

NATIONAL INSTITUTE FOR STRATEGIC STUDIES
UKRAINIAN INSTITUTE FOR THE FUTURE

THE WORLD HYBRID WAR: UKRAINIAN FOREFRONT

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Monograph

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In this multi-authored monograph the scholars of the National Institute for Strategic Studies of Ukraine present an unprecedented study of the phenomenon of the world hybrid war, which manifested itself in the Russian aggression against Ukraine. The nature of the hybrid war was analyzed in the context of the global security crisis and was studied as a new type of global confrontation. This monograph is a complex analysis of the causes and preconditions of the Russian aggression against Ukraine with respect to the strategic purposes and special aspects of conduct in various dimensions including military, political, economic, social, humanitarian, and informational. This monograph also presents research of the local success of our country in resisting the hostile plans of the Russian Federation in certain areas. The conclusion reached by this study is that Ukraine is capable of fighting against an aggressor for her sovereignty. The reformation of international security institutions and attainment of balance of power in the new hybrid reality are also addressed in the monograph.

This book is meant for politicians, political analysts, senior government officials and scientists in the field of security studies. The research results would also be interesting for academia, representatives of civil society, as well as patriotic and responsible citizens.

Ukrainian institute for the future is independent think tank founded in 2016 which works on reports, forecasts and analytics on key issues of Ukrainian development. UIF mission is designing of a successful future for Ukraine, through expert studies and discussions that will promote and contribute the adoption of high-quality political decisions both in Ukrainian and international politics.

UIF has expertise in: foreign policy, national security, defense, economics, infrastructure and education.

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FOREWORD

*Battle on — and win your battle!
God Himself will aid you!*

Taras Shevchenko

Today mankind faces the challenge of hybrid wars, whether we like it or not. These wars will breed the new hybrid world or, to be more precise, the new hybrid world order. We must face these challenges earnestly and accept them as part of the new reality in which we live.

Russian aggression against Ukraine became a starting point for the formation of the new hybrid world order. This is not the portrayal of the situation in Ukraine from a Ukraine-centric point of view; instead, we've attempted to offer an objective view of the current state of affairs in Ukraine. Just as the assassination of Archduke Franz Ferdinand in Sarajevo released a spring of deep animosities and complicated processes that led to World War I, so the direct annexation of the Crimea carried out by Russia and its following actions in Donbas triggered the new world hybrid war.

"There is nothing constant in this world but inconsistency," wrote Jonathan Swift. The key problem of the current "processual moment" is that many people, including politicians, experts, scientists and journalists, still perceive the current state of affairs as something temporary in nature. They often handle and interpret it as something abnormal, or rather as a "transit phase" on the path to a fundamentally different, "better future". More importantly, those who have destroyed the world order, which until recently seemed strong and inviolable, have similar thoughts: the Kremlin state apparatus with its political, intellectual and military establishment, can be considered as "elite" only relatively. In general, both Russia and the West are clearly ill-prepared to accept this new reality.

Whether or not this is a consequence of the inability to comprehend the current moment or is the fear to accept it is another matter. "The real secrets become secrets not because nobody knows about them," warned Carl





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Gustav Jung, “but because nobody understands them”. Meanwhile, this hybrid war, a sort of paramilitary aggression, is unique due to many parameters. These parameters include: the momentary and imaginative cause at the onset of the war, deception, the near total moral decay and degradation of many citizens of the aggressor country, aggression that was sanctioned by the permanent membership in the UN Security Council, and the creation of mass media support to legitimize actions. The application of these methods of “active measures” of political warfare have resulted in the consequences of untold proportions. The real trouble faced by the aggressor occurs when it attempts to put together the aims and methods of the hybrid “war of the future” with the world realities of the past.

Russia is not solely responsible for the destruction of the old world order. Certainly its aggression against Ukraine (and earlier, against Georgia) became the direct cause of everything that is happening now; however, the West bears some responsibility for its policy of “washing its hands of the affair”. Western analysts are increasingly emphasizing the part the West has played. Peter Dickinson¹, aptly noted how the majority of the Western media suddenly went blind as to who the aggressor was in the Ukrainian conflict and what to call the Russian occupation. Alternatively, journalists invented some new words and word combinations whose sole purpose was to avoid the direct naming of the Russian aggression.

Perspectives similar to the beliefs held by Robert Kaplan were small solace when he said: “No matter how it would limit the possibilities of Ukraine, no matter how it would complicate the existence of the EU itself, neither the European Union nor NATO will bring Ukraine into the fold... [but] your future doesn’t look grim”.

In the meantime, the Western media, with its liberal-democratic world-view and principles, became a victim of the new hybrid reality. Their attempt to approach the political scene in accordance with the democratic standards of peaceful and rational coexistence was ineffective. Meanwhile, Russia was attempting to “revalue democratic values” through the lens of its “sovereignty”. By anticipating the classic standards of journalism, which consist of demonstrating at least two views for a given situation, they were able to consciously shift the “objectiveness point” and replace it with an elaborate and massive string of lies, thus turning an objective view of the situation into something absurd.

The West began to awaken after the first shock in 2014. It is unclear if the initial attempts to counter Russia were successful. But it is absolutely clear

¹ In his piece for the Atlantic Council.





the West needs to change in order to find an answer. This is a serious matter that few are prepared to handle.

The punitive measures levied against Russia were appallingly inadequate for the level of aggression shown and were guided by the logic of the “old world”. And Russia was most likely prepared for the consequences of its actions.

On the one hand, from the geostrategic point of view, Russia may intend to destroy the existing world order of the West’s domination of the global arena. A task which Russia is currently managing very well, and from its perspective, its actions are beneficial to restoring Russia’s status as a “superpower”.

But on the other hand, from the geohistorical point of view, one of the purposes is to return the world back to the reality of the middle of the 20th century — back to the period of the classic political realism rhetoric (“zones of influence”, “battle of the systems”, “interests balance and power balance”, etc.).

In other words, the geopolitical purpose of Russia with the start of the global hybrid conflict was: to destroy the existing world order in order to restore the tension of the Cold War period and to occupy a position of power in this new world order while taking into account the strengthened China.

This new world order is being formed before our eyes. Russia’s efforts and actions are playing a significant role in this process. However, the problem is that the new hybrid world (dis)order will have nothing to do with the world order Russia so desperately wants to restore. It will be a world (dis)order with a new distribution of power between the countries and with a new set of hybrid wars, initiated by the new players against the enemies and the former allies alike. The new world order will feature hybrid decisions in problematic situations, often beyond the legal boundaries of the countries, or in the so — called “grey zones” of national and international law, and within hybrid international law as well.

It is necessary to understand and accept that the new hybrid world (dis)order being built before us is not some kind of “transition stage”. It is actually the new reality that cannot be extended from the fundamental reality of the past. Moreover, Russia may as well has no rightful place in this new reality due to Russia’s inefficient economy, inefficient state authority and government, and its outdated vocabulary for ideological description and axiological comprehension.

In this new “beautiful world”, the risks for Russia itself have increased immensely as it released the djinn of hybrid war from his bottle and agreed that these new norms and principles of the “geopolitical debacle” apply to it as well.

Avoiding the fundamental principles of the world order and violating the norms and rules of international relations, Russia thereby has lost sufficient trust and credibility as a respected international partner. Western sanctions





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imposed upon Russia are just the overt response to this trend. Russia's access to the critically important resources, from financial to technological, is not limited, but their usage is now more difficult.

Russia has become sensitive to the instruments and mechanisms, methods and methodologies of hybrid war in the event they are used against itself, especially in the regions that are already of weakened military strength, or whose administration has been abandoned. The most susceptible region, the Russian Far East, is open to Chinese creeping expansion, which could probably start in the near future, and could last for decades.

For the time being, Moscow continues to work in its domain of expertise — trying to destroy the existing reality, and it is doing it fairly successfully. It is difficult to compete with Moscow when it comes to destruction. However, constructive decisions and measures have always been Russia's weak spot, particularly nowadays.

The Russian Federation has nothing to offer the world, neighboring countries, or its own citizens. It is significant that the lion's share of Russia's public strategic and analytical documents in recent times almost never refer to the issues of development within the country. There are almost no documents concerning new strategies in its economy, social policy, ethnonational policy, medicine, health care, etc. Instead, there are plenty of "outwardly-oriented" documents concerning the foreign policy, possibilities of returning to force (in all of its aspects) abroad, and analysis of the external foes and allies.

In addition, there is no internal political opposition that guarantee the development of the political system and ensure control of government institutions in Russia. There is actually no open political life per se, as it is truly determined by the behind-the-scenes struggle of particular clans and interest groups. The situation closely echoes the famous phrase from the *Kill the Dragon* film based on Yevgenii Scharz's play: "Well, if we are not allowed to protest, let us at least debate..." However, even the possibility to argue is being gradually destroyed as well.

When it comes to the Russian foreign policy in general, it undoubtedly consists of further development of capabilities for waging hybrid wars (as an implicit continuation of the policies "according to Clausewitz") in new regions and on new levels. Moreover, it is not confined to the European arena, but also exerts influence in the Central Asian region as well. However, Ukraine remains the focus of the Kremlin's foreign policy activities. And it appears Russia's practical activities will continue to focus on supporting the artificially created pseudo-republics and on continuing the hybrid warfare against our country as they adjust to the changing conditions and developments.





Russia, as it is today, poses a huge threat not only to its neighboring countries but to itself as well. This threat will persist into the future. Hopes that sanctions could somehow “calm”, “sober”, or “bring it back to normal” are merely illusory and groundless. Hope springs from the logic of “normal countries” behavior under “normal conditions” and a “normal world order”, but “normal” no longer exists. Thus, we can only trust our own powers and decisions.

In order to achieve success, it is necessary to discover a new approach and a new reality by slamming the door on past typical decisions taken for granted in all spheres, including the foreign policy, military, economic, media, social policies, etc. Foreign policy strategy changes have been recently noted: “There is a theory that compares intercommunication and cooperation of countries with billiard balls in the sense that foreign policy direction does not depend on the political regime as much as the force and trajectory of the strikes do not depend on the color of the billiard balls. Though in our situation, it is not the case of only the ball color changing, as almost everything has changed, including the table geometry and the character of the force of interaction”.

If we are totally honest, our main strategic goal now is not even the question of whether we are capable of finding a tactically successful response to the hybrid aggression (although it is vital), but rather whether we will be able to grasp and fully understand this new hybrid world, to understand its laws and patterns that until now have appeared to be a total chaos, and how exactly we may apply this newfound knowledge.

We should not be long in changing our strategies. Those who fail to change and transform, who refuse to accept this new geopolitical game, who only perceive it as the “return of the good old-fashioned Cold War”, will most probably lose, and may even disappear.

This moment brings new opportunities. If we are able to build a new and adequate worldview and correct our strategies, we may join the powers transforming this new world, however pathetic that may sound. We stand on the verge of deep transformation of our existing political, military, and economic alliances. We are beginning to forge new alliances. And we must take this opportunity to search for answers to new and unexpected problems. We have to be more active, more creative, and become more pragmatic in our activity. This is the essential reason for the massive revision of everything that until recently seemed basic and fundamental.

This does not mean Ukraine should refuse European and Euro-Atlantic integration. Not at all. But we must fill our perspective of this process with new, more realistic, and more achievable substance. It is also extremely





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important to consider how Ukrainian EU and NATO membership is still very distant and unclear. For this reason, it is difficult to prioritize the strategy when few believe we may actually achieve it. It is obvious that goal setting has to change dramatically, despite the permanence of the European and Euro-Atlantic integration vectors. This applies not only to the foreign policy, but nearly all fields.

The problem is not that we “cannot see” how our strategies need to change; our problem is whether our current public administration system is capable of implementing this change. And can it act in accordance with change? In particular, are we prepared for strategies that go beyond the boundaries of traditional practices and traditional instruments?

As we undergo change, our citizens and government will likely face significant stress. If this issue is brought to the national level of perception, we must ask: Are we prepared (and if we are, when and with what outcome) to exist in the framework of the new hybrid world and to stand against hybrid wars?

There is no answer to this question today, but we desperately need to find one.

Ukraine is learning about its past while trying to understand its present, and everyone may come to learn about the sphere of national security, voluntarily or not. However, even the world’s hybrid war will eventually come to an end. There will be no winners in this war. Just as the beginning is hard to measure and document, so will the ending lack any kind of a singular finite event. But this war has already changed a lot in the world in creating its own design of the world’s “hybridization”.

Ukraine is at the forefront of our minds as we are seeking to understand the world’s hybrid war, but we must accept that our northern neighbor will always remain our neighbor. We have to ponder the future of Ukraine. How can we start building this future now, under the circumstances of the ongoing war? I sincerely hope this complex monograph research, “The World’s Hybrid War: Ukrainian Forefront” conducted by the experts of the National Institute for Strategic Studies will not only develop a particular “framework” for existence in the new hybrid war but will also help unite all concerned for the sake of a better future.

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V.P. Horbulin*





SOURCES OF HYBRID WAR

Chapter 1

RUSSIA'S GEOPOLITICAL MESSAGE OF DEFIANCE

RUSSIA'S GEOPOLITICAL MESSAGE OF DEFIANCE

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*...Our sole and common enemy
is the Russian state system.*

Aleksandr Blok

1.1. CONFRONTATION WITH THE WEST

The first evidence of Russia's foreign policy turning to confrontation with the West and restoration of its own imperial nature was V. Putin's "Munich speech" in 2007. In it, the President of the Russian Federation not only accused the U.S. and NATO of attempts to build a unipolar world and impose their own "legislative system" on other countries, but also openly demanded that Russia, as a country "with a thousand-years history", be given a leadership position in international policy¹ making.

¹ *Выступление Президента России В. Путина на Мюнхенской конференции по вопросам политики безопасности 10 февраля 2007 года* [Speech of Russia's President, V. Putin, during the Munich Security Conference on February 10, 2007] [Digital source]. — Access mode: <http://izvestia.ru/news/321595>





The first implementation of these designs was a military attack by the Russian Federation on Georgia in 2008. This attack was not met by any appropriate and adequate reaction from the international community. Thus, Russia continued moving in this direction in order to restore its geopolitical domination.

The recent challenges thrown by Russia to the international community have forever changed the character of relations between the Russian Federation and the West. Russia was seizing the geopolitical initiative by creating problems and provocations to which Western allies were forced to react. This policy of the Russian Federation became a test for the entire international security system, international law and international organizations.

The current policy of the Russian authorities is an intent to provoke the authority of the international law system. This sphere of “soft law” was disregarded by Russia long ago. They violated almost all principles and obligations set as the foundation for the Organization for Security and Cooperation in Europe (OSCE) and systematically failed to abide by the decisions of the Parliamentary Assembly for the Council of Europe (PACE).

The Kremlin ignored the sphere of “soft law” while simultaneously attempting to change the “strict” and “general” international law in Europe in order to consolidate its regional influence. During the first decade of the 21st century, Russia worked via the legal framework of the security cooperation sphere to promote its agenda of change to the geopolitical balance on the European continent.

Verbally, Russia advocates achieving “full unity of Europe, without division lines, through implementation of equal cooperation of Russia, the EU and the USA”. In practice, however, Russia’s intent was to influence the decisions of, European countries and the EU, particularly as they related to politics, defense, and security. Lacking the ability to influence the decisions of NATO, and the defense and security policies of the EU member states, the Kremlin intended to gain these rights with the signing of new international legal agreements, particularly through reformation of OSCE by granting this organization a greater legal standing.

Thus, Russia’s attempts to maintain and reinforce its regional influence through amendments regulating relations between the countries on the European continent failed. However, it did not stop the Russian top authorities from their revisionist intentions, since international law has practically no enforcement mechanisms for world powers. The only instruments of influence for the international community are actions





of the member states taken against the offending states: sanctions, embargoes, etc. For these measures to be effective, they require the political will and unanimity of all the countries.

Since Western countries are based on democracy and pluralism, even decisions to impose sanctions on a third country are subject to discussion. This discussion is further complicated by the Kremlin's significant information and propaganda efforts to justify their actions.

In this context, the change of the Russian lawyers' approach to interpretation of the fundamental standards and principles of international law between 2014 and 2015 is quite revealing. This is not a case of opposing points of view, but rather a total denial of the previous approaches. This shift is clearly seen with examples of the norms related to the territorial integrity, inviolability of borders, equal rights and self-determination of peoples². Of particular concern is the interpretation promoted in the international scientific field whose aim is to blur the ambiguity of the content norms and create a hotbed for manipulating information and conscience of citizens in the Western countries.

Specifically, a manipulative and propagandistic manifestation of aggression is the most important component of Russia's hybrid war against the West. The Kremlin has no intention to engage in a full-scale conflict with the North Atlantic Alliance. It understands that their technological and economic backwardness will result in a definite and quick defeat. Lacking sufficient capabilities to establish even regional dominance, but having ambitious revisionist plans regarding the world influence, Russia made great efforts to disrupt the foundations of power of the Western civilization. One mechanism is destruction of the conventional system of law established during the period of Western domination. This involved revelation of a large amount of system incompetence, which spread doubts regarding the system's effectiveness among countries, and provoked the desire to implement new rules of the world order.

Another mechanism used to influence Western voters was erosion of confidence in their constitutional bodies of power and, consequently, in their political systems. Also, the loss of confidence in the ability of law enforcement to protect citizens provoked intolerance, hostility, and aggression towards minorities. In these circumstances, people would feel more alarmed and scared for their "unclear" future and tend to support more

² *Задорожный А.В.* Российская доктрина международного права после аннексии Крыма: монография [Russian doctrine of international law after annexation of the Crimea: monography]. — К. : К.И.С., 2015. — P.107.





right-wing or left-wing radical political forces whose political agendas often contradicted traditional European values. These far right and left representatives are often noted for having contact with the Kremlin.

Russia acts in several different directions to implement its aggressive strategy.

The first step of the Russian Federation to gain a prominent role in international politics was to weaken the opponents and rivals by destroying their unity.

The Russian expansion towards Europe was the natural direction taken towards restoring its world superpower status. Without the possibility of acquiring significance as a world superpower in the current world order, Russia contemplated the destruction of the current system of international relations. Hope for outcomes included a split within NATO and European disintegration based on devaluation of the international law system to a state of helplessness and incompetency. Chaos would ensue.

The Russian Federation's authorities set a course for the financial, organizational and informational support of the so-called Euroskeptics in Europe. This entailed numerous far right and some leftist political parties in the EU countries³.

In France, the "National Front" is known to receive funding from Russia⁴ and shares Putin's policy in Europe. In Germany, the main apologist for lifting anti-Russian sanctions is the party of the far right populist and Euroskeptic trend, "Alternative for Germany". Some analysts are convinced this party is, in fact, directly supported by V. Putin's regime⁵. In Hungary, it is the nationalist far right "Jobbik" party, whose representative, B. Kova, was even accused of spying for Russia and stripped of immunity by the decision of the European Parliament when he was a MEP⁶. In Italy it is the "Lega Nord" ("North League") party.

