China in the region of Central Asia and the Far East, Eastern Siberia.

The reasons for the annexation of the Crimea and inspiration of an artificial conflict in eastern Ukraine, declaration of "war against all" is the economic weakness of Russia, inability to overcome internal contradictions: a demographic crisis, corruption and degeneration of the state apparatus. The aggressive actions of the RF leadership are also caused by the so-called "national interests", arising from the inability to compete on the world map: 1) the risk of losing the dominant role on former Soviet Union territory; 2) the risk of centrifugal tendencies on Russian territory; 3) traditional imaginary risks of military threat from NATO and the USA; 4) the risk of internal instability, inability to overcome internal social and economic challenges. These risks potentially threaten the stability of the political system and the preservation of power by the ruling elites.

The consolidation of society around the country's leadership, its mobilization amid the war against a phantom external enemy will, according to Putin and his entourage, mitigate the effects of the devastating factors and delay the country's collapse. But such actions have proven to be irrational. Russia is essentially destroying those factors, which contributed to its economic and political success.

Some implications. The armed conflict in eastern Ukraine with the active participation of Russia and sanctions against it do not only complicate, but also question the further integration processes in the post-Soviet states. In particular, the transformation of the Customs Union into a Eurasian Economic Union. Disintegration processes in the CIS are amplifying - members of this format are at war (Armenia-Azerbaijan, Ukraine-Russia). Belarus, Kazakhstan, Uzbekistan, Kyrgyzstan, Tajikistan and Turkmenistan - all have different political and economic goals. In essence, CIS played its part and "demised". The projects of a "Single Economic Space" (SES) and the Customs Union have been removed from the agenda. A more ambitious format arose in their place - the Eurasian Union, but the difficulties in the process of its formation, contradictions and hidden conflicts of interest between the members have questioned its successful development in the future.

It seemed that seizure of the Crimean territory would grant geo-economic resources (shelf, recreational potential). Instead, Russia is facing a number of economic, social and infrastructural problems, budgetary costs, inability to use this potential as a result of sanctions. Military and strategic use of the Crimea cancels the prospects of making use of the recreational resources and makes the peninsula a potential target for NATO (missile defense system).

After the occupation of the Crimea the Kremlin was expected to confirm that Russia will remain within the boundaries of at least a "world order for the third world." ***Instead, Putin positioned himself as a revisionist of the general world order, i.e. proposed to respect the right of the winner in the war as an inalienable right of the modern world order.*** The turning event July 17, 2014 - the "Malaysian Airlines" "Boeing 777" shot down by separatists, marked an end of international rejection of the aggressor's actions, adding new meaning to the concept of "treacherous violation of the border." Up to that point the conflict in Donbas was mainly interpreted as a local one; however, the violence in the skies over this territory was perceived as an encroachment on the sovereignty of the countries, whose citizens were victims of the attack. That is why the current world order is particularly sensitive to violations of the principle of inviolability of transport corridors, airspace and sea routes.

The "achievements" of the RF, derived from the conflict in eastern Ukraine, are also questionable. *Hybrid warfare results in hybrid consequences.* The industrial capacity is destroyed, the population is scattered, urban infrastructure is destroyed, the area is suffering from pollution, man-made implications of war, crime. The separatists' "leadership", who are not consolidated and suffer from internal contradictions and conflicts, are not able to overcome these problems, control crime. The winter period significantly increases these problems. As a result, assistance to the "Russian-speaking population" leads to the destruction of the region, that is unfit for habitation or production. The presence of this exclave - filled with weapons, crime, with open borders poses a threat not only to Ukraine, but to Russia as well. Donbas is the source of "export of instability" for both countries. There is a risk of instability transferring to the Russian territory, due to the outflow of armed marginals, refugees, rise in illegal trafficking of arms.

The listed implications reiterate the irrationality, in strategic terms, of the actions of RF's political leadership.

Should the Ukrainian-Russian conflict be considered as the starting point of a new "third" world war. Russian politicians continue to maintain an aggressive rhetoric. Information warfare is taking place not only on the "Russian-Ukrainian front", the RF seeks to mislead the whole world. The military presence of Russia in Donbas and on the border with Ukraine is increasing. Separatists continue carrying out offensives on the territory controlled by Ukraine. The use of heavy military equipment, rocket artillery, as was demonstrated in Volnovakha, Donetsk and Mariupol results in numerous casualties among civilians, the destruction of civilian infrastructure.

As a result of economic and political sanctions, Russia incurs reputational and financial losses, it is alone in the fight against the world. None of its "allies" and lobbyists are ready to bear political or economic losses for an confusing purpose. However, the zone of instability may expand. Methods "undermining" stability, acts of terror can be applied to other areas, not only in Ukraine. The US government and NATO command presume such unfolding of events, and they are taking appropriate steps to increase military presence in Europe.

II.3 The “Ukrainian issue” in the context of global security

In the present environment, the US and the EU have to demonstrate efforts to resolve the crisis, strengthen alliance relations. Sometimes this is linked with the adoption of unpopular economic and political decisions.

Currently, the US and the EU are demonstrating a certain weakening and are moving towards a decline in the face of new geopolitical and domestic challenges, loss of control over the situation, failure to effectively influence it. In particular, this applies to non-international armed conflicts (as defined by the International Committee of the Red Cross) occurring in Colombia, Libya, Syria and periodically - in Liberia. Under international humanitarian law the situation in Donbas is also seen as a "non-international armed conflict" by global players. The Russian side has not officially joined the hostilities and strongly denies military presence in Ukraine.

Nevertheless, in addressing the Ukrainian crisis the US and the EU had to take a pro-Ukrainian position. "Democracies do not fight," and Ukraine demonstrated a powerful movement towards democracy, eradication of authoritarianism and corruption. Another positive aspect is the lack of Ukraine's territorial claims to neighbors, adherence to international commitments. The protection of democratic principles is what forces the "USA-EU" bloc to show solidarity with Ukraine, impose sanctions against the aggressor.

Today, on the eastern border of Ukraine a new dividing line is emerging that marks the boundary of a democratic and neo-totalitarian world, Europe and the "Russian World". The collapse of Ukraine's participation in integration projects on the territory of the former Soviet Union accelerates the final collapse of the CIS, undermines the prospects of the Eurasian Union and the Collective Security Treaty Organization (allies did not wish to share the negative effects of sanctions against the RF) and the subsequent fragmentation of the Russian Federation. It is expected that Russia will have to act in close orbits to China, follow in the footsteps of its interests and gradually "dissolve" in them.

One way of returning the situation to a stable state, the way out of the chaos, is the reliance on traditional "poles of power" – USA with a range of European allies, and China.

According to Z.Brzezinski, the concept of a multipolar world against the background of the current conflicts is not justified, as these poles exhibit different capacities, different interests. That is why the

conventional bloc "US - PRC", is the most appropriate in terms of current security poles, because there is a possibility of its peaceful coexistence.

Active influence on the Ukrainian crisis and the course of the armed conflict in eastern Ukrainian became a type of a preventive measure of the RF in averting its own crisis. Gradual escalation of the conflict, up to the threat of escalating into full-scale war, is essentially Russia's tool to blackmail the West and its attempts to position itself as a superpower. However, it is unlikely that this strategy will bring the results expected by the leadership of the Russian Federation.

Given the realities in the Ukraine-Russia relations (annexation of the Crimea by the RF and imposing the frozen conflict in Donbas on Ukraine), Ukraine should offer new approaches and a Ukrainian dialogue platform.

GENERAL CONCLUSIONS:

Global implications

1. The "Ukrainian issue" and exacerbation of conflicts between civilizations is a challenge for both leading countries of the world, and for countries which are involved in one way or another in the resolution of the Ukrainian crisis, as well as international institutions.

Ukraine – is a country, the territorial integrity and sovereignty of which were guaranteed by the US, France, Great Britain and the Russian Federation. As a result of Russian aggression in the Crimea, and subsequently - in eastern Ukraine, the system of international agreements and the post-war security system have been destroyed, the dividing lines in Europe emerged once more.

The problem of unrecognized territories - Transnistria, Abkhazia, South Ossetia, the LPR / DPR – the so-called "New Russia" - has exacerbated.

The countries' stand on the Ukrainian issue has divided the world into two opposing groups - Russia - US and its allies, which apply military rhetoric.

2. Ukraine became the personification of a World War threat and a challenge to global order. Currently, Ukraine faces the risk of becoming a zone of a new geopolitical split in the center of the continent. Further escalation of the conflict and the inability of the leading states to ensure its political settlement, will bring the continent back to the "Cold War" environment. The risks of large-scale armed conflict in the region with the application of "nuclear powers" will significantly increase.