³ ZN.UA склало список проросійських партій в ЄС [ZN.UA made a list of the pro-Russian parties in the EU] [Digital source]. — Access mode: http://dt.ua/WORLD/zn-ua-sklalo-spisok-prorosyyskih-partiy-v-yes-195446_.html

⁴ Кремль финансирует французских ультраправых The Kremlin finances the French far right forces] [[Digital source]. — 2014. — November 28. — Part 2. — Access mode: <http://ehorussia.com/new/node/10131>

⁵ Putin greift nach der AfD [Putin strives for AfD party] [Digital source]. — Access mode: <http://www.bild.de/politik/inland/wladimir-putin/russlands-praesident-greift-nach-der-afd-kreml-netzwerk-38690098.bild.html>

⁶ Росийский шпион? Европарламент лишил неприкосновенности венгерского депутата [Russian spy? The European Parliament stripped Hungarian MP of immunity] [Digital source]. — Access mode: <http://zampolit-ru.livejournal.com/5935513.html>





The main problems Europe has been facing in recent years — migration crisis, terrorist attacks, and *Brexit* — are attributed to Russia's pervasive anti-EU activities, according to many experts.

The influence of the Russian Federation has grown in other European countries as well. Recently, experts and political observers have noted pro-Russian views in the political circles in: Greece, Slovakia, Hungary, Cyprus, Italy, Serbia, Bulgaria and France. France stands out specifically as both chambers of its Parliament adopted resolutions in 2016 that contained a call to lift EU imposed sanctions on Russia. The initiator of the resolution in the Lower Chamber of Parliament was Thierry Mariani, a former Minister for Transport of France and a representative of Nicolas Sarkozy's "Republicans" Party. Mariani is one of the heads of the "French-Russian Dialogue" association and is notorious for his scandalous visit to the Crimea in July 2015⁷.

The United States of America and NATO (an organization, where everything is decided by the U.S., in the opinion of Russians) are the subjects of special attention in the Strategy of National Security of the Russian Federation adopted by the Presidential decree on December 31, 2015. In this document, the U.S. and the North Atlantic Treaty Organization, in particular, are accused of the following:

- actions against pursuing the independent internal and foreign policy of the Russian Federation;
- attempts to secure their dominance in international affairs and in pursuing a policy of restraint against Russia with the use of political, economic, military and information pressure;
- weakening the global security system as a result of buildup, modernization and development of new types of armaments and offensive weapons;
- militarization of Russia's neighboring regions, and creation of a network of U.S. army biological labs there;
- enlargement of the Alliance;
- retaining the bloc approach while resolving international issues (which, in Russians' opinion, is inefficient due to the modern migration crisis in the EU);
- opposition to integration processes in the Eurasian region, and creation of instability zones there (for example, Ukraine), which has a negative impact on exercising Russian national interests;

⁷ The co-chair of this association is V. Yakunin, former President of the Open Joint Stock Company "Russian Railways".





- double standards in the war on terrorism;
- involvement of communication and information technologies for achieving their geopolitical goals, including ways of manipulating public opinion and falsifying history;
- involvement of economic methods, instruments of financial, commercial, investment and technological policies for resolving their geopolitical issues and tasks, which leads to weakening of stability of international economic relations and increasing risks for repeated massive financial and economic crises⁸.

However, as some experts indicate, it is difficult to discuss the existence of the Russian Federation's real strategic plan of countering the U.S. since the majority of the above-mentioned demands and accusations could fit the definition of Russia's activity directions.

An important component of Russia's confrontation with the U.S. and NATO are the Russian Federation's provocations in the sea and air with the purpose of "securing their naval military presence in the strategically important regions"⁹. The Russian Federation is also looking for opportunities to display Russia's strength by militarizing its border regions¹⁰ and carrying out massive military training exercises close to the borders of NATO member countries¹¹.

Russia is trying to influence the inner political processes within the U.S. as well.

In the light of the recent cyber-attacks against the server of the U.S. Democratic Party, experts on the issues of information security have begun to think more and more that the Kremlin is moving to a new dimension of hybrid war — information space. Analysts affirm that the Russian intelligence services back these groups of cyber-criminals.

A characteristic feature of the Russian hacker operations over the last six months is the boldness of their aggression: Russian operations in cyber-space now aim not only to steal information but also to transform the information

⁸ *Стратегия национальной безопасности Российской Федерации* [Russian Federation's National Security Strategy] [Digital source]. — Access mode: <http://www.scrf.gov.ru/documents/1/133.html>

⁹ *Отряд «Северного Флота» во главе с авианесущим крейсером «Адмирал Кузнецов» отправился в Сирию* [Unit of the "Northern Fleet" led by the aircraft-carrying cruiser "Admiral Kuznetsov" headed to Syria] [Digital source]. — Access mode: <http://flot.com/2016/%D0%9F%D0%BE%D1%85%D0%BE%D0%B423/>

¹⁰ *В Швеции приняли за провокацию размещение российских «Искандеров» под Калининградом* [Deploying of Russian «Iskanders» near Kaliningrad was taken as a provocation in Sweden] [Digital source]. — Access mode: <http://www.newsru.com/world/11oct2016/iskanderqvist.html>

¹¹ For instance, the "Enduring Brotherhood-2016" military training of the Collective Security Treaty Organization in Belarus served this purpose.





into a weapon. For example, Russians started to actively falsify stolen documents and publish them to the Internet with the aim of propaganda and disinformation¹².

Moscow's perception of the **Middle East** (within the traditions of the Soviet foreign policy) is a zone of rival confrontation between Russia and the U.S. With its unexpected interference in Syria, the Russian Federation became embroiled in this complicated and tense conflict, becoming not only a participant in the military actions, but also a subject of international talks aimed at the resolution of the Syrian crisis. Russia also protects its own interests in the Middle Eastern region as one of the biggest exporters of energy supplies in the world¹³.

Within the Syrian issue, the Kremlin traditionally accused the U.S. of disruption of the Syrian negotiation process and of a deliberate escalation of the situation¹⁴. Meanwhile, the Russian media spread information about “the successful frustration of the U.S. plans”¹⁵ and also the idea that the involvement of the American military in Syria is yet another failure of the White House's foreign policy.

The unified Europe is even more vulnerable to destabilization in the Middle East.

The instability is caused by the difference in the potentials of the economically developed core and the relatively backward periphery zones (predominantly in the Middle East and Black Sea regions), with their social and economic problems and continuous local conflicts. The current migration crisis and terrorist attacks in the European capitals are just the first indications of future waves of chaos coming from dangerous neighbors. Insufficient attention to the resolution of security issues in the broader region results in increasing the potential difference, and consequently, new crises will arise.

¹² *Turns Out You Can't Trust Russian Hackers Anymore* [Digital source]. — 2016. — August 22. — Access mode: <http://foreignpolicy.com/2016/08/22/turns-out-you-cant-trust-russian-hackers-anymore>

¹³ *Российский генерал-полковник проговорился, зачем Путин убивает людей в Сирии* [Russian Colonel General gave away why Putin kills people in Syria] [Digital source]. — Access mode: <https://inforesist.org/rossiyskiy-general-polkovnik-progovorilsya-zachem-putin-ubivaet-lyudey-v-sirii/>

¹⁴ *Комментарий Департамента информации и печати МИД России относительно российско-американских договоренностей по Сирии* [Commentary of the Department of Information and Press of the Ministry of Foreign Affairs of the Russian Federation regarding the Russian-American agreements on Syria] [Digital source]. — 2016. — September 27. — Access mode: http://www.mid.ru/ru/foreign_policy/news/-/asset_publisher/cKNonkJE02Bw/content/id/2473662

¹⁵ *Девис Д. Полный провал американской внешней политики* [Total failure of American foreign policy] [Digital source]. — 2016. — October 03. — Access mode: <http://www.km.ru/world/2016/10/03/voina-v-livii/785495-polnyi-proval-amerikanskoi-vneshnei-politiki>





Developments in recent years in the closest European neighborhood show that the scale of the Middle East challenge was underestimated, while the neighborhood policy adopted by the EU appeared to be ill-conceived, and has thus practically failed. The situation escalated owing to the Kremlin's destructive geopolitical ambitions and attempts to disrupt the European unity.

Another important trend of the Kremlin's foreign policy expansion is an attempt to create *interstate unions, alternative to the Western ones*.

In this process, Russia first relies on the development of relations with the People's Republic of China and on securing positions within the countries of the so-called post-Soviet space. The result of these actions is the creation of various associations, such as Shanghai Cooperation Organization, Eurasian Economic Union (EAEU), BRICS, Collective Security Treaty Organization (CSTO). Russia is also increasing its role and cooperation with the Association of the Southeast Asian Nations (*ASEAN*). In order to play a more significant part in the Middle East, the Russian Federation has also unsuccessfully tried to form the so-called "small-size triangle" (Russia — Iran — Turkey)¹⁶.

1.2. VICTIMS OF RUSSIAN HYBRID AGGRESSION

Before speaking about the hybrid policy of Russia in the post-Soviet space, we must first discuss the Transnistria conflict and the armed confrontations and wars in the Georgian territory. This policy is being implemented with the call to defend the Russian-speaking citizens while simultaneously provoking inter-ethnic and language-based conflicts.

Researchers associate active inter-ethnic destabilization with the former Soviet policy of preventing independent moods in the republics of the USSR. The proof of this thesis can be found in the memoirs of the former KGB head (Soviet State Security Agency) V. Bakatin. In them, he said the State Security Agency was responsible for the formation of "international fronts" in the Soviet republics that demonstrated discontent with the central

¹⁶ *Россия — США: перехват концептуального лидерства* [Russia — USA: seizure of conceptual leadership] [Digital source]. — 2016. — 19 August. — Access mode: http://rusnext.ru/recent_opinions/1471636044





government of the USSR. This strategy of “divide and rule” resulted in the disintegration of society as it was split into two implacable camps, amid the intense escalation of social tension. Instead of tolerant dialogue and a calm, balanced approach to resolving difficulties and arguments between the republics and the central government, there was a veiled threat. If the republic didn’t obey, it would get an “international front” that would call for strikes, raise the issue of the republic’s borders, and question the legitimacy of the local authorities. The activity of these “inter-fronts” would then be presented by the State Security Agency as a manifestation of the “people’s will”¹⁷.

These words describe both the Soviet KGB’s sense of policy in the Soviet republics, and the current Russian authorities, descendants from the KGB, with regard to the former colonial republics and independent states today.

Georgia. The formal cause for the beginning of the war in the territory of South Ossetia and Abkhazia was their secession from Georgia. On July 23, 1992, Abkhazia restored the Constitution of the Abkhazian Soviet Republic of 1925, according to which it was declared a sovereign state. In August, an armed confrontation between Georgia and Abkhazia began. By the end of September 1993, Abkhazian and Russian military formations controlled the entire autonomous territory. On June 23, 1993, the Commonwealth of Independent States (CIS) “peacekeeping forces”, namely Russian military units, were stationed in the region as a powerful speaker of ideas and guarantor of the “*Russkiy Mir*” (“Russian World”). They are still there to this day.

The South Ossetia autonomous region was transformed into the Republic of South Ossetia after a series of developments between 1989 and 1991. Beginning in January 1991, a conflict between the Georgian and Southern Ossetian militaries took place. The plan of secession from Georgia was presented by Ossetians as a condition for the nation’s survival. On June 24, 1992, an agreement about the principles of resolving the Georgian-Ossetian conflict was signed. The agreement later addressed the deployment of “peacekeeping forces” when the leaders of South Ossetia declared their desire to become part of the Russian Federation.

The main result of this war was Russia’s legitimization of “cutting off” the Georgian provinces by means of recognizing their independence.

¹⁷ Бакатин В. Избавление от КГБ [Freedom from the KGB] [Digital source]. — М. : Новости, 1992. — Р. 29. — Access mode: <http://libatirium.net/read/740731>





Revision of the post-Soviet borders in a heavy-handed way was not supported in the world. Based on the reaction shown by other countries, Russia had no allies when it forced the border revision. As a consequence of this war in 1990s, the number of victims reached nearly 20.000 people while the Ossetian economy suffered.

People in South Ossetia suffer from poverty and unemployment. Their economy is dependent on Russian emergency loans. In Abkhazia, the level of local tourism has remained unchanged since Soviet times. In fact, the entire tourism infrastructure is practically nonexistent. These days, Russian peacekeeping forces and UN observers are stationed there.

In August 2008, the Russian-Georgian armed confrontation continued. An attempt by Tbilisi to restore control over Tskhinvali and the autonomous territory ended in defeat for the Georgian Army after the Russian Armed Forces immediately interceded.

The day following the start of the conflict, Russian forces entered South Ossetia with armored troops, mechanized rifle troops and military air forces. The counteroffensive was carefully planned and efficiently carried out, which allowed the Russians to win within 48 hours, and force the main Georgian Armed Forces to retreat. On August 10, 2008, Russian troops strengthened their positions in South Ossetia¹⁸.

Russian troops continued their offensive, attacking in two directions — to the South of South Ossetia, near the city of Gori, and to the sea ports. They bombarded military air bases in Marneuli and Vaziani, which shut down the radars at Tbilisi International Airport. These offensive actions allowed Russian forces to approach the capital of Georgia making it impossible for them to receive outside reinforcements¹⁹. The full-scale invasion of Georgia was stopped only by the efforts of the international community.

President Mikheil Saakashvili lost the war. His decision to resolve South Ossetian conflict by force caused significant loss of lives both in Georgia and South Ossetia. However, by making this a military operation, Saakashvili forced the West to intervene and took what should have been a regional conflict to the level of an international one. This ran counter to the interests of Russia, who wanted to preserve its control over the entire Caucasus

¹⁸ *The Russo-Georgian War and the Balance of Power* [Digital source] // Stratfor. — 2008. — August 12. — Access mode: https://www.stratfor.com/weekly/russo_georgian_war_and_balance_power

¹⁹ *King C. The Five-Day War Managing Moscow After the Georgia Crisis* [Digital source] // Foreign Affairs. — 2008. — Access mode: <https://www.foreignaffairs.com/artielces/russie-fsu/2008-11-01/five-day-war>





region. On the contrary, the conflict resulted in the deployment of international peacekeepers and establishment of control on the borders between South Ossetia and Abkhazia. In this manner, the danger for the Georgian settlements in the South Ossetian territory was eliminated while the absence of any open armed conflicts post factum made Georgia closer to prospective NATO membership.

Additionally, this conflict encouraged Western interest in the issue of stable transit of Caspian oil through the oil pipelines not controlled by Russia²⁰.

In the Georgian conflict, the ideology of the new Russian irredentism was applied. Russia, deployed its troops, having built a moral and legal legitimization for its actions based on the need to help fellow countrymen, who were suffering from the conflict between Georgia and South Ossetia. In recent years, thousands of residents of Georgian territories have received Russian passports and, consequently, became Russian citizens.

The Russian Federation recognized the “independence” of Abkhazia and South Ossetia. The Kremlin’s response to the developments in South Ossetia was asymmetrical in its force and scale, and an open violation of the norms of international law. However, the inconsistent US and EU policy resulted in apparent appeasement of the aggressor, which made it feel free to act.

Moldova. Transnistria only belonged to the Moldavian Autonomous Republic of the Soviet Union since 1936 (and since 1940 it became the Moldavian Republic of the Soviet Union). Transnistria is composed of three ethnic groups of similar size: Ukrainians, Moldovans and Russians. The population of the rest of Moldova is more homogenous, and speaks mostly Romanian. At the beginning of 1990s, pro-Romanian moods were widespread among the representatives of the Moldovan political elites. There also existed the idea of uniting Moldova and Romania into a single state, which was ultimately rejected by the political authorities of Transnistria. The main confrontation lines, just as in other post-Soviet republics, originated in the language and ethnic spheres.

On August 25, 1991, independence of the so-called Transnistria Moldovan Republic was declared. A short-term armed conflict started

²⁰ Gressel G. In the shadow of Ukraine: seven years on from Russian-Georgian war [Digital source] / European Council on Foreign relations. — 2015. — August 6. — Access mode: http://www.ecfr.eu/article/commentary_in_the_shadow_of_ukraine_seven_years_on_from_russian_3086





between the separatists and Moldovan regular troops soon after, which culminated in a battle for the city of Bender. After the Transnistrian forces started employing tanks lent to them by the 14th Russian army stationed in Transnistria, the Moldovan side was forced to make concessions and start negotiations.

In 1992, the Presidents of Moldova and Russia signed an agreement on suspension of arms, which ended the four-month war and defined Russia as one of the de facto conflict parties. Later negotiations were transferred to the “5+2” format where the “parties” of the process were Moldova and the Transnistria Moldovan Republic, while Russia, Ukraine and the OSCE became mediators. The EU and the USA held the role of observers. According to agreements in 1992, the peacekeeping contingent of the Armed Forces of the Russian Federation was deployed to the unrecognized territory of Transnistria, although it was formally established only in 1995, after transformation of the former Soviet 14th army.

In September 2006, the authorities of the so-called Transnistria Moldovan Republic, supported by the Kremlin, held the referendum on independence of Transnistria to decide upon its further integration into the Russian Federation. 97% of those who participated in the referendum voted “for” it; however, the results were not recognized by Moldova, Ukraine, US, EU, or the OSCE monitoring mission. Later, the representatives of the Russian Federation declared the referendum results would not have legal consequences.

In 2016, the separatist military and the Russian Armed Forces conducted a joint military exercise simulating a counterattack against the holding of Transnistria by the illegal armed forces. Officially, Chisinau expressed concern, and again demanded withdrawal of the Russian troops from Transnistria.

On September 9, 2016, Yevgeny Shevchuk, President of the unrecognized republic, signed a decree to implement the results of the so-called referendum of 2006. This gave recognition to the independence of the Transnistria Moldovan Republic, and allowed it to further join the Russian Federation. Officials in Chisinau think it could negatively impact negotiations in the region.

Despite the “loud” decisions, the situation is currently “frozen”. According to Moldovan legislation, Transnistria is an autonomous territory with special status. A special economic system was formed de facto in the so-called Transnistria Moldovan Republic, as a hybrid of the planned





economy and gang capitalism. This “gray zone” economy includes abundant smuggled goods and illegal financial operations carried out by some Russian companies. The socially vulnerable local population receives subsidies from the budget of the Russian Federation. While unrecognized by the international community, Transnistria dual citizenship is allowed; thus, the majority of citizens also have Russian passports.

From time to time, negotiations in the “5+2” format continue to be held, but they rarely address fundamental problems, and consequently, do not contribute to resolving the crisis in general. Isolation of the territory coupled with the presence of Russian peacekeepers and a military base, work to contain the situation in Transnistria, but they also create preconditions for a possible rapid escalation of the conflict due to the high level of militarization in the region and the Russian-Ukrainian war.