3. The conservatism of international security institutions threatens European and world security.

The crisis needs to be resolved, including UN institutional inability, UN Security Council in the prevention and resolution of armed conflicts. At present, the system of the UN Security Council (veto power of the five permanent members) demonstrates the impossibility of adopting the required decisions for global stability, does not meet the interests of the powerful new global players, thus it is in need of a reform.

A new OSCE agreement is required. Its decisions are to be carried out, mechanisms for monitoring and enforcement of their performance are to be established.

4. Today, settlement of the Ukrainian conflict by peaceful, diplomatic means, in view of the heavy human and economic losses, is the only justified way. However, risks of escalation will remain.

5. Military aspects. The Ukrainian conflict – is a precedent of a "hybrid war", that can either confirm its unique crushing force, or, on the contrary, encourage efficient search of countermeasures to "hybrid" technologies. The Ukrainian precedent can be replicated as **a special mission aimed at the destruction of the state, in which disruption is achieved through escalating internal political and economic contradictions** (countries, regions and international blocs). Corruption of top officials, reliance on systemic corruption in institutionally fragile states, discredit of the already weak state institutions will be a potential threat to loss of statehood in the era of hybrid wars. Social and political instability within a state – is the new weapon of modern warfare. Just as nation states once mobilized internal resources to gain global exposure, they must now mobilize global resources to ensure internal social and political stability. Macro-financial vulnerability combined with the deformed economic structure in the Ukrainian case revealed to be necessary and sufficient conditions for the preparation and implementation of hybrid aggression by a neighboring country.

5. The losses and damage from the environmental effects of destruction of man-made objects in the course of military conflict significantly exceed the harm from direct use of weapons.

The very possibility of the reproduction of modern civilization under the conditions of military actions in the industrial environment is under question.

Implications for Ukraine

Demonstrating institutional weakness Ukraine becomes a potential victim to external aggression. At the same time, the country has identified its capacity for armed resistance to the aggressor, showing patriotism, devotion to the ideas of civil society independence. This enables the development of the national project "New Ukraine", on condition of internal consolidation, fundamental reform and external support.

In the economic sphere Ukraine is vulnerable to the loss of Russian markets, reduction of its industrial capacity, destroyed by war. Competing on European markets will be problematic.

Meanwhile, there are incentives for legalization of the economy, fighting corruption, improving the investment climate, effective use of its strategic resources, including land, creating a more flexible system of state governance.

For some time to come, active external assistance may be required from countries and institutions that are Ukraine's creditors, in order to establish and strengthen effective public institutions.

Implications for Russia

As a result of the conflict Russia witnessed a local, short-term effect in the domestic plane. The population has united around the political leadership. Economic difficulties, authoritarian tendencies, narrowing democracy can be justified by the war of the West against Russia. It should also be noted that the economic sanctions applied by the US and EU against Russia did not have the expected deterrent effect.

Long-term consequences will be negative, especially in the socio-economic, internal - and foreign policy planes.

The loss of foreign-policy authority, the country's image of an aggressor state will narrow Russia's possibilities to participate in global issues, strengthen its isolation. Due to the country's nuclear status, these events will not take place through military means. The threat of a new "Cold War" has become a reality, which, unlike the previous one, will display itself not only as an ideologically geopolitical confrontation, but as a civilizational and cultural opposition (the "Russian World" against "Western civilization").

There will be a simultaneous aggravation of domestic threats: public discontent regarding internal turmoil can be shifted from the "external enemy" to the political leadership. Centrifugal tendencies will intensify among the Federation's constituent members. Russia will gradually plunged into an era of internal instability. Political and economic dependence on China will intensify. In the future, there is a possible escalation of China's creeping expansion in the Russian Far East into seizure of territory, through hybrid methods that have already been tested by Russia. This being the case, one can expect a "passive-troubled" reaction from the international community.

Appendix 1

“Peace Plan: Reboot”

(prepared by the Institute of Strategic Studies “New Ukraine”, February 2015)

The armed conflict in Donbas jeopardizes the stability of world order. Internationalization of the conflict could turn into a large-scale European war, which will have no winner.

Further escalation of the armed conflict could lead to new upheavals in Ukraine and crisis of its statehood. That is why, right are those who believe that this conflict has no military solution. The call for a political settlement of the conflict is in the documents and statements issued by EU, PACE, NATO and OSCE representatives, state leaders of the Budapest Memorandum signatories, all state-partners of Ukraine.

During the conflict, the armed separatist movement in Donbas has strengthened, with external support from the Russian Federation (military and financial aid, manpower, diplomacy, propaganda).

According to recent PACE documents, the separatists are called «party» (i.e., resolution №2034, p.8). This reflects a new political reality, associated with the beginning of the «Minsk Process» of negotiations of authoritative parties, and the adoption of the so-called «peace plan», which, unfortunately, the parties do not adhere to.

It should be noted that the ineffectiveness of negotiations at the highest level (the so-called «Norman» and «Geneva» formats) is, above all, conditioned by the lack of a viable basis for negotiating at the level of the direct participants of the conflict.

The events of January 2015, related to strong escalation of armed confrontation and the actual breakdown of the «Minsk process», indicate that the conflict is entering a frontal war phase and can get out of hand for all the participants.

Already, hostilities have led to a humanitarian disaster: thousands of civilian casualties, more than one million refugees, dozens of destroyed settlements and infrastructure in the region, with economic and social facilities systematically being destroyed.

Hunger, cold, poverty, unemployment, violence and criminal tyranny, the fear and despair of civilians – this is the new reality of Donbas, caused by the war.

In this critical situation, it is necessary to provide three interrelated conditions to overcome the conflict:

First, ensure dialogue and negotiations at two levels simultaneously - national (involving the conflicting parties) and international.

Second, organize an international peacekeeping mission, that will ensure adherence to the conditions of the achieved peace during the transition period, determined by the new peace plan.

Third, a broad national dialogue on the conditions and prospects of ensuring sovereignty, integrity and unity of the state, development of local democracy based on self-government, strengthening guarantees of civil rights and liberties.

The war must be stopped. Peace, compromise, restoration of normal life in the region and the whole country - these goals can unite all Ukrainians and stop the impending disaster.

The following steps are required to ensure new peace.

First. Create a new, «post-Minsk» negotiation format. The negotiators - authorized representatives of the President, Parliament and Government of Ukraine, the leadership of the Donetsk and Luhansk regions (public administration, local government), authorized representatives of the self-proclaimed DPR and LPR, diplomatic representatives of the RF and the EU, an authorized OSCE Mission, UN Special Representative. The task of the new negotiating team - develop a specific action plan for a cease fire, provide humanitarian truce, release of prisoners, approve the guaranteed boundary line. The action plan must also include measures to provide humanitarian support to the population, restoration of economic facilities and infrastructure, provide assistance and support to refugees. The plan should assume a transition period of at least three months.

The group's place of operation may be any settlement in Ukraine, which is recognized by the parties as safe and which is selected by mutual concession.

At the same time, to organize systematic work on areas affected by conflict, there is a need in a special committee of the Verkhovna Rada (Supreme Council) on the revival of areas affected by armed conflicts.

Second. An international negotiation format within Ukraine, the Guarantor States on Security Assurance (signatories of the Budapest Memorandum), the European Union and with the participation of international organizations - the UN and the OSCE. The objective of the negotiations - guarantee Ukraine's peace and security, in the context of the preparation and implementation of a new peace plan.

Third. Establish a Ukrainian-Russian Commission for the settlement of border issues, with the mediation of the OSCE. Under the terms of the new peace plan, the

following must be ensured: control of the Ukraine-Russian border, measures to return Russian citizens, participating in the conflict in Donbas, back to Russia, cessation of supplies of military equipment and ammunition in the conflict zone.

Fourth. Hold an urgent session (meeting) of the OSCE, which should become the organizer and coordinator in implementing the peacekeeping mission in the conflict zone (boundary line, Ukraine-RF border line). OSCE members, among neutral and non-aligned countries, may be involved as direct participants.

To ensure such a mission, it is suggested to adopt an OSCE Policy Statement on the Ukrainian issue. This Statement should outline the new tasks of the OSCE Mission, as the only international organization on security in Europe, granted credence and which can form the basis of the renewed European security architecture.

Fifth. It is necessary to conduct a thorough international investigation of all the facts of war crimes against civilians in Donbas. For this purpose, a special commission of the Verkhovna Rada must be set up, which, in coordination with representatives of OSCE member-states, will ensure an objective and fair investigation of ALL war crimes.

Sixth. Along with the establishment of peace, it is necessary to create a broad Council on Donbas, which will include representatives of local government, NGOs and business associations, representatives of different factions in the Verkhovna Rada, moral authorities. The purpose of this Council – develop a long-term development program of Donbas, organize a broad dialogue in the region, which was affected by the conflict, as well as between other regions of Ukraine.