After years of confrontation, the two parts of Moldova have been drifting apart more and more. While the biggest part of the country is oriented towards EU, the residents of the Transnistrian half have a clear Soviet self-identity that has not decreased with time, or rather, it is growing stronger. Soviet symbols have been used up till now — including Lenin monuments and Soviet elements in the official state symbols of the unrecognized republic. Transnistria today is considered one of the few successful examples of the “Russkiy Mir” (“Russian World”) model beyond Russia.

1.3. STRATEGIC PURPOSES OF RUSSIAN HYBRID AGGRESSION AGAINST UKRAINE

Desovereignization of Ukraine

The role, place and scale of Russia’s participation in strategic prospects in the modern Ukrainian statehood are determined by the essence of Russian civilizational and geopolitical doctrine established over the last 15 years. The foundation of this model²¹ consists not of ideological ideas and principles, but of chauvinist ideas about the “inability” of certain people and the “responsibility” of people to themselves and their fate which

²¹ Documented in the Strategy of National Defense of the Russian Federation of May 12, 2009.





completely contradicts the principles of international law and the basic standards of the UN regarding the right of nations to self-identification.

In short, these ideas could be presented in the following way:

- Russia admits that the development of the world order over the last 10 years of the 20th century has been taking place without Russia's participation, and it ousted the bipolar geopolitical distribution of powers;
- the Russian Federation's aspirations to become one of the influence poles and to document these changes in the new "world order";
- the necessity of further regionalization of the multipolar world to approve powerful regional leaders who would play the role of world centers of powers and would fulfill the function of "responsible countries" in historically determined regions;
- the revival of Russia as one of the world's superpowers;
- full-scale subordination of the post-Soviet "macro-region" to the Russian Federation as a sphere of its "responsibility" and "vital interests";
- reduction of the geopolitical role of Ukraine, preventing the possibility of its establishment as an independent regional leader with further decrease of its status to a third-world country totally dependent on Moscow;
- implementation of forced and demonstrative reintegration of Ukraine, as an example, to the post-Soviet space under the strict leadership and control of Russia based on its "civilization values"; and in case of failure of this plan — maximal destruction of Ukraine's territorial integrity, identity and state capabilities;
- pressure on Ukraine (and other countries) to coordinate their home and foreign policy with the Kremlin and Russia's interests, and implementing this plan by any means and methods available;
- discredit of the Ukrainian policy aimed at achieving independence from the Russian Federation;
- making it impossible for Ukraine to implement European and Euro-Atlantic integration by creating obstacles for Ukraine towards its Association with the European Union and intensification of cooperation with NATO.

Implementation of the above-mentioned provisions is not a chaotic emotional reaction to the external challenges, but rather implementation of Russia's detailed and carefully designed plan of action.





For the Russian Federation, Ukrainian accession to the North Atlantic Alliance would mean the final and total loss of Ukraine and Kyiv's exit from the sphere of the Kremlin's unconditional control. It would be a colossal defeat for the Kremlin in the international political arena and a huge loss to the U.S., Russia's main rival in influencing the world political processes. Besides, if Ukraine and Georgia ally with NATO, Russia will appear virtually surrounded by the Allied countries. From Russia's perspective, this would create an unprecedented threat to its national security, and would change the balance of power in the region in favor of a possible counterpart. The Russian state authorities also refuse to accept the argument there was transformation in the nature of NATO after the end of the Cold War, and that NATO today serves mostly as an organization for security.

Russia is exerting systematic political, economic and military pressure on Ukraine and on the Alliance member states in order to prevent the possibility of Ukrainian Euro-Atlantic integration. Having chosen the confrontational model of the situation development, Moscow openly uses an extremely harsh rhetoric and military force for achieving its goals, as well as intelligence and mass media, with the purpose of discrediting Ukraine in the eyes of the international community.

Besides, the Russian Federation is also taking steps to achieve its objectives within Ukraine in order to replace the acting government of the country, to reverse the Ukrainian political course and win the support of the majority of society to view Russia favorably. The main purpose of these activities appears to be revenge aimed at raising a puppet regime to power, and creating and preserving the political situation in its favor.

The Russian authorities attempt to achieve their objectives through the following measures and steps:

- stimulating federalization of Ukraine with further development of a referendum to change the political order;
- applying moral pressure on Ukrainian society by demonstrating (with the help of the loyal mass media and agents of influence) the inability of the Ukrainian authorities to implement the statehood idea of Ukraine;
- supporting protests, and creating conditions to split the nation's integrity by the principle of regional egoism, and acting in the interests of, regional elites (business and local authorities);





- breaking the balance in the political system of the country and demoralizing state officials and state institutions in order to prevent them from carrying out their functions properly;
- revitalization of secret activities of pro-Russian lobby in the state structures and stimulation of various confrontations, arguments and conflicts within Ukraine with the help of this lobby;
- use of a special agent network to discredit the most effective and prominent Ukrainian politicians who support statehood and national positions of Ukraine.

In case of failure, Russia will try to create “instability zones” in Ukraine, which will lead to a state of “managed chaos” that was often tested by the Soviet Union in the poorly developed countries of Africa and Latin America. Such instability will weaken the political system of the country and create conditions that, in the opinion of the Russian authorities, will grant Russia certain situational advantages and allow for blackmailing or bribing of Ukrainian officials in order to achieve objectives relating to issues of interest for the Russian Federation, trying to implement all the above mentioned methods and ways.

Internal political mobilization

Demonization of Ukraine in the collective consciousness of Russians has been systematic and deliberate.

It would be an exaggeration to say that creation of a hostile image of Ukraine in the course of the recent years did not have prehistory in Russia.

Negative images of Ukrainian people appeared spontaneously in the Russian environment due to the collapse of the Soviet Union and preservation of the Autonomous Republic of Crimea along with the division of the Black Sea Fleet within the boundaries of independent Ukraine, which at the beginning of 1990s was already considered by many Russians as “robbery” and “injustice”. This background, together with the traditionally contemptuous and arrogant attitude of Russians towards Ukrainians (and for all other people of the former USSR) was exploited by the Russian authorities and developed into the state propagandist anti-Ukrainian policy of hatred right after the victory of the Orange Revolution, when the Kremlin felt its influence was threatened in the post-Soviet period and in its own positions within the Russian Federation.





The protest rally on Bolotnaya Square in 2012 is often cited as the determining factor for a total and ultimate turn of the Russian policy towards internal consolidation of the authoritarian regime in the Russian Federation and changes in the foreign policy. However, Ukrainians went from the category of people who were traditionally viewed with negative and arrogant attitudes by Russians to being labeled “enemies”, literally those who pose a threat. Ukrainians experienced this transformation in the minds of average Russians due to the revolutionary developments in 2013 and 2014.

According to the recent social surveys conducted by the Levada-Center, in the list of countries allegedly hostile towards the Russian Federation, 72% of Russians gave the first place to the U.S., and the second place went to Ukraine with the score of 48%²². In 2015, according to the survey of the mentioned “Levada-Center”, 59% of those surveyed described their attitude towards Ukraine either as “bad” or “very bad”. However, in January 2014, 66% of Russians declared a “good” or “very good” attitude toward Ukraine²³.

The technique of creating an “enemy” image of Ukraine and Ukrainians has several components:

- the primary mechanism is to deprive the enemy of a human face. In order to achieve it, giving nicknames and labeling are applied. In our case, the authorities have used the image of “fascism” formed in the times of the USSR;
- as the “enemy” must pose a threat, a characteristic feature of anti-Ukrainian propaganda campaign became the creation of the stable “Ukraine — USA” connection. In this manner, all the negative emotions and fears associated in the minds of average Russians with the U.S., with the additional context of accusing Ukrainians of “treason”, “betrayal” and “corruptibility”, were automatically spread to our country;
- denial of identity. Promotion of a long existing idea; the Ukrainian language and nation are artificial.
- denial of statehood and legitimacy of the acting state authorities. Labeling Ukraine as a *failed state*;
- creation of the opposing images of the norm and pathology, when “noble heroes” (Russian soldiers and volunteers) are opposed by “monsters”, “perverts”, “sadists”.

²² *Россияне не решили, кто им враги* [Russians are uncertain who their enemies are] [Digital source]. — 2016. — 02 June. — Access mode: <http://www.levada.ru/2016/06/02/rossiyane-reshili-kto-im-vragi/>

²³ *Россияне отделяют Киев от украинцев* [Russians distinguish Kyiv from Ukrainians] [Digital source]. — 2015. — 22 June. — Access mode: <http://www.levada.ru/2015/06/22/rossiyane-otdelyayut-kiiev-ot-ukraintsev>





Forming the image of **an external enemy** is the most primitive, yet most effective and quickest way of consolidating society in front of an imaginary “foreign threat”, and constructing the national identity based on the “friend-or-foe” archetype. L. Godkov, Director of Levada-Center, said there is a specific “combination of culture comprised of fear and hope”²⁴ that covers fulfilment of several social tasks.

The first task is mobilization and patriotic consolidation of society. It is actually really hard to be united in any other way due to lack of mutual value categories such as understanding of the nation’s interests, democracy, civil rights and freedoms, etc.

The second task is strengthening the leader’s position and usurpation of his or her power.

The third task is obscuration of the authorities’ responsibility for the economic and social problems in the country, justification of corruption and violation of democratic freedoms and rights of the citizens.

And the fourth task is intimation of a crisis that leads to intensifying the black-and-white vision of the world within society; making the work for the propagandist machine easier (by appealing to emotions, not the mind), and ruling the masses.

The mechanisms of people’s mobilization by transition of the society to the state of an imaginary “war” and the necessity to unite for self-defense were well tested and developed in the USSR, and practically inherited by modern Russia. The collapse of the USSR did not mean that long ago formed mental peculiarities and characteristic features of the majority of the country’s population would experience revolutionary transformations within a short period of time.

The state of an imaginary “war” is a great excuse for the state authorities to increase their power when they are dealing with internal problems, particularly economic ones, and opportunities for resolution are lacking. All problems are practically reassigned to the enemy as the initial cause and source of trouble (the well-known poster of the Russian retired lady, “Obama, give back our pensions”²⁵).

Mass mobilization of this type also results in a growth of conservative “communal” feelings while everything innovative, rational and individual

²⁴ Гудков Л. Идеологема «Врага». «Враги» как массовый синдром и механизм социокультурной интеграции [Ideologeme of an «Enemy». “Enemies” as a mass syndrome and a mechanism of social and cultural integration] [Digital source] // Образ Врага. — Access mode: <http://library.khpg.org/files/docs/1409672112.pdf>

²⁵ Когда Обама отдаст украденные льготы и пенсии? [When Obama will give back stolen allowances and pensions?] [Digital source]. — Access mode: http://www.politforums.net/internal/1469034018_best.html





is labeled. As previously noted by A. Rubtsov, the Head of the Center for Studies of Ideological Processes at the Institute of Philosophy of the Russian Academy of Sciences, Russia “three or four years ago had the ideology of modernization and globalization, etc. ... However, nothing came out of it. Everything turned into an idealistic tune, so now we have values, spirit and that kind of things...”²⁶.

The actualization of the image of an enemy indicates crisis in the country and significant social tensions within society the sources of which are still difficult to recognize and rationalize²⁷.

Characterizing the development trends for Russian society in 2005, L. Gudkov noted that “propaganda cannot be efficient if it does not rely on certain expectations and demands of the collective consciousness, if it is not adequate for the already existing ideas, perceptions, legends, stereotypes of understanding of what is happening, to the mythological structures of this kind. To insert something new into the collective consciousness is almost a hopeless cause. This is the reason why dissemination of ideas about the enemy is a consequence of efforts and movement from both sides — interested and relatively rational interpretations of the ruling elites and amorphous, various mass views and ideas, explanations, beliefs, superstitions, symbols, traditional elements of identification”²⁸. The operation of Putin’s current propaganda machine is based on those beliefs and traditional images of Russian society.

According to the study of the Russian Public Opinion Research Center, in 1989 only 1% of those surveyed thought their country had enemies. At the same time, the USA, NATO and CIA did not occupy the first positions in this “hostile” list, ceding their places to mafia, communists, profiteers and others. However, it related to the feelings of the period when the USSR collapsed. Denial of something Soviet automatically meant denying the most characteristic trends of the Soviet propaganda. But in 10 years, between 1999 and 2002, 65-70% of the citizens stated that Russia had enemies, including in the list NATO, China,

²⁶ *Русская осень*. Кризис русского национализма после Крыма и Донбасса [“Russian autumn”, Crisis of Russian nationalism after Crimea and Donbas] [Digital source]. — Access mode: <http://www.levada.ru/2015/11/06/russkaya-osen-krizis-russkogo-natsionalizma-posle-kryma-i-donbassa/>

²⁷ *Гудков Л. Идеологема «Врага». «Враги» как массовый синдром и механизм социокультурной интеграции* [Ideologue of an “Enemy”. “Enemies” as a mass syndrome and a mechanism of social and cultural integration] [Digital source] // Образ Вврага. — Access mode: <http://library.khpg.org/files/docs/1409672112.pdf>

²⁸ Ibid.





democrats, and Islamists²⁹. Russians again readily responded to the ideological demands of the authorities, and the official propaganda proved again the assumption about the amorphousness of the values of society, the absence of widespread firm beliefs about what is “mutual good” and the paternalistic and infantile mentality of the majority of its citizens.

Nowadays, there is a general atmosphere of “hatred towards war, not necessarily war in Syria, or in Donbas, but rather against war in general”³⁰.

In the situation of the imaginary war and Russia’s confrontation with nearly the entire world, consolidation takes place primarily around the leader — the President. V. Putin becomes the “father of the nation”, which allows him to continue to possess his authoritative powers for an indefinite time while this “war” continues. Under these conditions of war, the meaning and authority of the intelligence and security structures often grow, increasing the budget expenses for their maintenance can be justified in the eyes of the society. Thus, in the projection of the Russian Federation’s budget for 2017, the recorded portion of expenses — over 22% — is top secret while most of the social budget expenses are reduced.

²⁹ Ibid.

³⁰ “Русская осень”. Кризис русского национализма после Крыма и Донбасса [“Russian autumn”, Crisis of Russian nationalism after Crimea and Donbas] [Digital source]. — Access mode: <http://www.levada.ru/2015/11/06/russkaya-osen-krizis-russkogo-natsionalizma-posle-kryma-i-donbassa/>





DISTINCTIVE FEATURES OF RUSSIA'S HYBRID WAR AGAINST UKRAINE

Chapter 2

**WAR ON HOMELAND
FRONTLINES**

Chapter 3

**SPECIAL AND DIPLOMATIC
OPERATIONS**

Chapter 4

**ECONOMIC DIMENSION
OF HYBRID AGGRESSION**

WAR ON HOMELAND FRONTLINES

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2.1. INSTRUMENTS OF POLITICAL INFLUENCE

One of the most effective instruments of Russian influence on the foreign and domestic policy of Ukraine was the establishment of a legal political lobby in the Parliament and in the executive branch whose purpose was open promotion and support of pro-Russian politicians and political parties during local and national elections.

Establishment and development of a network of Russian agents of influence relied on several key factors. First, it was taking place due to the presence of significant shared economic interests of Ukrainian enterprises and companies in Russia. These traditional economic ties began in the Soviet times and included: the expanding presence of Ukrainian enterprises in the Russian internal market, consumption of Russian natural gas and other raw materials at heavily reduced prices, borrowing from Russian banks, developing commercial transborder ties, establishing joint enterprises and cooperating in privatization and granting of political protection for “gray schemes” in bilateral trade.

On the national level, the most active facilitators of Russian influence were business groups, that controlled the energy sector. Before the Orange Revolution, the most politically active Russian companies were owners of several privatized regional power distribution companies (*VS Energy* and *Energy Standard* holdings), big oil importers (*Lukoil*, *TNK*) and natural gas importers (*Itera*, *Gazprom*).





In 2004, with the founding of RosUkrEnergo, a joint Ukrainian-Russian natural gas supplier whose Ukrainian interest was represented by the entrepreneur Dmytro Firtash, legalization of Russian insiders within the government and state-owned companies began to form. In the same year, the legal non-governmental organization “Russian Club” was founded under the auspices of the Head of the Administration of the President of Russia, Dmitriy Medvedev, and the Head of the Administration of the President of Ukraine, Viktor Medvedchuk. It was designed to unite Russian and Ukrainian politicians and entrepreneurs for endorsement of the presidential candidate, Prime Minister Viktor Yanukovich.

Between 2005 and 2009, the presence of representatives of Russian economic interests among Ukrainian politicians did not decline despite the fact that national legislative and executive power was controlled mostly by political parties intent on European integration. To the contrary, it became even more evident. For instance, in 2008, the Ukrainian entrepreneur and shareholder of the Russian Euraz metallurgical holding Valeriy Khoroshkovsky was appointed Head of the State Customs Service. Later, he was appointed First Deputy Head of the SBU (Ukrainian Security Service) and then became Head of the Anti-Terrorist Center.

Between 2010 and 2013, the appointment of Russian businessmen with close ties to the Russian Federation appeared to be a distinctive trait of the human resource policy in public agencies commanding and controlling the Ukrainian security and military services. Particularly between 2010 and 2011, the SBU was headed by Valeriy Khoroshkovsky. In 2013, this position was held by Oleksandr Yakimenko, who would be later suspected of concealing his Russian citizenship. In 2010, Russian citizen D. Salamatina was appointed CEO of the state-owned Ukroboronprom company (Ukrainian Defense Industry) and subsequently became Minister of Defense. The activity of these insiders, directed to destroy the national security and defense system of Ukraine, was possible only due to the full support of President Viktor Yanukovich.

The political influence of Russian business lobbyists fell considerably after the Russian annexation of the Autonomous Republic of Crimea. The beginning of armed aggression in Donbass resulted from mutual trade and economic sanctions, and the massive escape of the Russian insiders also contributed to a decrease in Russian lobbying influence.



According to the National Bank of Ukraine data, in 2016 the share of the commercial banks with the Russian Federation capital accounted for 12.3% of the Ukrainian banking system. The international rating agency *Standard & Poor's* has estimated the amount of Russian bank loans to Ukrainian borrowers at \$15 to \$17 billion. Among the largest debtors to Russian banks are subsidiaries of the state-owned Ukrzaliznytsya (Ukrainian Railway) and Vyhillia Ukrainy (Coal of Ukraine), which are located on the temporarily occupied territories.

The energy sector is another point of serious concern. A number of regional power distribution companies, including one in the occupied city of Sevastopol, are owned by *VS Energy*, a Dutch intermediary company with Russian beneficiaries; the majority of the regional gas distribution companies belong to *Group DF*, an Austrian group and a Gazprom's debtor.

In both cases there is a risk that representatives of Russian business would lobby for political rulings to block privatization of state-owned companies or to lift restrictions and allow participation of the Russian capital in their privatization. Also, in the energy sector, Russian companies are expected to collude in protecting mechanisms of the non-transparent price policies and debt relief, which further complicates relations between the Ukrainian government, Western partners, and international financial institutions.

Another direction of strengthening the legal Russian presence in Ukrainian politics emerged earlier than the economic one — the establishment of close ties between the Russian and Ukrainian leftist and center-left political parties.

Since 1990s, the Communist Party of Ukraine, and later also the Socialist Party of Ukraine, openly declared economic, political and security reintegration of Ukraine to the Russian geopolitical projects in the post-Soviet space as their program political objectives. Due to the votes of the MPs, members of the Communist Party of Ukraine and the Socialist Party of Ukraine, a number of international agreements complying with Russian interests have been ratified in the Ukrainian Parliament.

In fact, in 2004, the support of the Communist and Socialist Parties of Ukraine was crucial for ratification of the Framework Agreement on Creation of a Common Economic Space (between Ukraine, Russia, Belarus and Kazakhstan). If its provisions had been implemented, Ukraine would have lost the opportunity to seek association with the EU. In 2010, the ratification of the Agreement between Ukraine and the Russian Federation regarding





the issue of the Russian Federation's Black Sea Fleet deployment in the territory of Ukraine became one of the main stages of legalizing the intensive presence of the armed forces and intelligence service of the Russian Federation in the territory of Ukraine. The resulting agreement extended the term of deployment of the Russian Black Sea Fleet in Sevastopol from 2017 to 2042.

On the regional level, particularly in the Autonomous Republic of Crimea, Donetsk, Luhansk, Kharkiv and Odesa regions, the populist parties (i.e. the Party of Regions, the Donetsk Republic Party, the Russian Bloc, the Russian Unity and Fatherland parties) were competing with the leftist parties for the right to represent the interests of Russia. In January 2014, the regional leadership of these parties provided organizational and financial support to the Berkut special police force and the "Anti-Maidan" and "For Russian Unity in Crimea" movements. Their activities were used by Russia as a cover-up for the start of the armed aggression against Ukraine. Notably, the leader of the Russian Unity Party, Serhiy Aksionov, was illegally appointed head of the Council of Ministers of the Autonomous Republic of Crimea on February 27, 2014. He steered administrative and organizational support for an illegitimate referendum held on March 16, 2014 leading to the annexation of the Crimea. In Donetsk, Andriy Purgin, one of the leaders of the banned NGO "Donetsk Republic", led the seizure of the administrative buildings and later, as the "first Vice Prime Minister", participated in the organization of the illegitimate referendum on "independence" in Donetsk region.

Despite how the Communist Party was banned by court decision in December 2015, many members of local organizations of the above-mentioned political parties and civil movements were charged with participation in the unrest and cooperation with the Russian intelligence services. Protection of Russian interests still persists as an attractive social and political activity.

For example, the third largest parliamentary party in the Verkhovna Rada — Oppositional Bloc, and also some MPs elected in the majority districts in Odesa, Donetsk and Kharkiv regions, adhere to the openly pro-Russian positions. Regarding the civil groups and organizations, the Ukrainian Choice — People's Right Organization, chaired by the former co-founder of the Russian Club, Viktor Medvedchuk, conduct activities to promote Ukraine's integration into the Eurasian Economic Union.

Another important direction of Russian influence was the use of an entire complex of trans-border ties with the border regions of Ukraine and the Autonomous Republic of Crimea for making networks of vertically



integrated structures of political influence. These structures consisted of MPs and members of local councils elected in the regional constituencies located in the close vicinity of the Russian border, who attempted to influence the staff composition of the territorial law enforcement departments and to use local economic and administrative resources for mobilizing citizens in support of Russian policy.

It is worth mentioning that development of these structures between 2004 and 2014 was possible due to the inability of law enforcement to prosecute the organizers of the All-Ukrainian Congress of the Verkhovna Rada MPs of the Autonomous Republic of Crimea and the local council participants in Luhansk region. The Congress delegates from the central and regional executive bodies and invitees (including the Prime Minister of Ukraine, Viktor Yanukovych, Head of Donetsk Regional Council, Boris Kolesnikov, Head of Luhansk Regional Council, Oleksandr Yefremov, Head of Kharkiv Regional Council, Evhen Kushnariov, Mayor of Moscow, Y. Luzhkov, and representatives of the Russian Embassy) presented an initiative to grant these regions the status of autonomous republics within federal Ukraine and proclaim them the “Southern-Eastern Ukrainian Autonomous Republic”.

Beginning in February 2014, these vertically organized network structures of political influence were used by pro-Russian politicians in several southern and eastern regions of Ukraine to organize and promote the separatist movements and prepare the illegitimate referenda on “autonomy” and “independence”. Later, Oleksandr Yefremov, former head of Luhansk Regional State Council and former head of the parliamentary group of the Party of Regions in the Verkhovna Rada, was arrested and charged with carrying out these activities.

A criminal case was opened against Alla Aleksnadrovska, a former MP and member of the Communist Party of Ukraine, on suspicion of separatism with evidence of attempts to disrupt the territorial integrity of Ukraine after the Minsk Agreements of February 12, 2015. According to the testimony of Oleksiy Bryukhanov, the city governor of Pivdenne in Kharkiv district, the representatives of Ms. Aleksandrovska offered a bribe to members of the City Council to approve amendments to the Constitution, that would permit local elections for heads of regional state councils and judges. According to the SBU (Ukrainian Security Service), the same proposals were made by A. Aleksandrovska to other heads of city councils in Kharkiv region. Eventually, these addresses were planned to spread the idea that “special status” laws were necessary in Kharkiv region — “Slobozhanshchyna”.



Meanwhile, the majority of the district MPs from the Oppositional Bloc actively promoted ideas about the “special status” for certain regions. In particular, under cover of legislative initiatives to develop regional economies, laws were drafted on the “special status” of the Zaporizhzhia region and proposed by the MP. A draft law on the “special zone” was also registered in Odesa by Vadym Rabinovich, Mykola Skoryk and Oleksiy Presman. In both cases, the politicians expected to use the failure of the initiatives to provoke and escalate social and political tensions in the regions and mobilize supporters for integrating Ukraine with Russia.

No less dangerous than the formation of these structures was the activity to support the movements that claimed to have another “special” identity, different from the Ukrainian one in other regions. Thus, risks of separatism were present in the attempts of certain civil movements in Zakarpattia to separate the new “Ruthenian nationality” from the Ukrainians. These risks emerged in 2007 when the Zakarpattia Regional Council, with the support of Viktor Baloha, head of the Secretariat of the President of the Ukraine, recognized the nationality “Ruthenian” in its territory and filed a petition to the Verkhovna Rada of Ukraine to recognize this nationality in legislation.

Later, representatives of the “Ruthenian” centers, who had become members of the Coordination Council of Ruthenian organizations, became active supporters of V. Baloha’s United Center political party. From 2008 to 2015, this political force managed to develop a regional vertically integrated network structure of political influence. It has been controlling many town and local councils in Zakarpattia region. If another internal political crisis occurs, capabilities of such a network in Zakarpattia can be used for violating the state territorial integrity. An example of an internal political crisis could be due to the implementation of the Minsk Agreements, which granted “special status” for certain territories, or in the event of a new armed aggression of Russia,

2.2. MEDIA SUPPORT OF HYBRID WAR

As mentioned before, the real start of the information hybrid aggression was in 2007. At that time Russia carried out vigorous activities to strengthen its position in the Ukrainian information and media space by means of





conventional and digital media, and also used social network topics and messages to prepare the target audience for further armed aggression or to encourage going over to the enemy during the active phase of confrontation. One of the instruments used was the activities of the oligarch groups supporting former President V. Yanukovych. These groups used Ukrainian mass media for their personal gains; however, they often used the media for the interests of the Russian Federation as well. In addition, the tradition of inviting editors-in-chief, news anchors and TV hosts from the Russian Federation to Ukrainian channels and newspaper editorial offices complicated the response to the escalation of events leading to the confrontation between traditional media and the so-called early citizen.

Obviously, the media and propaganda of the Russian Federation worked against Ukraine during the preparation period with the targeting of traditionally pro-Russian industrial regions of Ukraine (that also had close economic ties with Russia) and also certain target groups in Central, Northern and Western regions of Ukraine. Among these groups of citizens were: public servants, elderly citizens, and the intellectual and artistic elites.

Russia's presence on social networking sites was also significant (primarily, the most numerous and popular in the post-Soviet space Odnoklassniki and VKontakte social media) where various thematic groups and communities have been created, and various pro-Russian messages have been thrown in on the pages of politicized groups. The Russian Federation began to test and improve its technology in 2010, during the internal election campaigns in order to discredit the Russian oppositional forces.

The cyber-activity on the preparatory stage was minimal; however, it intensified significantly during the period of Euromaidan, when quasi-independent hacker groups, such as CyberBerkut, acted in the interests of the previous political regime of Ukraine and the Russian Federation.

The information and media component of the hybrid war became recurrent for the entire Russian aggression in its active phase. Relying on many years of preparation in the informational and psychological brainwashing of Ukrainian citizens, Russia managed to considerably disorganize Ukrainian society in the early stages of aggression, and play on the longstanding destructive topics, to decrease the support of the state authority activities by citizens. Russia's campaign included partial buying out of Ukrainian media (local and nationwide), use of strategic content (books, TV series, movies, pseudo-scientific and scientific research and studies, etc.), and an active





campaign in social media. In addition, the enemy applied (and continues to apply) methods of electronic warfare, seizure of telecommunication equipment directly in the conflict zone, and also carry out partially successful cyber-attacks against the state authorities, or objects critical to the infrastructure.

The annexation of the Crimea was carried out with active information and media support and by influencing the media infrastructure of the peninsula. The leading Russian information agencies, federal TV channels and also pro-Russian activists all over Ukraine broadcast and spread messages that discredited the Armed Forces of Ukraine cementing the idea of the Crimea's inevitable occupation (and pseudo-legitimacy of this process) and discrediting the conduct of the Ukrainian authorities. These measures were accompanied by the seizure of the TV and radio broadcast infrastructure, blocking of certain print publications, TV channels, companies and radio stations, and seizure of internet on the peninsula.

Along with the key structures in the security and defense of Ukraine, the departments of courier communication, objects of special and governmental communication had also been seized on the peninsula. There were also attempts to disrupt the National system of confidential communication.

The aggressor carried out the same activities in the Separate Districts of Donetsk and Luhansk. However, due to the difficulties of implementing the Crimean scenario in Donbass, the occupational forces resorted to stricter and more violent counterattacks to the pro-Ukrainian information sphere. Kidnappings and arrests of journalists, activists, streamers and bloggers took place in order to prevent the circulation of an alternative media picture from the occupied territories. In addition, similar to the Crimea, there were numerous cases of changing sides by employees of TV and radio companies that were seized by Russians. Later on, the same employees started working for the new media created by the Russian terrorist forces. Starting in the summer 2014, the Donetsk People's Republic and Luhansk People's Republic (with the participation of Russian advisors) began converting the media space of the territories into an "information ghetto" where there was no chance of seeing or hearing an alternative perspective or receiving true coverage of events.

Institutionalization of these terrorist structures in the form of puppet administrations and the foundation of the "Ministry of Information of Donetsk People's Republic" cemented this tendency. Overall, all the key decisions regarding the functioning of the media space in the occupied territories were controlled by Russian experts working on a rotational basis.



Many of the Russian Federation measures were aimed at imposing information and psychological pressure on the personnel of the Armed Forces of Ukraine directly deployed in the zone of an anti-terrorist operation (ATO). It was carried out by seizing control of telecommunications networks (for example, mobile phone connections) and sending SMS, aimed at weakening the martial spirit of the soldiers. There were also several cases of Russians intercepting signals of the military personnel's mobile devices in order to adjust artillery fire against them. The Russian and terrorist media also had access to print publications and radio production in the conflict zone. This activity continues to this day.

The information and media component of hybrid aggression was also realized in other directions other than the areas occupied in the Ukrainian territories.

One of them was the territories bordering the confrontation zones. The main goal there was propaganda of ideas of Novorossiia (and "DPR" and "LPR" as their practical realization), futility of resistance, appeal to the economic problems of the region (that allegedly deteriorated due to Kyiv's policy in the region), and imposing ideas of "Slavic unity", "common history", "brotherhood", etc. As a result, the local population had no clear position regarding the conflict and acquiesced unless their living situations deteriorated directly.

The destruction of the Malaysian "Boeing" MH17 by the Russian Federation was an important event in the hybrid aggression. The Russian media coverage reflected the main approach of the Kremlin to the information confrontation. First, accumulate a large number of different versions of an event (providing the potential plurality of the "truths"). Second, shift responsibility for the tragedy to Ukraine, falsifying "evidence" of the official Ukrainian involvement. And finally, if unable to convince the target audience (except for the internal Russian audience) of their version, withdraw from the process and ignore conclusions of international organizations. An almost identical approach was used by Russia to all information and media actions within the active phase of the hybrid war.

The Russian Federation continues to carry out special information operations throughout Ukraine. After imposing broadcasting restrictions for Russian channels, its activity is concentrated predominantly on social media, or on mass media that is only partially regulated (including those distributed for free). These efforts are aimed at discrediting the Ukrainian



authorities, affecting foreign political discourse and the mobilization process, restoring full-fledged Ukrainian power to the liberated territories, and working with internally displaced persons (IDP). Strategically, the aim of these activities is an artificial initiation of “Maidan 3.0” — a step considered by Moscow important to weaken Ukraine in the face of unresolved military aggression.

These attempts are ongoing. Research of independent analytical groups based on the open data suggests the activity of Russian propagandists has not decreased, especially in social media. A narrow circle of administrators of quasi-ultrapatriotic groups continues their psychologically destructive activity with the help of “bots”, which are aimed at renewal of discussion within Ukrainian society about the necessity of “the third Maidan”.

Apart from the informational and psychological confrontation, the Russian Federation started to use the cyber-component more actively. In particular, since 2013, the most dangerous type of cyber-attacks against state defense system have only increased. These attacks are well-documented¹.

The attacks were directed predominantly against state institutions and had the evident purpose of stealing information (primarily secret of restricted access).

In the context of the *Black Energy 3* attack, it was first aimed at the critical (energy) infrastructure, and appeared to be successful (the attackers had been preparing it since the end of 2014). It became possible to decrease losses caused by this attack only due to the fact that the responsible information systems were only partially modernized, which made it possible to reshuffle them quickly to the manual mode.

¹ Documented APT-attacks in Ukraine include Snake, Uroboros, Sofacy/APT28, Epic Turla, Black Energy 2 and 3, Armageddon, and others.



SPECIAL AND DIPLOMATIC OPERATIONS

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*The purpose of war is to support your
government's decisions by force.*

Robert A. Heinlein

3.1. RUSSIAN SECRET SERVICES ACTIVITIES IN UKRAINE

Activities of the Russian intelligence and special security forces against Ukraine clearly reflect the aggressive policy of the Russian Federation. According to the idea and plan of the hybrid war, the political objectives are achieved with minimal armed interaction with the enemy, by means of disruption of the latter's military and economic potential, information and psychological pressure, active support of the internal opposition, guerilla and sabotage methods¹.

The special forces of the Russian Federation were entrusted with the task of planning, organizing and implementing measures for creating the necessary conditions (political, economic, ideological, etc.) in the country — the object of aggression, at the preliminary “pre-war” stage. Their role also remains prominent during the active phase of the hybrid war. For the aggressor-country, readiness to oppress the resistance was of vital importance. Consequently,

¹ Герасимов В. По опыту Сирии [Following the Syrian experience] [Digital source] // Военно-промышленный курьер. — 2016. — 09 марта. — № 9 (624). — Access mode: <http://vpk-news.ru/articles/29579>





they received intelligence information on the situation in the country clarifying the state of affairs in the national defense sphere and operational readiness of the law enforcement agencies — which is itself a form of aggression.

The moment Ukraine declared its independence, the Russian special forces confidently kept their presence in its territory, mostly due to the Soviet roots in the Ukrainian security agencies. Thus, there was no significant need to actively employ the classic methods of intelligence activities or sabotage works. All the necessary information was received almost openly, using “friendly contacts” in the government, Parliament, security agencies, and other state administrative bodies. The Russian intelligence services had enough sources of information and possessed knowledge of the current situation in the security and defense spheres of Ukraine to exert influence in the process of the state decision making.

After the developments of the Orange Revolution and unsuccessful attempts to make use of the Russian special forces, the Kremlin authorities began to treat Ukraine as a hostile country. This meant intensifying covert intelligence work, forming undercover paramilitary groups, consisting of people with criminal past, sport-patriotic clubs youth (with relevant ideological anti-Ukrainian brainwashing), and support of pro-Russian organizations and movements.

Thus, the Russian intelligence services formed and carried out activities in south-eastern regions and in the Crimea with a network of anti-Ukrainian organizations, including various Orthodox groups focused on the ideas of the “Russian World”, separatist political groups (Donetsk Republic), and criminalized paramilitary groups (“Cossacks” groups, fight clubs, primarily in the Crimea, Oplot organization, security agencies).

In 2004, Russia first made a move in “Eastern Ukrainian” separatism. On November 26, 2004, Luhansk Regional Council founded the “South-Eastern Republic”. On November 28, 2004, in Severodonetsk, Luhansk region, the Congress of MPs of all 17 regions of Ukraine (predominantly eastern and southern) was held. It was attended by the representative delegation of the Russian Federation led by Mayor of Moscow Y. Luzhkov. The participants of the Congress discussed the foundation of the “South-Eastern Federative Republic” with the capital in Kharkiv².

² До другої річниці агресії Росії проти України (20 лютого 2016 року) [To the second anniversary of the aggression of Russian against Ukraine (February 20, 2016)] [Digital source] / Національний інститут стратегічних досліджень. — К. : НІСД, 2016. — 32 Р. — Access mode: http://www.niss.gov.ua/public/File/2016_book/Verstka_RNBO.indd.pdf





The leaders and members of these organizations later played an important role in implementing the plans of the Crimea annexation and during the turmoil in the south-eastern regions of Ukraine.

In addition, the intelligence services of the Russian Federation focused on systematically infiltrating the security and defense agencies of Ukraine. Both serving and former military servicemen and employees of the law enforcement forces were engaged in the agents' network, and some even headed the illegal paramilitary troops of the so-called Donetsk People's Republic and Luhansk People's Republic. During the military and intelligence service operations of "annexing the Crimea to the territory of the Russian Federation", the regional command personnel and units sabotaged their roles to defend the territorial integrity of Ukraine.

A key factor in the anti-Ukrainian policy of the Russian Federation in the Crimea was the Black Sea Fleet of the Russian Federation. The Black Sea Fleet conducted counterintelligence operations against the military intelligence of the FSB (Federal Security Service). The fleet was used as a base for carrying out subversive operations, public outreach efforts and other anti-Ukrainian activities.

The organization and launch of information campaigns to discredit Ukraine, both on the international level and within the country, became one of the priorities for the Russian Federation intelligence services.