Seventh. Upon achieving peace – hold a National Unity Forum, which will be attended by representatives of local governments from all regions of Ukraine, representatives of parliamentary factions, the Head of State. The purpose of the Forum – reach an agreement on the issues of reforming self-government and the administrative-territorial structure of Ukraine. The results of the Forum could be displayed in the Constitutional Manifesto, which would mark the beginning of a new constitutional process in Ukraine.

Eighth. The most important prerequisite for peace and security is the restoration of confidence and business relations between Ukraine, EU and RF. Removal of sanctions, normalization of economic relations, formation of a new contractual basis for relations require a new permanent Ukraine-EU-RF negotiation format. This format can be created as a permanent tripartite parliamentary committee, with the support of a tripartite expert group.

Dialogue on the future of Ukraine will be possible only if there is peace. These steps will allow us to stop the war, save thousands of lives among our fellow countrymen, restore peace in Ukraine and Europe, and start a serious dialogue on how to live in a united country.

Appendix 2

Post-conflict Perspective

1. If peace is established in eastern Ukraine and a new dialogue on the future of stabilization and improvement of Ukraine emerges fundamental importance is given to the issue of launching a new dialogue in the Ukraine-EU-Russia triangle.

Achieving peace will allow for a gradual dismantling of sanctions and to restore economic cooperation between the EU and the RF. However, one should consider the high level of mistrust, damaged trade relations, numerous frozen joint investment and production projects.

For Ukraine, these issues are of critical importance, given the high volume of trade and economic cooperation of the previous years. The entire legal framework of Ukrainian-RF relations has virtually been discredited. Restoring confidence in the economy and inter-state relations calls for a dialogue between experts and members of the political class.

The first step to restore such a dialogue could be the creation of a tripartite expert group and an inter-parliamentary deputy group, that would work out a program under the code-name "Restored peace and cooperation."

Part of the program should be devoted to coordinating approaches, regarding Ukrainian-Russian economic relations and RF-EU relations. Meanwhile, the base for Ukrainian-EU relations *is and will remain to be* the Association Agreement and the FTA.

2. Ukraine's efforts to achieve peace and cooperation on the continent should be directed at the development of economic cooperation between the EU, Eurasian Union, China and other economic centers of the continent.

In this context, it may be relevant for Ukraine to launch an initiative (addressed to the members of the UN Security Council) on holding an International Eurasian forum on the economic revival of Donbas. Creating new opportunities for the development of Donbas – is a new positioning of Ukraine and the region as a logistic, industrial and technological center of the new Silk Road between Asia and Europe.

In the future, multilateral projects in the energy sector (transit, alternative energy), mechanical engineering and agriculture can be implemented on the new platform.

Appendix 3

Proposals on Reforming OSCE

An extract from a Memorandum by the Institute of Strategic Studies "New Ukraine", "Lessons from the Ukrainian crisis", June 2014

At the regional level (in Europe) one of the most pressing issues is the reformation of the OSCE. The formation of a new European security architecture should be executed in such a way that the right to direct control of arms, military technology, the use of armed forces are placed under broad “collective sovereignty”, which the OSCE must be empowered with.

In essence, the following is proposed:

A reform of the OSCE in order to transform it into an organization with proactive security functions, that will combine the interests of the member parties of the current military-political blocs, conduct non-aligned policy and are neutral. Formation of OSCE combined forces, that can locate and deal with conflicts at the regional level.

Give the organization the right to provide preventive military aid of collective forces to the country involved, in the event of a request for assistance.

Formation of a mechanism to ensure “collective sovereignty” to the countries involved, which means resolving territorial conflict issues (regionalization, disputed territories, self-determination of communities) only on the basis of the consensus decision made by OSCE members.

Creation of a monitoring and control system to supervise the militarization of advanced “civilian” technologies, scientific inventions with the aim of limiting the possibilities for their implementation in the field of arms (perhaps it would be best to work out such a mechanism with the UN).

Formation of the system of GIS monitoring (Space Technology for the Earth Observation) of military, infrastructure and environmental security on the continent under the OSCE. Establish within the OSCE an international intelligent network of

research centers on security issues.

The new agreement on security on the continent is key to the OSCE reboot. The discussion and preparation of the contract should be launched as early as 2014, the basis for which is the challenge posed by the Ukrainian crisis.

In the future, the OSCE model could be implemented at the level of the world's macro-regions at the same time creating a system of communication and subordination with the UN and the UN Security Council.