After 2010, the Russian intelligence services focused their attention on cementing what they had achieved. First, the Ukrainian foreign policy was refocused in the eastern direction. This was achieved by activating the infiltrated people, loyal to the Russian Federation, in a number of Ukrainian governmental agencies. The purpose was to weaken and demoralize components of the security and defense sector, increase the presence of the Russian capital within the economy of Ukraine, promote the advantages of joining integrated Russian structures in exchange for economic benefits, further development of pro-Russian movements, and coordination of pro-Russian civil organizations activities.

Clearly, these directed subversive activities at the preparation stage of the hybrid war were successful, and contributed to the annexation of a part of the Ukrainian territory in order to create a zone of instability in the east of Ukraine.

The annexation of the Crimea was the result of a carefully planned and well orchestrated special operation led personally by the President





of the Russian Federation, V. Putin. He actually admitted it in the Russian propagandist documentary film, “Crimea. The Path to the Motherland”. Russian General Colonel A. Volkov appraised the actions in the Crimea with the following words: “...a brilliant concentration of forces, facilities, and special forces operated in Crimea with a disguised purpose and making use of a wide range of measures for disinformation of the enemy. Ukraine was unprepared.”³.

The time to conduct the operation was also well-chosen: it was a moment of greatest weakness in the state administration of Ukraine, demoralization of the force agencies, and strong influence of Russian propaganda on the local population.

Using the earlier created opportunities, the Russian Federation intelligence services organized a number of mass rallies in Crimea and in some south-eastern regions of Ukraine (most participants of these rallies were brought from the Russian Federation, among them there were special groups of well-trained provocateurs). The Russian troops, with the assistance of the “forces of self-defense of the Crimea”, blocked and seized the units of the Armed Forces of Ukraine. The “referendum” on the status of Crimea was held later.

Another important direction of activity became implementation of moral and psychological pressure on the military servicemen deployed on the peninsula and also on the employees of the law enforcement forces and members of their families. Total information dominance was asserted on the seized territory (Ukrainian broadcasting was blocked; circulation of Ukrainian print production was banned).

After the annexation of the peninsula, the Russian intelligence services continued to destabilize the social and political situation in Ukraine, discredit the Ukrainian authorities, create an image of Ukraine as a “*failed state*”, and prepare for a military invasion (including the invasion under the cover of the peacekeeping forces). In 2014, there was an attempt of mass infiltration of Ukraine by individuals intent on conducting secret subversive operations, organizing mass turmoil and civil unrest, and paralyzing work of the state authorities, law enforcement bodies, etc. Thus, mass civil unrest and riots were organized, including the seizure of regional administration buildings by the law enforcement bodies in Donetsk, Luhansk and

³ За кулисами “крымской весны” [Behind the curtains of the “Crimean spring”] [Digital source]. — Access mode: <http://www.dsnews.ua/politics/za-kulisami-krymskoy-vesny--18032016183500>



Kharkiv regions (the majority of the participants of these riots were citizens of the Russian Federation). There were also attempts to seize administrative buildings in Odesa, blocking the deployment of the Ukrainian Armed Forces and the National Guard. As we saw in the Autonomous Republic of Crimea, there was also strong moral and psychological pressure put on the military servicemen and members of their families deployed in Donbass.

Currently, the activity of the Russian intelligence forces in the territory of the Autonomous Republic of Crimea is focused on exposure and oppression of the occupation opponents (real and imaginary) and organization of provocations against Ukraine. Massive repressive campaigns against Crimean Tatars were launched by the former employees of the Ukrainian Security Service (SBU).

Informant recruitment by the Russian Federation intelligence services remains high. The most desired targets include: servicemen of the Armed Forces of Ukraine, the National Guard, employees of the law enforcement bodies, and security services of Ukraine. It is evident credible intelligence information regarding the Ukrainian security and defense systems remains crucial for Russian authorities. In addition, this direction of activity also indicates attempts by the Russian Federation to create opportunities to conduct acts of sabotage coordinated with attempts to discredit the state authorities of Ukraine, and to also create possibilities to launch successful military operations.

Moreover, efforts of the intelligence services of the Russian Federation are also targeted at Ukraine's military-industrial complex, which has intensified its activity since the launching of its anti-terrorist operation.

The deployment of massive and powerful Russian military troops near the Ukrainian border also leads to an additional launch and intensification of activity by the Russian Federation intelligence services, particularly in the frontier regions (Kherson, Kharkiv, Chernigiv, Odesa, Sumy regions). Furthermore, the military intelligence service and units of the counter-intelligence service of the Russian Federal Security Service (FSB) will act more intensely and vigorously.

It is worth mentioning that during the conflict in Donbass, Russian intelligence services created special centers for sabotage-terrorist training in the region. "Graduates" of these centers were often found and detained by the Ukrainian law enforcement forces. It is also important to remember that illegal activities were carried out under the direct command of the "curators"





of the Russian Federal Security Services (FSB), the Main Intelligence Directorate of the General Staff of the Armed Forces of the Russian Federation, and the so-called “Ministry of the State Security of Donetsk People’s Republic and Luhansk People’s Republic”. The Russian intelligence forces not only coordinated and managed the operation of these illegal bodies, but also maintained control over them, carried out arrests, and, if necessary, eliminated “undesirable persons”, etc.

According to the Ukrainian intelligence⁴, another “type” of activity of the Russian intelligence services (predominantly FSB) was mobilization and recruitment of illegal paramilitary groups. People convicted of lesser crimes were threatened with sentences from more serious crimes (by means of planting fake evidence against them, such as throwing in weapons, armaments, explosives, etc.) in Voronezh and Rostov regions, Krasnodar territory and in some areas of Donetsk and Luhansk regions. Employees of FSB blackmailed the detainees with threats of holding them criminally accountable for these instigated deeds and forced them to sign contracts for conscription.

Another element of the hybrid war was use of the criminal world by the Russian intelligence services. The Ukrainian Ministry of Interior documented an intensified activity by the organizers and leaders of the organized criminal groups who gained their “crown thief” status in the Russian Federation territory. It is very likely these individuals were under the influence of the Russian intelligence services and were used to gather information and contribute to the crime situation in Ukraine⁵.

The Russian intelligence services also made use of religious communities, an almost perfect environment for influencing large numbers of people, in the direct preparation and annexation of the Crimea, as well as for events in Eastern Ukraine. The religious factor was also utilized in the rest of Ukraine, and will continue to be used. However, sectarian tension and conflict are not normal for Ukraine, and before 2014, there were only a few isolated cases. These issues were resolved by law, and never resulted in violence.

Sabotage activities of the Russian intelligence services were not limited to the occupied territories. There was danger for the citizens of Ukraine who

⁴ ФСБ РФ принудительно мобилизует жителей ОРДЛО — разведка [FSB of the Russian Federation forcibly recruit residents of the Separate Districts of Donetsk and Luhansk regions — intelligence] [Digital source]. — Access mode: http://z.ua/UKRAINE/fsb-rf-prinuditelno-mobilizuet-zhiteley-ordlo-razvedka-225384_.html

⁵ Троян В. Уголовный фронт гибридной войны против Украины [Criminal frontier of hybrid war against Ukraine] [Digital source] // Зеркало недели. Украина — 2016. — № 19. — Access mode: http://gazeta.zn.ua/internal/ugolovny-front-gibridnoy-voyny-protiv-ukrainy-_.html



had to visit the Russian Federation where attempts to recruit were made using threats and blackmail.

In addition, the activity of the Russian special security and intelligence services intensified with the beginning of the hybrid war beyond Ukraine as well, and the main directions included the following:

- discrediting Ukraine in the international arena (including attempts to create an image of Ukraine in the eyes of the international community as a sponsor of terrorism);
- attempts at influencing the decisions of international organizations (UN, OSCE, PACE, and others);
- launching public outreach campaigns, actions, and disinformation;
- reduction, or impossibility of granting Ukraine any international aid;
- speculations on the issues related to the right of the nation to self-identity;
- inciting anti-Ukrainian moods (including speculation on controversial historical issues);
- inspirations of the theme of the “Russian World”, and the necessity to protect Russian-speaking citizens;
- sabotage and destructive activities in cyber-space;
- supporting activities of pro-Russian political forces and anti-Ukrainian non-governmental and civil organizations and movements in the EU countries and worldwide.

These days, Russian intelligence services continue their work to discredit the policy of our country, bodies of central and regional power, law enforcement bodies, and command of the Armed Forces of Ukraine. Attempts to influence decision making also continue, as well as support of organizations advocating separatism. With the appearance and development in Ukraine of volunteer movements, the Russian intelligence services received another area to focus on that needed discrediting. With the launch of and intensified anti-corruption campaign in Ukraine, non-governmental organizations, fighting against corruption became of interest to the Russian intelligence services.

Thus, the Russian intelligence services hold a leading place in the implementation of the Kremlin’s plans for Ukraine. Founding of the National Guard is the latest staff reshuffle in the ranks of the Russian intelligence services. Plans for significant extension of the FSB powers point to the fact that the Russian authorities, ability to resolve internal and external problems





will rely on the strong and well-controlled special and intelligence forces, forces that will continue to actively operate and act against Ukraine even after the conclusion of the hybrid war activity and cessation of direct armed confrontation in the anti-terrorist operation region.

3.2. DIPLOMATIC COVER FOR HYBRID AGGRESSION

The diplomatic cover for the hybrid aggression became a characteristic feature of the Russian Federation's and its leadership's conduct as a form and element of waging an undeclared war against Ukraine, starting from February 2014.

In order to fulfill its geopolitical tasks and achieve its aggressive objectives, violating the interests of all the countries worldwide without exception, Russia blatantly neglected the norms of international law and disrespected the international community by covering its actions with diplomatic methods.

Today, Moscow places the foreign-diplomatic component at the same level as its military one. And for a good reason, as negotiations, intrigues, various pressure techniques, stove-piping of information, denials, substitution of concepts, shifting of accents, half-truths, distracting attention, influencing decision making, the process of constructing a quasi-reality by the Russian diplomats and representatives of the Russian state are parts of the Kremlin's hybrid war strategy.

The diplomatic component is a key component among the actions of the Russian aggression of the military, economic, and public outreach types. It is aimed at fulfilling specific tasks for the maximal coverage and denial of Russian participation in the abovementioned actions against the sovereign Ukrainian state.

Among the displays of the hybrid war covered with the diplomatic actions are the following:

- denial of aggression against Ukraine;
- presenting aggression as an internal Ukrainian civil conflict;
- denial of any violation of international law norms and, respectively, the necessity to employ international legal mechanisms, including those



required by the UN Statute, the OSCE documents, and other international legal documents;

- falsifying facts and misinforming the community; substituting notions and using other methods and means of propagandist war;
- manipulating the norms and principles of international law for the annexation of the Autonomous Republic of Crimea and the city of Sevastopol, in particular, based on the right of nations to their own self-determination;
- wide use of false and distorted information during bilateral and multilateral international meetings in order to present the events in and around Ukraine in the light favorable for Russia, and to accuse Ukraine of massive violations of human rights, “genocide”, noncompliance with its obligations (the Minsk agreements), etc.;
- manifestation of positive signals and declarations in default of real constructive decisions and actions in practice;
- use of all forms of pressure, threats and blackmailing during consultations regarding the resolution of the conflict.

Among the most effective actions conducted by the Russian Federation were the following:

- using the veto right in the UN Security Council and the consensus principle of taking decisions in the OSCE to block decisions necessary for handling the situation in/around Ukraine;
- active use of the “Russian factor or influence” for shaping the policy regarding Ukraine by certain European countries and positions of foreign business and expert circles and public community;
- launch of the public outreach campaign, unprecedented in scale, at the international level utilizing TV, press, the Internet, information events etc., in order to shape the perception of Ukraine and events to a more favorable view of the Russian Federation, and presenting itself as a “rescuer”, “liberator”, “peacekeeper”, etc.

In order to cover and hide various actions (the annexation of the Crimea, the conflict in Donbass, the tragedy with the Malaysian airplane, etc.) diplomats of the Russian Federation often resorted and continue to resort to the technique of shifting the accents regarding the developments in Eastern Ukraine and shifting responsibility from them to Ukraine.

Russian propaganda makes heavy use of any diplomatic opportunities and newsworthy events for delivering their ideological messages and



increasing information influences. These messages were delivered in numerous statements and comments by the Head of the Ministry of Foreign Affairs of the Russian Federation, S. Lavrov, the Permanent Representative of the Russian Federation to the United Nations and to the United Nations Security Council, V. Churkin, and other high-ranking officials of Russia. The purpose of these actions is not to convince, but to blur the information field as much as possible by accusing the other side of everything, contributing to the victory of their own narratives. **The Kremlin denies its responsibility and continues to disavow its participation in these crimes.**

Ukrainian diplomats work hard to achieve their key objectives — strengthening Ukrainian positions in the Donbass conflict, providing credible and objective information about the situation in the east of our country and in the Crimea, supporting international security, securing human rights in the occupied territories, helping internally displaced persons (IDP), etc.

With the ongoing aggression against our country, Resolution 68/262 “Territorial Integrity of Ukraine” by the General Assembly of UN was approved by an overwhelming majority of votes and had an extremely important political and international and legal meaning (March 27, 2014).

Since the beginning of the Russian aggression against Ukraine, over 30 sessions of the UN Security Council have been held. As a permanent member of this institution, Russia actively blocked any initiatives of Ukraine and its partners regarding the settlement of the conflict in Donbass. One of the manipulative techniques of the Russian delegation during these sessions was to distract attention from resolving the urgent problems and commenting on the developments in a way that was favorable to the Russian Federation. It is unacceptable this aggressor continues to enjoy such a powerful instrument of influence as the veto right in the UN Security Council.

The president of Ukraine, P. Poroshenko, stated during the debates of the 71st General Assembly in the UN in September 2016 that restriction of the veto rights has to become a priority task for reforming the Security Council, especially during adoption of decisions regarding prevention and settlement of conflicts. Furthermore, it is necessary to hold accountable countries who show evidence of aggression.

Membership in the UN Security Council for nearly a year provided Ukraine with additional opportunities to represent our position and actively participate in working out decisions for other global issues taken by the UN Security Council.





Ukraine will continue to condemn the aggressive policy of the Russian Federation and to support the formation of the anti-Putin coalition of countries. Taking into consideration the Russian capabilities and the status of the Russian Federation, this cannot be achieved in the UN Security Council today. This is a reason why this battle must be transferred to the General Assembly of the UN, and Ukrainian diplomats must search for support among the delegations of other countries.

On March 21, 2014, all 57 countries, members of the Organization for Security and Co-Operation in Europe (OSCE), adopted the decision to send an OSCE Special Monitoring Mission to Ukraine based on the violation of the Russian Federation of its obligation to guarantee the territorial integrity and sovereignty of Ukraine, and its military invasion and escalation of tension in Ukraine.

The Special Monitoring Mission plays an important role in monitoring the Complex of Measures related to the implementation of the Minsk agreements achieved during the meeting of the Presidents of Ukraine, France and Russia and the Chancellor of Germany on February 12, 2015. Daily reports from the OSCE Special Monitoring Mission also discuss compliance with the ceasefire regime, withdrawal of the heavy armament and establishment of stable and permanent monitoring on the Ukrainian-Russian border not controlled by the Ukrainian Government.

However, Russians try to use the activity of the OSCE Special Monitoring Mission for its own gain and to influence the situation in eastern Ukraine via its own representatives on this mission. The OSCE Special Monitoring Mission has 24 staff members with Russian Federation citizenship (the second largest number of representatives), and many others also share pro-Russian moods (citizens of the former Soviet countries: Armenia, Belarus, Tajikistan, Kyrgyzstan, Kazakhstan, Moldova, and also members of the former member states of the Warsaw Treaty who are under the influence of the Russian propaganda machine).

The Russian Federation “agents” use all available means to block decisions within the framework of the OSCE and the OSCE Special Monitoring Mission. However, Russia also constantly declares the necessity of a peaceful settlement of the conflict in Eastern Ukraine in accordance with the terms of the Minsk agreements. This is only a small element of the mosaic of the Russian diplomatic cover for the aggressive policy conducted by the Kremlin.





Similar approaches were also used regarding the tragic events with the crashed Malaysian Airlines passenger jet in the summer of 2014. Using its propaganda machine, channels of information dissemination, including the diplomatic channel, and engaging experts, the Russian side distributed distributed and circulated versions of the catastrophe favorable to Russia, but far from the truth. And they accused Ukraine of this tragedy.

On September 28, 2016, the International group for investigation of the catastrophe of the Malaysian Boeing-777 MH17 presented the preliminary results and conclusions of the criminal investigation of the cause of the airplane catastrophe, particularly, regarding the armament system that had shot the airplane, and the location of the missile launch. It was announced the airplane was shot down by an anti-aircraft missile 9M38 launched from a Russian anti-missile and anti-aircraft system “BUK”. It was also discovered that this complex had been delivered to Ukraine from the Russian Federation and returned to the Russian territory, after which it was used for an attack against the airplane.

We expect the Kremlin to again deny its involvement in the catastrophe and look for different possibilities, including diplomatic ones, to publicly denying the alleged involvement. However, it is important for Ukraine and its partners in the investigation to finalize their investigation and bring those responsible for crashing the passenger jet to justice.

Another example of the diplomatic cover of the Russian Federation used to hide its actions was the chairmanship in the Organization for the Black Sea Economic Cooperation from January to June in 2016. During this period, Russia made numerous attempts to demonstrate its importance in the development of economic cooperation within the framework of the organization, despite its violation of the basic principles of international law and the foundation principles of the Organization for the Black Sea Economic Cooperation itself regarding the transformation the Black Sea region into an area of peace, stability and prosperity.

A similar behavior characterized the actions of the representatives of the Russian Federation during the sessions of the Parliamentary Assembly of the OSCE (PA OSCE). For instance, over the last year, the 24th summer session of the PA OSCE (held between July 5-9, 2015) the Helsinki Declaration was adopted, which included, among other things, two resolutions in support of Ukraine: *Continuation of Clear, Gross and Uncorrected Violations of OSCE Commitments and International Norms by the Russian*



Federation and On Abducted and Illegally Detained Ukrainian Citizens in the Russian Federation. Russia refrained from participating in this decision of the Parliamentary Assembly of the OSCE session as a sign of protest.

The representatives of the Russian Federation who took part in the work of the 25th session of the Parliamentary Assembly of the OSCE (held between July 1-5 2016) refused to discuss the resolution regarding the Autonomous Republic of Crimea (*Violations of Human Rights and Fundamental Freedoms in Crimea*), Abkazia and Southern Ossetia. After the Russian representatives failed to convince the session participants to refuse to adopt the resolutions, the Russian delegation left the event.

During the autumn session of the Parliamentary Assembly of the OSCE in 2016 (held between September 30 and October 2), Ukraine drew participant's attention to the unacceptable conduct of the Russian Federation, which continued to occupy the Autonomous Republic of Crimea and held illegitimate elections for voting to the State Duma of Russia. Ukraine received support of numerous international partners (national parliaments of foreign states, parliamentary assemblies, international organizations) who do not recognize the legitimacy of the results of the Russian elections held in the occupied Ukrainian territory either.

In April 2014, the Parliamentary Assembly of the Council of Europe (PACE) suspended the Russian delegation's right to vote due to the annexation of the Autonomous Republic of Crimea. Later, PACE called to preserve sanctions imposed on the Russian Federation several times. In response to the last harsh resolution, Russia suspended all contact with PACE. Such a demarche disrupts the European system of implementing decisions on human rights, as Russia may withdraw its signature under the Convention and refuse to abide by the decisions of the European Court of Human Rights returning to its usual blackmail and pressure. Therewith, through its "partners" and influence groups within the Assembly, Russia expended a lot of effort to return to the PACE hall the next year without meeting the demands of the resolutions adopted by the Assembly itself.

Another of Putin's gambles to disrupt the system of international relations manifested itself when the President of the Russian Federation signed the decree suspending the force of the agreement with the U.S. on plutonium utilization at the beginning of October 2016. As a result of such a provocative decision and the Kremlin's balancing on the waves of the hybrid format, the Russian Federation became the second country in the world



after Northern Korea that actually decided to opt to use nuclear weapons as blackmail.

In conclusion, a broad range of diplomatic measures by the Russian Federation were components of the general aggressive policy of Russia against Ukraine, including the annexation of the Crimea, and later, support of the separatists in Donbass. The characteristic features of the Kremlin's diplomacy today includes falsifying events, substituting notions, denying obvious and evident things, distorting facts, dwindling to the level of undertones and nuances, and interpreting events in accordance with its own information and diplomatic scenario.



ECONOMIC DIMENSION OF HYBRID AGGRESSION

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To destroy money is to destroy wars.

Marcus Fabius Quintilianus

4.1. TRADE WARFARE AS AN INSTRUMENT OF ECONOMIC PRESSURE

The foreign trade activity in Ukraine occurs under unprecedented economic pressure from the Russian Federation. Traditionally, in the past decades, Russian domestic markets discriminated against Ukrainian exports, but under the new conditions, the discrimination resulted in a full-scale trade war. The instruments of economic pressure on Ukraine, used by the Russian Federation are focused and purposeful restriction of access of Ukrainian commodities to the domestic market, and protectionist support for Russia's own producers, which are now complemented with the transit blockade (Russia's ban on international transit for automobile and railway freight transportation from the territory of Ukraine). For the aggressor, it had a favorable synergy on various frontiers of the economic confrontation.

The poor diversity of the Ukraine's foreign trade, its historical dependence on Russian suppliers and consumers in the production chains were the factors that gave the Russian Federation a sizable advantage to make trade the main tool of aggression against Ukraine in the economic battlefield. Significant negative trade policy changes regarding Ukraine





started as early as 2013, after the Ukrainian government announced its intention to sign the EU-Ukraine Association Agreement. As a response to the strengthening of the European vector in the Ukrainian policy, the government of the Russian Federation initiated protective measures violating all norms of international law.

Since July 2013, after the Russian refusal to prolong the Agreement on regulations of steel pipes supplies⁶ signed in 2011, the anti-dumping duties were introduced for Ukrainian steel production that are responsible for up to 40% of the pipe cost. In July 2013, the Russian sanitary service banned imports of Ukrainian confectionary products to the Russian Federation. At the end of September 2013, the term of the certificates for the freight cars of Ukrainian production was suspended for a long period of time, and special duties were also imposed on tableware and porcelain ware imported by the Custom Union, which affected Ukrainian manufacturers most.

During 2014 through 2015, the situation escalated: the Russian Federation's trade restrictions began to affect Ukrainian dairy, crop farming (potatoes and corn), and the transit of Ukrainian sugar to the countries of Central Asia was also blocked. The customs control procedure for all Ukrainian commodities imported to the Russian Federation, without any exceptions, were tightened, which caused significant losses for Ukrainian manufacturers causing prolongation of the customs cargo clearance up to 15 days.

Since the beginning of 2016, Russia suspended the Free Trade Agreement with Ukraine⁷. The consequence of this action was an implementation of the Most-Favored-Nation (MFN) principle in Russia instead of preferential treatment, which it had been using since 2011. It replaced the zero rates for all the Ukrainian goods and imposed standard customs duties in accordance with the Common Custom Tariff of the Eurasian Economic Union. In this manner, the duties applied on the Ukrainian exports to the Russia increased from 0% to 5-20%. The average weighted rate increased to 7.7%, and Russian Federation was able to introduce a new quota, bans, and other non-tariff measures.

⁶ Agreement on the regulation of supplies of certain types of steel tubes produced in Ukraine to the territory of the Republic of Belarus, the Republic of Kazakhstan, and the Russian Federation. [Digital source]. — Access mode: http://zakon2.rada.gov.ua/laws/show/998_507

⁷ Decree of the President of the Russian Federation of December 16, 2015 No. 628 "On the Suspension by the Russian Federation of Free Trade Agreement with Ukraine [Digital source]. — Access mode: <http://kremlin.ru/acts/bank/40310>





The Russian Federation has also imposed both an embargo for food imports from Ukraine and other barriers for transit of Ukrainian goods to the countries in Central Asia. Thus, the effect of the Decree⁸ of the President of the Russian Federation imposed restrictions on the transit of Ukrainian commodities through the territory and acted as an embargo against trade to Kazakhstan and Kyrgyzstan. The Decree stipulated the total ban of transit not only for the goods under embargo, mostly food products, but also for all commodities for which Russia had introduced the non-zero import duties.

In response to the Russian aggression, Ukraine implemented a range of restrictive measures for trade. In September, the Decree⁹ of the President of Ukraine enacted the Decision¹⁰ of the Council of National Defense of Ukraine. On implementation of personal, special, economic and other restrictive one-year measures (sanctions) against 388 private individuals and 105 legal entities registered in the Russian Federation and in the Autonomous Republic of Crimea, including Russian companies — producers and developers of software, aerotechnics, helicopters — that traditionally imported engines and other replacement parts for Ukrainian production. These sanctions stipulated the blocking of the assets, restriction of trade and financial operations preventing the capital outflow from Ukraine, and annulment or suspension of licenses.

After the Russian embargo of Ukrainian commodities, as a counter-measure, Ukraine banned export of a range of agricultural and industrial commodities, in particular, meat and dairy products, confectionary, food for babies, coffee and tea, alcohol and tobacco products, and also some kinds of chemicals (pesticides) and products of railway engineering. The total cost of Ukraine's banned exports was equal to the cost of the exports banned by the Russian Federation. The list of these commodities was approved in

⁸ Decree of the President of Russian Federation of 01.07.2016 No. 319 "On amendments to the Decree of the President the Russian Federation of January 1, 2016 No. 1 "On measures for providing economic security and guaranteeing national interests of the Russian Federation during international transit freight transportation from the territory of Ukraine to the territory of the Republic of Kazakhstan via the territory of the Russian Federation" [Digital source]. — Access mode: <http://publication.pravo.gov.ru/Document/View/0001201607030001>

⁹ Decree of the President of Ukraine from of September 16, 2015 No. 549/2015 "On the decision of the National Security and Defense Council of September 2, 2015 "On imposing personal special economic and other restrictive measures (sanctions)" [Digital source]. — Access mode: <http://zakon0.rada.gov.ua/laws/show/549/2015>

¹⁰ Decision of the National Security and Defense Council of September 2, 2015 "On imposing personal special economic and other restrictive measures (sanctions)" [Digital source]. — Access mode: <http://zakon0.rada.gov.ua/laws/show/n0014525-15/paran2#n2>





December 2015¹¹ and complemented later with individual positions of agricultural (onion), confectionary and other food production¹².

With the prolongation of the Russian trade embargo, the Ukrainian government adopted symmetrical measures at the end of June 2016, prolonging till December 31, 2017 its ban on the imported goods originating from the Russian Federation¹³.

The trade confrontation resulted in reduced trade flows between Ukraine and the Russian Federation. In 2014, the bilateral trade in goods amounted to USD 21 billion, which was lower by 45.3% relative to 2013. The acceleration of this trend was observed in 2015, when the commodities turnover dropped nearly twice as much relative to 2014, and amounted to just USD 11.1 billion (Figure 1).

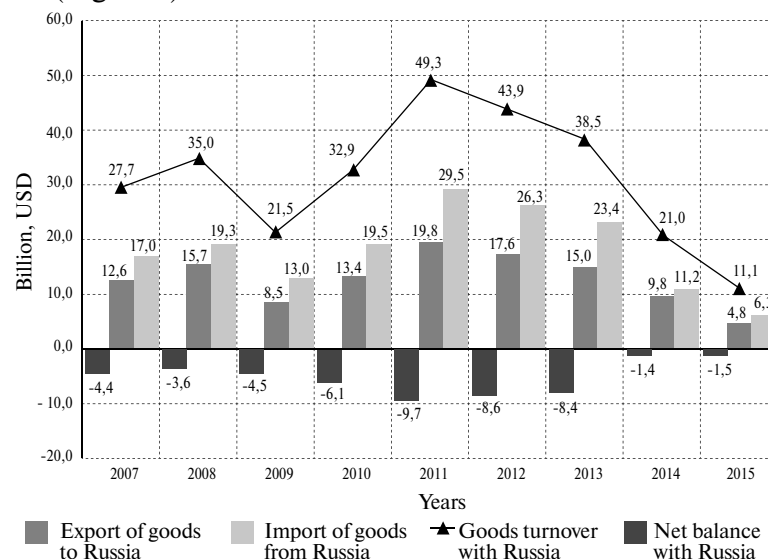


Figure 1. Foreign trade in goods between Ukraine and the Russian Federation in 2007-2015, in billions USD¹⁴

¹¹ Decree of the Cabinet of Ministers of Ukraine of December 30, 2015 No. 1147 "On prohibition of import to customs area of Ukraine of goods coming from the Russian Federation" [Digital source]. — Access mode: <http://zakon3.rada.gov.ua/laws/show/1147-2015-%D0%BF>

¹² Decree of the Cabinet of Ministers of Ukraine of January 20, 2016 No. 28 "On amendments of the list of goods banned from import on the custom territory of Ukraine and originated from the Russian Federation" [Digital source]. — Access mode: <http://zakon2.rada.gov.ua/laws/show/28-2016-%D0%BF>

¹³ Decree of the Cabinet of Ministers of Ukraine December 30, 2015 No. 417 "On amendments to the Decree of the Cabinet of Ministers of Ukraine of December 30, 2015 No. 1147" [Digital source]. — Access mode: <http://zakon0.rada.gov.ua/laws/show/417-2016-%D0%BF>

¹⁴ Sources: Custom statistics of the State Fiscal Service of Ukraine [Digital source]. — Access mode: <http://sfs.gov.ua/ms/>





A decrease in trade with Ukraine was a trend before this time, but this reduction of the value indexes of the Russian imports was indicative of the intentional displacement of Ukrainian goods out of the Russian market. Before 2014, the import of goods with the Russian Federation in general showed a slowdown in growth, whereas the reduction of the Ukrainian import in goods to Russian markets started to decrease as early as 2012. This was the period of escalation of various trade wars waged by the Russian Federation (so-called “cheese wars”, “meat wars”, “gas wars”).

The general reduction of Ukrainian exports to the Russian Federation during 2014 through 2015 could be explained by some other factors: infiltration of negative consequences of international sanctions against the Russian Federation due to the annexation of the Crimea; countersanctions imposed by Russia in response to the international sanctions; the fundamental fall of the crude oil prices on the world market and, consequently, noticeable reduction of the currency inflow to the Russian Federation; the significant reduction of the consumer investment and consumer demand in the Russian Federation.

The Ukrainian losses in the branch-sectoral aspect caused by the trade war are different: they are determined, first of all, by the extent of dependence of the Ukrainian export on the Russian Federation in certain groups of commodities, and by the activity of Kyiv in diversification of foreign trade.

For many years of trade with the Russian Federation, Ukraine remained a net exporter of the commodities in the machinery engineering industry. In 2012, 52% of the Ukrainian export in mechanical engineering commodities was supplied to the Russian market, while in 2015, this percentage was reduced to 29.3%. The export of the heavy mechanical engineering production (first of all, nuclear reactors, boilers, machines) and products of the transport mechanical engineering (railway locomotives and wagons) turned out to be the most vulnerable.

Ukraine's dependence on the Russian import of its heavy mechanical engineering products is lower than on its export: the share of the Russian Federation in the general volume of the Ukrainian import of heavy mechanical engineering products in 2012 amounted to 13.8%, and in 2015 — 12.7%. At that, 56.7% of the heavy mechanical engineering production import by the Russian Federation accounted for fuel element “cartridges” (nuclear reactor fuel elements for nuclear power plants). Ukraine remains dependent on the nuclear fuel produced by the Russian company “TVEL”. In the meantime, the American company *Westinghouse* started the expansion





of its nuclear fuel supplies to Ukraine to be exploited at the South-Ukraine electric power producing complex, while the State Enterprise “National Nuclear Energy Generating Company “Energoatom” declared its intentions to gradually increase the American nuclear fuel share.

The prospects of diversification of Ukrainian export of heavy machinery engineering are associated with the development of cooperation with Asia and the Customs Union countries (Belarus, Kazakhstan). The European market was mostly inaccessible to Ukrainian producers due to the non-compliance standards and high competitive pressure from the EU companies holding on to their leading positions in the international heavy machinery engineering markets.

Ukraine remains a net exporter of metallurgical industry products on the Russian market — its export in 2012 and 2015 exceeded its import by 2 and 2.5 times respectively. The Russian Federation’s share in Ukrainian export of the metallurgical industry products reduced in 2012–2015 from 19.9 to 12.4%, and in import — from 36.0 to 23.7%. The base of the metallurgical industry production export to the Russian Federation in 2015 was goods with low added values — ferrous metals, which are two thirds of the metallurgical export to the Russian Federation.

In 2016, Ukrainian metallurgists faced the unequal competitive conditions from Russian manufacturers. After enacting the Russian President’s Decree “On Suspension by the Russian Federation of Free Trade Agreement with Ukraine” of December 16, 2015 No. 628¹⁵, Ukrainian metallurgical enterprises exporting their products to the Russian Federation were forced to pay 5% import duties, which reduces the competitive ability, especially against lower prices on the international market. Russian manufacturers, though, export the majority of their products to Ukraine with zero duties, which complies with the obligations accepted by Ukraine after joining the World Trade Organization¹⁶.

The total volume of metal imported by Ukraine is there insignificant provided that the share of the Russian products in there is less than

¹⁵ Decree of the President of the Russian Federation of December 16, 2015 No. 628 “On Suspension by the Russian Federation of Free Trade Agreement with Ukraine” [Digital source]. — Access mode: <http://kremlin.ru/acts/bank/40310>

¹⁶ In Ukraine, as of 2014, from 1065 commodity items related to metallurgical industry, 708 items (66.5%) had zero duties. The average import tariff of Ukraine is 1.7% (0.6% for cast iron and steel and 2.5 % for the items produced from cast iron and steel). For more detail see: Branch influences of Ukrainian membership in the World Trade Organization [Digital source]. — Access mode: http://www.ier.com.ua/files/publications/Books/WTO_industry.pdf





a quarter, which secures the country from its dependence on import from the Russian Federation.

The ukrainian trade with the Russian Federation in chemicals preserves a low diversity level. With the reduction of the volumes in value, the share of the Russian Federation in Ukrainian chemicals and petrochemicals production export grew from 31.4% in 2012 to 37.9% in 2015, while in import, the rates remained unchanged, at the level of 17.9%.

Ukraine is a net importer in chemicals and petrochemicals with the Russian Federation (import in 2012 and 2015 exceeded export 1.2 times and 1.4 times respectively). The biggest dependence on imports can be seen in the mineral fertilizers market. In recent years, Russian mineral fertilizers manufacturers, using much cheaper natural gas in the production of nitrogenous fertilizers, engaged in predatory pricing in the Ukrainian market offering our farmers fertilizers at much lower than local manufacturers' prices. Local fertilizer manufacturers also faced problems caused by the loss of control over the capacities and factories located in the anti-terrorist operation zone, and had to forcibly suspend their operations. These actions of Russian exporters resulted in Ukraine initiating an anti-dumping investigation against Russian manufacturers of nitrogenous fertilizers in June 2015.

Today, the Ministry of Economic Development of Ukraine has already declared its readiness to impose restrictions on carbamide-ammonium mixtures and carbamide import from the Russian Federation if Ukrainian manufacturers are unable to guarantee sufficient volumes of nitrogenous fertilizers supplies¹⁷.

The second most imported chemicals and petrochemicals from the Russian Federation are polymeric materials — 21.1%. There is an insufficient level of Ukrainian production of lower paraffin hydrocarbons and plastic materials, limited oil and natural gas deposits, and also historically underdeveloped production capacities (in Soviet times the majority of the polymeric industrial factories were located in Russia).

Diversification of Ukrainian chemical export is conducted through the development of foreign economic cooperation with Asian countries,

¹⁷ Ministry of Economic Development and Trade of Ukraine is ready to impose restrictions for fertilizers import from Russia [Digital source]. — Access mode: <http://agravery.com/uk/posts/show/minekonomrozvitku-gotove-vvesti-obmezenna-na-import-dobriv-z-rosii>





particularly with Turkey, one of the biggest importers of Ukrainian chemical industry products (fertilizers and non-organic chemicals).

The long-lasting trade confrontations between Ukraine and the Russian Federation resulted in significant restrictions on supplies of agricultural products to both countries. Thus, when in 2012 Ukrainian foodstuffs exported to the Russian Federation exceeded 2 billion USD, by the end of 2015 it dropped by nearly ten times — to 276.5 million USD. The import of foodstuffs from the Russian Federation also reduced from 731.2 million USD in 2012 to 245.1 million USD in 2015.

The agricultural sector was one of the first to experience the trade war with the Russian Federation. Yet, on August 14, 2013, the custom services of the Russian Federation added all Ukrainian importers to the list of “risky” ones, which caused the actual blockade of commodity supplies from Ukraine. This blockade affected the suppliers of fruits and vegetables, chicken meat, confectionary products, and wines.

Since January 1, 2016, the Russian Federation has increased the import duties for Ukrainian products, and imposed an embargo for some commodities of Ukrainian origin such as: meat, fish, dairy products, vegetables, fruits, nuts, and sausages. As a consequence, the export of these Ukrainian commodities to the Russian Federation nearly halted (in the first half of 2016 it amounted to 0.7 million USD).

As a result of the long-standing trade confrontation between Ukraine and the Russian Federation, the Ukrainian manufacturers of agricultural products understood the inevitable loss of the Russian market as early as in 2014 and the necessity to look for alternative markets. By gradually resolving the problems and adapting the requirements for security and product quality, as well as working on compliance with other technical regulations, the Ukrainian manufacturers of agricultural products were able to increase their sales both to the traditional buyers and to new and more exacting ones — the markets of EU countries, China, Israel, Egypt, other countries of Asia and Gulf countries.

Ukraine’s trade pressure from the Russian Federation wasn’t limited to mirroring sanctions. As the Russian markets became less profitable and predictable, it was important to remove their dependence on them (in the context of reducing dependence on the external conditions), and to make use of all the available and efficient measures of the macroeconomic and foreign trade policy, economic diplomacy and international trade law.





The main directions of the state policy for countering the trade war were:

- design of comprehensive countermeasures within the framework of international organizations, the first being the World Trade Organization (WTO). In response to the Russian Federation's embargo on some commodities from Ukraine, it was necessary to introduce additional duties for certain Trade Item Numbers of export from the Russian Federation to Ukraine based on paragraph 2 of clause 8 and paragraph 3 of clause 12 of the WTO Agreement on Safeguards, sending a corresponding notification to the WTO Secretariat. Thanks to those clauses, Ukraine is able to ask for compensational charges and fees provided the WTO requirements for consultations with the interested parties concerning additional protective measures have been violated. As the Russian Federation has imposed restrictions on import from Ukraine without these consultations, Kyiv has the right to apply the abovementioned procedure. It is also critical to apply the WTO mechanisms for cancellation of the illegal actions of the Russian Federation regarding the blocking of the transit for Ukrainian commodities;
- intensifying the monitoring of products import to Ukraine with the aim of revealing cases of non-competitive actions capable of harming national manufacturers and suppliers, and, if necessary, imposing restrictive barriers, conducting investigations and using special measures prescribed by the Laws of Ukraine "For special measures in regard to import to Ukraine" and "For protection of the national producer against dumped import";
- stabilizing and gradually expanding niches in international markets in accordance with the conventional (semi-finished products) and high-tech list of products, in particular, diversification of product markets with prioritization given to suppliers in countries of Northern Africa and the Middle East, strengthening ties with the EU (within the framework of the Association Agreement), the U.S. and Latin America countries¹⁸;
- stirring up activity of Ukraine's foreign trade missions in prospective markets based on public-private partnerships (including joint financing by interested private companies and government-oriented activity of trade missions¹⁹);

¹⁸ Донбас і Крим: ціна за повернення : монографія [Donbass and Crimea: cost of return : monography] / за заг. ред. В.П. Горбуліна, О.С. Власюка, Е.М. Лібанової, О.М. Ляшенко. — К. : НІСД, 2015. — Р. 357.

¹⁹ V. Vlasuk. Metal is a promising niche for export to Asian markets. [Digital source]. — Access mode: http://www.expert.kiev.ua/ru/?option=com_flexicontent&view=item&id=1145:metall-perspektivnaya-nisha-v-eksporte-naynki-azii





- development of Ukraine's Doctrine of Foreign Economic Security as a key program document that defines the landmarks of the foreign trade in the country, including the conditions of hybrid aggression. Development of Ukraine's export strategy based on this Doctrine where priority is given to export development segments and types of production that will be presented in detail, strategic partners in export of these types of commodities will be defined, and the principles of organization and state financing of export activity will be determined;
- speed-up of harmonization in the national system of technical regulations and standards with the European and international norms.

The tactics of the economic confrontation chosen by the Russian Federation contradict both the fundamental principles of bilateral international agreements with Ukraine and the obligations assumed by Russia within the framework of the WTO. The destructive economic activity of the Russian Federation creates a vulnerability and represents a direct threat to the Ukrainian economic and foreign trade security. Diversification of Ukraine's foreign trade dependence on Russia complies with Ukrainian national economic interests, and strengthens its economic opportunities to deter future hybrid threats.

Proactive risk minimization in response to further possible escalation of economic restrictions from Russia calls for a balanced shift in the state policy issues on (1) domestic market protection from Russian economic aggression, (2) a sizable decrease of dependence on imports with aggressive regimes, (3) expansion of national export specialization. These economic pillars will allow Ukraine to maneuver in response to hybrid attacks. In a broad sense, it will create the preconditions for its economic revival and a strategy for entering global value chains.

4.2. "ENERGY WEAPON" IN THE CONTEXT OF HYBRID WAR

Having lost the opportunity to influence the Ukrainian energy sector with economic-political instruments, Russia started the next stage of its policy — a war, which, in accordance with Karl Clausewitz, "is the continuation of politics by other means".





Energy objects and the energy infrastructure have been extensively used in the Russian strategy. Destroying the energy infrastructure and inflicting problems in Ukraine's energy sector have become instruments of the attempts to conquer our country by disrupting the stability of our social-economic situation. This has been done not only to cause economic losses, but also to put psychological pressure on Ukrainian politicians and citizens.

In order to disrupt the sustainability of Ukraine's critical infrastructure, Russia has been actively using various methods of both indirect (economic, information methods) and direct physical influence (destruction, blocking, seizing). Among the physical influence methods, it is important to note the following: physical seizure of objects while preserving their functionality; interruption of critical infrastructure operation; physical destruction of objects; and thwarting attempts to resume to the normal operations of the objects functionality²⁰.

For instance, as a result of the temporary occupation of the Autonomous Republic of Crimea, Ukraine has lost control over a significant number of assets in the energy sector — both state and private property²¹.

The state-owned and private electricity generating capacities have been seized, in particular: a range of thermal power plants with the total capacity of over 60 MW, wind-power stations with the capacity of over 60 MW, solar electric plants with the capacity of over 224 MW, transmission lines (high voltage) with the total length of 1370 kilometers and 17 transforming substations 110—330 kV with the capacity of 3.840 MVA, distribution lines (total length over 31.9 thousand kilometers; total capacity of 270 transforming electrical substations 35—110 kV reaches 6.028 MVA). The total cost of the assets lost in the Crimea territory is estimated at almost 1 billion USD, and that is only for those belonging to the National Energy "Ukrenerho" Company²².

Ukraine's losses in the oil and natural gas sector were the most dramatic, particularly those belonging to state-owned companies.

The state National Joint Stock Company "Naftogaz of Ukraine" owns 100% of the stock in the State Unitary Enterprise "Chornomornaftogaz"

²⁰ Суходоля О. М. Енергетична інфраструктура: інструментальний вимір ведення війн нового покоління [Energy infrastructure: instrumental dimension of conducting new-generation wars] // Невоєнний вимір війн нового покоління. Енергетичний компонент: матер. міжнар. конф. — К. : НІСД Ж ЦГ «Стратегія XXI», 2016. — Р. 42—52.

²¹ Донбас і Крим: ціна за повернення : монографія [Donbass and Crimea: cost of return : monography] / за заг. ред. В.П. Горбуліна, О.С. Власюка, Е.М. Лібанової, О.М. Ляшенко. — К. : НІСД, 2015. — Р. 357.

²² «Укренерго» оцінює вартість втрачених активів у Криму в \$ 800—900 мільйонів [“Ukrenerho” estimates the cost of the assets lost in Crimea at \$ 800-900 million] [Digital source]. — Access mode: <http://economics.unian.ua/energetics/1529388-ukrenergo-otsinyue-vartist-aktiviv-u-krimu-v-800-900-milyoniv.html>





with assets: extraction equipment and infrastructure (10 sea stationary extraction platforms, 4 self-elevating drilling oil rigs: “Syvash”, “Tavrida”, “Petro Hodovanets” and “Nezalezhnist”), transportation and storage infrastructure (gas pipeline system consisting of 1.200 kilometers of the main pipelines and 45 gas distribution stations, and also Hlibovske underground gas storage with active capacity of 1.5 billion cubic meters). All gone. In addition, “Chornomornaftogaz” is unable to extract natural gas, oil and natural gas condensate resources from operational and prospective crude oil and natural gas fields.

During the pre-war in 2013, extraction of natural gas in the offshore areas of the Black and Azov Seas reached 1.651 billion cubic meters and was expected to increase in future to nearly 5 billion cubic meters annually. That was only 4% of the total capacity economically and technically available. In general, the deposits in the Ukrainian part of the Black Sea shelf reached roughly 2.3 billion tons of oil and around 2 trillion cubic meters of natural gas, while the potential losses to Ukraine due to the inability to develop the assets in the Crimea’s offshore areas are estimated at 300 billion USD²³.

The non-conventional hydrocarbons deposits were also lost. According to estimates, nearly 43% of the hydrocarbon resources in the offshore areas of the Black and Azov Seas are located at the depth of below 100 meters. In the long-term perspective, the deposits of methane-hydrates in the Ukrainian waters of the Black Sea, comprising over 7 trillion cubic meters could become an important energy resource.

During the invasion, Russia was swiftly seizing the energy infrastructure facilities. In particular, it managed to gain operational control over the administrative buildings of the energy companies in the Crimea by taking control over the subordinated facilities.

The critically important facilities even beyond the Crimea were also seized. This refers to the gas compressor station in Kherson region, which provided supplies of natural gas from the shelf field in the Azov Sea (Strilkove) to the city of Henichesk. Russia also seized drilling units and gas pipelines that extracted and delivered natural gas from Odesa field in the Black Sea

²³ Через анексію Криму втрати України у ПЕК оцінюють у \$ 300 млрд — Продан [Due to annexation of Crimea, Ukraine’s losses in its fuel and energy complex are areestimated at \$300 billion — Prodan] [Digital source]. — Access mode: http://dt.ua/ECONOMICS/cherez-aneksiyu-krimu-vtrati-ukrayini-u-pek-ocinuyut-u-300-mird-prodan-147653_.html



located less than 100 kilometers from the Ukrainian mainland, even though this point is over 150 kilometers from the Crimea²⁴.

Similar events began to unfold in Donbass. However, even before the armed conflict started in Donetsk and Luhansk, the energy infrastructure in peaceful areas of Ukraine was witnessing more vandalism and sabotage.

Thus, on May 12, 2014, there were explosions of the main high-pressure gas pipeline Urengoy—Pomary—Uzhgorod in Ivano-Frankivsk region leading to the failure in the pipeline operation. Fragments of a remotely controlled explosive device were found at the blast scene. Nearly a month later, on June 17, there was another explosion of this pipeline in Poltava region. These incidents shared common features: explosive devices were planted in the ground exactly under the international gas pipeline, which proves the explosions were planned. The blasts took place during the talks between Ukraine, Russia, and the European Union regarding the signing of a broad settlement on stability of natural gas transit through Ukraine²⁵.

With the seizing of some Donbass territory and individual infrastructure facilities, the Ukrainian fuel and energy complex sustainability and stability appeared under threat.

On a relatively small occupied territory, almost half of the entire volume of Ukrainian coal and 100% of anthracite were extracted. Since the end of 2015, 85 coal mines (private and state-owned) comprising 57% of the total number in Ukraine and all anthracite extracting mines have been located in the Donetsk and Luhansk regions, which are no longer controlled by the Ukrainian government. In 2014, coal production in Ukraine reduced by 22% — to 65 million tons (49 million tons for power generation, and 16 million tons for metallurgy) due to the military conflict in Luhansk and Donetsk regions. Extraction of coal in the state-owned coal mines decreased by 27% — to 18 million tons (36% of the total volume).

Ukraine experienced a deficit of anthracite coal, which is the fuel for its thermal power plants, and was forced to import it. Despite the direct violation of the territorial integrity of Ukraine and aggression by Russia, the biggest supplier of coal was the Russian Federation. According to the State

²⁴ Суходоля О.М. Проблеми захисту енергетичної інфраструктури в умовах гібридної війни [Problems of protection of the energy infrastructure under the conditions of hybrid war] [Digital source]. — Access mode: <http://www.niss.gov.ua/articles/1891/>

²⁵ У Карпатах на газопроводі сталося три вибухи. Основна версія інциденту — теракт [In the Carpathians, three explosions took place in the gas pipeline. The main version of the incident is a terrorist attack] [Digital source]. — Access mode: <http://tyzhden.ua/News/109919>





Fiscal Service data of Ukraine, in 2014, Ukraine purchased 1.773 billion USD worth of coal²⁶, of which the amount imported from Russia was worth 1.138 billion USD.

In order to block coal supplies to the electric power plants in Ukraine, a wide range of methods were used, including of bombing of railroad tracks and bridges on the confrontation line, blocking of transportation routes in the occupied territories, and blocking of coal supplies from Russia. Thousands of freight cars of anthracite of coal critically important for ensuring stable work in the United Energy Systems of Ukraine²⁷ have been blocked on the Ukrainian-Russian border.

Blocking of coal supplies turned into an instrument to force Ukraine to political compromises and recognition of the occupation government. Due to the deficit of power-generating coal, the United Energy Systems of Ukraine found itself under extremely difficult conditions: a threat of shutdown of nearly half of all the Ukrainian thermal power plants, a number of central thermal heating stations and boiler stations. This resulted in electrical power supply instability all over the country, increased accidents risks, unbalanced operation of the system, and other negative consequences, and compulsory restrictions of the electrical energy supply²⁸.

The most critical situation occurred towards the end of 2014, when due to the unpredictable shutdown of some generating capacities (mostly because of maintenance works) and absence of coal supply, 22 units of the thermal power plants with the total capacity of 5.5 GW were taken out of service.

It forced Ukraine to compromise on the issue of energy supplies to the Crimea (that is to have to sign formal agreements with the occupant), and to agree to purchase additional natural gas resources and coal from Russia, which is recently seized in the occupied Donbas. In addition, coal supplies from the occupied territories resulted in establishment of semi-official schemes of coal trade and indirect financing of the war by Ukraine itself. This gave the aggressor some additional levers of influence on Ukraine,

²⁶ Україна у 2014 році імпортувала вугілля на \$ 1.8 млрд [Ukraine imported coal on \$ 1.8 in 2014] [Digital source]. — Access mode: <http://economics.unian.ua/energetics/1031951-ukrajina-u-2014-rotsi-importovala-vugillya-na-18-mlrd.html>

²⁷ Не газом единым. Новым инструментом энергополитики России может стать уголь [Not the gas only. Coal can become the new instrument of Russian energy policy] [Digital source]. — Access mode: <http://www.kommersant.ru/doc/2704640>

²⁸ Заява для преси [Statement for the press] [Digital source] / ДП НЕК “Укренерго”. — 2015. — 24 липня. — Access mode: <http://ukrenergo.energy.gov.ua/Pages/ua/DetailsNew.aspx?nID=873>





its officials and politicians. This uncertainty was later realized in the information and political spheres.

The situation in the United Energy Systems of Ukraine deteriorated with military activities and, as a consequence, a significant number of high-voltage lines and electrical transforming substations were damaged and shut down. The destruction of the energy infrastructure escalated the problem of electric power supply stability.

Luhansk thermal power plant (with the capacity of 1.4 GW), Vuhlehirsk thermal power plant (3.6 GW) and Myronivska thermal power plant (0.2 GW) came under fire on numerous occasions between 2014 and 2015, damage caused to their equipment, substations and electricity transmission lines. In addition, Luhansk thermal power plant operated during the entire period of the armed conflict, but due to the damage sustained, had to be disconnected from the rest of the energy system leaving no possibility to cover the deficit of the capacities of the Ukrainian United Energy Systems. Repeated shelling of Luhansk thermal power plant caused regular shutdowns of the plant and consequent disruption of power to the northern part of the region, which remained under control Ukrainian forces. Other energy-generating capacities were periodically shut down and suspended their operation, thus putting stable operation of the unified energy system at risk and posing a threat of black-outs throughout the entire country.

In some cases, Ukraine was forced to impose limits on electric energy supply for consumers in all regions of Ukraine and had emergency shutdowns.

The situation became worse when the consumers residing in the occupied territories failed to pay for the consumed electric energy. With the beginning of the military activities, all the corresponding payments from the uncontrolled territories of Donetsk and Luhansk regions stopped, and as of April 2015, the debts of the electric energy consumers in the occupied territories exceeded 3.5 billion UAH²⁹, while the local distributing companies did not hasten to pay for the consumed energy.

²⁹ On April 16, 2016, the Prime Minister of Ukraine, A. Yatsenyuk, declared that Ukraine supplied natural gas and electric power to the uncontrolled territories of Donbas to the value of about 20 billion UAH, without getting back the payments for their consumption. For more detail see: *Україна витратила 1 млрд доларів на газ і електроенергію окупованому Донбасу — Яценюк* [Ukraine has spent 1 billion dollars for gas and electrical power for the occupied Donbass] [Digital source]. — Access mode: http://dt.ua/ECONOMICS/ukrayina-vitratila-1-mlrd-dolariv-na-gaz-i-elektroenergiyu-okupovanomu-donbasu-yacenyuk-170066_.html





In February 2015, to resolve the problem, Ukraine was forced to make the decision on the “separation of the energy systems” in the territories controlled by the Ukrainian government and the occupied territories, and to introduce a special payment regime for produced and consumed electrical energy³⁰.

Mutual payments to the producers of electrical power located on the temporarily uncontrolled territory of Ukraine were stopped. Ukraine also suspended the purchasing and distribution of power that goes through the inter-state (Russian-Ukrainian border) lines located in the uncontrolled territories. This decision was taken in response to case, when Russia made use of synchronous Ukrainian and Russian power systems without control of power supplies through power transmission lines “Shakhty (Russia) — Peremoha (Ukraine)”.

Later, Russia also tried to force the Ukrainian government to pay for the power supply volumes that were uncounted and not agreed upon³¹. However, Ukraine refused to pay for the uncontrolled supply in the occupied territories³².

In natural gas supplies, Russia made the same attempts to force Ukraine to pay for the uncontrolled gas supplies in the occupied territory.

In Donetsk, 54 natural gas distribution stations with the total daily volume of gas consumption of over 4 million cubic meters were seized. Natural gas supplies for these districts were provided during 2014 from the networks of Ukrtransgaz. However, the military activities in January 2015 significantly complicated the process of natural gas supply to the anti-terrorist operation zone. Due to numerous disruptions and damages to the infrastructure, the gas supply was even shut down on February 18, 2015. The National Joint Stock Company, Naftogaz of Ukraine, was unable to quickly restore gas supplies to the territories due to constant fighting.

³⁰ Закон України “Про внесення змін до Закону України “Про електроенергетику” щодо особливостей регулювання відносин у сфері електроенергетики на території проведення антитерористичної операції” від 07.04.2015 р. № 284-VIII [Law of Ukraine “On amendments to the Law of Ukraine “On electrical energy” regarding the particularities of regulation of relations in the sphere of electrical energy in the territory of the anti-terrorist operation” of 07.04.2015 No. 284-VIII] [Digital source]. — Access mode: <http://zakon4.rada.gov.ua/laws/show/284-19>

³¹ Electric energy supply has been carried out through the transmission lines of 500 kV “Peremoha — Shakhty” in the volumes of about 500 mWh/month. At that, Russia accounted this electric energy within the framework of the contract signed between “Ukrinterenergo” and “Inter-RAO” (signed in December 2014) for supplies of electric power to Ukraine conducted during the crisis of coal supplies to Ukrainian thermal power plants.

³² The Ministry of Energy and Coal of Ukraine has excluded four lines that run between the Russian Federation and the zone of the military activities from the list of the interstate electrical power transmission lines by its decree of January 23, 2015. However, the electric energy supply from the territory of Russia continues to be carried out both through the low capacity lines and the line “Peremoha — Shakhty”.



Making use of natural gas supply stoppage by Naftogaz of Ukraine, Russia advertised its “humanitarian gas aid”. “Gazprom” started to supply natural gas to the occupied territories through the gas measuring stations Prokhorivka and Platovo (near the borders of Rostov region). Then, the Russian monopolist stated gas supply was conducted on a commercial basis, and Naftogaz of Ukraine must pay for these shipments.³³

Direct physical control of the energy infrastructure was accompanied by information and propaganda pressure targeted at various groups of population and politicians. The people of Ukraine were often threatened with blackouts, stressing at the inability of the Ukrainian government to provide a stable energy system, or to prevent cutting electric, gas or heating supplies. Meanwhile, there was also an information attack against the government’s efforts to reform the energy sector. Russia promised low priced Russian energy supplies in order to continue to influence Ukraine.

Russian mass media actively tried to demonstrate “care” for the people of Ukraine by advertising “humanitarian” electrical energy and natural gas supplies from Russia. An example of such active promotion is D. Medvedev’s statement about a “gas humanitarian convoy” for the people of Donbass³⁴. Another one is V. Putin’s rescue of the “freezing” city of Henichesk in the winter of 2015 and 2016³⁵ and electric energy supplies to Donbass and the Crimea.

Later, Russian propaganda accused Ukraine of refusing to pay for the uncontrolled supplies and for cutting water and electricity supplies to the occupied Crimea. The Kremlin even attempted to involve some diplomats of EU countries. For example, a statement of the German Foreign Office addressed the undermining of the power transmission line support and the temporary interruption of power supply to the Crimea³⁶. Along with the statements of some pro-Russian Ukrainian politicians, the Ministry of Foreign Affairs and the President of Russia the these elements may be considered links of consolidated information and the propaganda campaign of Russia.

³³ According to the report of the Head of “Gazprom”, O. Miller, this company supplied 555 million cubic meters of gas worth 174.2 million USD to Donbass as of April 20, 2015, and as of May 2016 “Gazprom” demanded to pay already 670 million USD. The press-service of “Naftogaz of Ukraine”, in its turn, stated on May 18, 2016, that “Naftogaz” did not receive natural gas from “Gazprom” in the uncontrolled territories and has no intentions to pay for it.

³⁴ In February 2015, the Prime Minister of the Russian Federation, D. Medvedev, called on “Gazprom” to think about natural gas supplies to Donbass within the framework of “humanitarian aid”.

³⁵ Information campaign about the address of the mayor of the city of Henichesk to Putin (which was propaganda fake) and sending humanitarian mission for providing the city with gas on the order of Putin.

³⁶ Германия назвала подрыв украинских ЛЭП преступным актом [Germany called damaging of Ukrainian electricity transmission lines a criminal act] [Digital source]. — Access mode: <http://www.dw.com/германия-назвала-подрыв-украинских-лэп-преступным-актом/a-18868997?maca=rus-tco-dw>





Amid “humanitarian and peaceful” statements, in November 2015, Russia yet again blocked coal supplies to Ukraine and continued blocking the works on restoration of the infrastructure in the confrontation zone³⁷. Ukraine and international organizations attempted to halt the bombardment and fire to allow maintenance brigades to restore gas, water and electricity supplies in the division zone, but they were ignored.

The energy system of Ukraine was hit with another strike — interference in the system of administering technical processes. This dimension has to be considered as a new global threat for facilities all over the world. Ukraine became a test area for working out new methods and technologies of interference in operation of control systems of energy infrastructure, which manifested itself in the form of the first successful cyber-attack known in history.

In December 2015, a cyber-attack against three regional electricity supply companies of the United Energy System of Ukraine was carried out (Prykarpattiaoblenergo, Chernivtsioblenergo and Kyivoblenergo). The perpetrators used remote access to the computerized automated remote control system to control the switches at the distribution substations. The blackout lasted from 1 to 3.5 hours.³⁸

This cyber-attack against the energy system of Ukraine was repeated on December 17, 2016: Pivnichna substation was totally shutdown, which caused a blackout in the north of the right bank Kyiv districts and neighboring districts of Kyiv³⁹.

Russia mentioned the importance of subversive activities as early as 2014. In 2015, the first assault engineer & sapper battalion was established on the basis of an engineering-sapper brigade of the Russian army. According to the chief of the Russian engineering troops, its task was to destroy fortified facilities in the field and in urban environments.⁴⁰ A similar unit, whose task

³⁷ Источник: Россия и Донбасс не поставляют Украине уголь из-за срыва энергоснабжения Крыма [Russia and Donbass do not supply Ukraine with coal due to the failure of the electricity supplies for the Crimea] [Digital source]. — Access mode: <http://special.tass.ru/ekonomika/2473157>

³⁸ *Міненерговугілля* оприлюднило звіт про російську кібератаку на обленерго [The Ministry of Energy and Coal presented a report on the Russian cyber-attack against the regional energy supply stations] [Digital source]. — Access mode: http://mpe.kmu.gov.ua/minugol/control/uk/publish/article?art_id=245086886&cat_id=35109

³⁹ В Укренерго пояснили масштабний збій в енергосистемі під Києвом кібератаками [The Ukrainian Energy Department explained the massive electricity blackout in Kyiv by cyber-attacks] [Digital source]. — Access mode: <http://economics.unian.ua/energetics/1689781-v-ukrenergo-poyasnili-masshtabniy-zbiy-v-energosistemi-pid-kiyevom-kiber-atakami.html>

⁴⁰ В российской армии воссоздадут штурмовые саперные подразделения [Russian army to recreate assault combat engineering battalions] [Digital source]. — Access mode: <http://lenta.ru/news/2015/06/30/pioneers/>



was to carry out reconnaissance and sabotage operations, was established by Russia in the territory of the occupied city of Debaltsevo.⁴¹ Sabotage groups, whose tasks were to damage the infrastructure, tried to operate in different regions of Ukraine⁴².

Criminal conduct and activities against the critically important infrastructure had a complex impact on the defense capacity and ability of the country to counter the aggressor's pressure, which was the energy dimension in the hybrid war. In particular, the following forms of impact occurred:⁴³

- **decreasing the defense readiness and capacity of the country** by means of destroying transport, communication systems, and resources supply to the army, law enforcement bodies, and civil defense forces;
- **inflicting economic losses** to the national economy through seizing of the energy sector facilities and energy resources, creating additional expenses to restore the damaged infrastructure and lost resources, or blocking of commodities supplies, and preventing normal functioning of the trans-border infrastructure;
- **gaining local (tactical) advantages**, such as by conducting separate operations (military confrontations, contract terms in commodities supplies or political negotiations, peaceful settlement of conflict), or pressure to perform some actions (payments for goods or services, purchasing or selling resources);
- **exerting psychological pressure on various population groups and politicians** by creating informational events with the aim of spreading panic, escalation of social tensions, and dissatisfaction of citizens with the state authorities;
- **shaping a desired “image” in the international arena** to achieve foreign political objectives of Russia (lifting sanctions, change of political power

⁴¹ В оккупированном Дебальцево создан “штурмовой” батальон боевиков [An “assault” battalion of militants formed in occupied Debaltsevo] [Digital source]. — Access mode: <http://news.liga.net/news/politics/6067923-v-okkupirovannom-debaltsevo-sozdan-shturmovoy-batalon-boevikov.htm>

⁴² На Харківщині за останній час затримано більше як 50 груп диверсантів [More than 50 groups of diversionists have been recently detained in Kharkiv region] [Digital source]. — Access mode: <http://www.unian.ua/society/1061770-na-harkivshini-za-ostanniy-chas-zatrimano-bilsh-yak-50-grup-diversantiv.html>; СБУ затримала 14 терористів, які готували вибухи на півдні країни [Security Service of Ukraine detained 14 terrorists preparing bombings in the south of the country] [Digital source]. — Access mode: <http://www.pravda.com.ua/news/2015/07/6/7073538/>

⁴³ Суходоля О.М. Проблеми захисту енергетичної інфраструктури в умовах гібридної війни [Problems of protection of the energy infrastructure under the conditions of hybrid war] [Digital source]. — Access mode: <http://www.niss.gov.ua/articles/1891/>





and federalization of Ukraine, neglect of Ukrainian transit potential by other countries, first of all, concerning natural gas supplies);

- **use of the infrastructure for provocations**, in particular, the transportation infrastructure and the air space of Ukraine (as it was in the case with the MH17 tragedy⁴⁴), blocking the restoration of the critically important infrastructure in the war zone, blocking the commodity transit through the Russian border, accusing Ukraine of blocking the transit from Russia to the countries of Europe.

In general, when evaluating and analyzing the aggressor's actions against the critically important energy infrastructure, it is important to note that Ukrainian society, as well as the state authorities, was not ready for such actions at the first stages of the war, and did not understand the importance of proper infrastructure for society's livelihood and state resilience. This understanding came later with the experience of counter-acting hybrid aggression in the energy sector.

⁴⁴ Among the versions explaining the attack against the passenger jet MH17 Amsterdam — Kuala-Lumpur there is one by which Russia tried to get a cause for the war (*casus belli*) to justify and legalize its open aggression against Ukraine in the eyes of the international community. According to this version, the Dutch MH17 was shot down by mistake, instead of the Russian passenger jet SU2074 heading en route Moscow—Larnaca.





HYBRID WAR AND HYBRID WORLD

Chapter 5

WORLD REACTION TO THE RUSSIAN
HYBRID WARFARE AGAINST UKRAINE

Chapter 6

OUTLINES
OF THE NEW REALITY

WORLD REACTION TO THE RUSSIAN HYBRID WARFARE AGAINST UKRAINE

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Wars are contagious.

Franklin Roosevelt

5.1. ROLE OF INTERNATIONAL SECURITY ORGANIZATIONS AND FORUMS

Hybrid war aggression makes its victim directly defend its sovereignty and interests but also demands great efforts to get support from the world community. The aggressor's hidden activities leave room for diplomatic maneuver allowing other states to find excuses for their passivity and unwillingness to help. Only recognition of hostile activities at the international level can change the situation and increase support for the victims of aggression. In this context the response and position of major international organizations who help to support international peace and security (the UN, the OSCE, NATO, the EU, the EC, etc.) is a vitally significant factor.

For nearly three years that after the start of Russian aggression, Ukrainian diplomats have made significant progress in consolidating support for the Ukrainian position within the framework of key international





security organizations and forums and in representing through them an objective picture of the events in the Crimea and Donbass on the international level. Attempts by Russian propaganda to misrepresent this situation failed for the most part. Prominent international organizations rose to support Ukraine on this issue.

A major success was achieved by Kyiv within the Council of Europe. Its Parliamentary Assembly responded immediately to the start of the Russian aggression. On March 7, 2014 the Standing Committee of the PACE expressed total support to Ukraine's territorial integrity and condemned the Kremlin actions. The statement emphasized that Russian military activities in the Crimea and the potential threat of their expansion to other Ukrainian territories is a direct violation of international law principles specified in the UN Charter and Helsinki Final Act. On April 9, 2014, PACE condemned the Russian Annexation of Crimea. The Assembly adopted Resolution 1988 where all Russian propaganda myths about Nazi coup d'etat in Ukraine were disclaimed and the illegitimate nature of the plebiscite that was held in the Crimea was stressed. The day after, the PACE adopted Resolution 1990, which limited the responsibilities of the RF delegation to the Assembly in connection with Russian Federation activities in Ukraine. At last, on October 12, 2016 the other Resolutions of PACE were adopted. They contained direct accusations of the Kremlin organizing intervention in the east of Ukraine and placed the responsibility for the well-being of the people on the occupied territories on the Russian Federation. This directly recognized Russia as a party, and moreover, as an initiator of the conflict.

Ukraine managed to stand for its interests in the majority of the UN institutions, for instance, in the General Assembly – the main counselling and representative UN body. On March 27, 2014 the General Assembly of the United Nations adopted the resolution on respecting the territorial integrity of Ukraine and automatically recognized as illegal other countries' claims to the territory of the Crimea. On November 15, 2016 the resolution on the situation with human rights in the Crimea that clearly named the peninsula territory as occupied by Russia was adopted as well. So in the UN official documents the Russian Federation was recognized as an occupant.

A quick response to the aggressive policy of the Russian Federation towards Ukraine was given by the North Atlantic Treaty Organization (NATO). On March 2, 2014 NATO condemned the Russian Federation's



activities in the Crimea naming them a violation of the international law and regulations, including the Budapest Memorandum and the Ukrainian-Russian Treaty on Friendship, Cooperation, and Partnership dated 1997. Later NATO continued to use a wide range of diplomatic and other means of countering the spread of Russian hybrid aggression in the east of Ukraine. The military commanders of the Alliance condemned several times the illegal actions of the Russian Federation (material supply of the separatists and mercenaries in Donbass and direct military invasion of Russian troops). In November 2016, during the talks on “Supporting NATO’s Post-Warsaw Defense and Deterrence Posture” resolution, the Parliamentary Assembly of NATO stated Russia’s actions against Ukraine are the major destabilizing factor of the global security environment. The Russian Federation was officially recognized as the aggressor. NATO – RF military cooperation was terminated. The number of Russian delegates at the Alliance Headquarters was decreased and their responsibilities diminished.

The actions of the Russian Federation on the territory of Ukraine have been condemned several times by the Organization of Security and Cooperation in Europe (OSCE). In the Baku Declaration, adopted on July 2, 2014 and in Helsinki Declaration dated July 8, 2015 the Parliamentary Assembly of OSCE called for Russia to stop any military, financial or logistical assistance to the illegal armed groups in the east of Ukraine.

A clear position on Russian aggression against Ukraine has been taken by the European Union. On March 1, 2014 the High Representative of the Union for Foreign Affairs and Security Policy C. Ashton condemned the Kremlin’s decision to employ military force on the territory of Ukraine naming it ‘groundless escalation of tension’. Her successor, F. Mogherini, in spite of accusations of Pro-Russian views, criticized the conflict escalation in Donbass several times and Russia’s destructive role in the process. Recognizing the Russian Federation as a mighty player on the international arena, she stressed that Russian authorities’ aggressive policy deprives the country of the status of an EU strategic partner.

The position on the conflict in Ukraine was made public by other regional international organizations and unions. For instance, the Organization of Islamic Cooperation expressed their worries for the destiny of the Crimean Tatars stressing their rights, civic freedoms, religious and cultural heritage must be protected. Visegrad Group member states called for Russia to respect the territorial integrity of Ukraine.



In contrast to the information environment where the majority of international organizations spoke for Kyiv, a limited circle of actors were ready to give practical support. Still fewer ones implemented their potential in practice. In this context the main expectations of Ukraine were connected with NATO – the most influential security organization in the world. NATO specific steps against Russian aggressive policy were directed at strengthening the defense of its eastern European members, primarily, the Baltic states and Poland. Since 2017 additional NATO armed forces, namely four battalion groups have been deployed in the region. Military exercises within the Alliance framework have been intensified, NATO Baltic air-policing mission has been extended.

From the military point of view, those steps are certainly, considered as insufficient to stop the Russian Federation's potential aggression. However, they constitute an element of hybrid response to the Kremlin policy and were to prove NATO readiness to defend their member states according to Article 5 of the Washington Treaty. Under those conditions Ukraine may expect material assistance aimed at the modernizing its Armed forces and supporting reforms in the security and defense sector.

The “Comprehensive Assistance Package for Ukraine”, adopted at Warsaw Summit of NATO (July 2016), specifies creation of 8 trust funds, 40 areas of cooperation, a new mechanism of assistance coordination from the organization and its member countries, direct employment of NATO Experts in the Ministry of Defense, General Staff and other Ukrainian bodies, mutual planning and implementation of reforms in the security and defense sector. As an important contribution one may regard the activities of the joint Ukrainian, Polish and Lithuanian brigade which, in the future, could turn into a permanent combat unit of NATO.

The European Union is among the few international agents that used direct actions to stop the hybrid aggression of the Russian Federation, particularly through imposing economic sanctions on it. The EU emphasizes that their aim is to make Russia change its policy on the Ukrainian issue, not to punish its citizens.

The international organization directly involved in the process of de-escalation of the conflict in Donbass is the Organization of Security and Cooperation in Europe. The OSCE Special Monitoring Mission is to supervise the implementation of the reached agreement on cease fire and withdrawal of heavy weapons from the demarcation line. However, its



activities caused a lot of critical reviews in Ukraine: mission reports are often contradictory as to their content and conclusions, mission employees have been often accused of lack of professionalism, neglect of their duties and violation of ethical behavior.

In 2016, during intensive negotiations on holding election in Donbass, the issue of extending the role of the OSCE in resolving the conflict was often discussed. However, Ukraine's suggestion to send the organization's police mission to the region was opposed by the Russian Federation and the militants. Even if both sides of the conflict come to an agreement on this issue, it is practically impossible to implement it within a short period of time. Such operation requires broad consultations and budget agreement by the OSCE member states that will take rather long. Moreover, the format of the police mission in any case will not be able to ensure full conflict de-escalation when both sides have heavy weapons and use them actively.

It should be noted that the Russian Federation has been using every possible way to oppose Ukrainian efforts on the diplomatic stage. In some cases it has managed to successfully use its status and influence to achieve this goal. It primarily involves its position in the UN Security Council where Russia has been using its status of a permanent member and its right to veto for blocking resolutions which condemn its aggression against Ukraine and any initiatives that may threaten its hybrid activities on the Ukrainian territory. Russian representative blocked drafts of the Security Council resolutions twice (on March 15, 2014 and on July 29, 2015). Russia voted only for general declarations regarding the events in Ukraine, for example, the resolution on the Malaysian aircraft crash (the text of the document was changed according to the demands of the Russian representative) or on the approval of the Minsk agreements.

Another way of ensuring its policy aimed at creating favorable voice division in the UN General Assembly and its bodies which is taken by the Russian Federation is the work with certain member states of the UN. For this purpose Moscow has been employing methods of blackmailing and corruption, promising help in some issues and money reward as a means of encouraging the position of different states on the Ukrainian issue in order to ensure their support for Russian or blocking Ukrainian initiatives.

The Kremlin has been acting according to the principle 'divide and rule' concerning those regional integrity and security bodies that have





taken practical actions confronting Russian hybrid aggression. Relying on those political forces in European countries, which support the return to mutually beneficial cooperation with the Russian Federation, Moscow tries to drive a wedge between some member-states of the EU and NATO. Increasingly dangerous trends (the results of the Presidential election in Bulgaria in 2016, forecasts for the presidential election in France and parliamentary election in Germany in 2017) have been traced in this area, though the elections do not ensure the results wanted by Russia but present a serious threat to the unity of the European position on the Ukrainian issue.

Prospective tasks and strategies for Ukrainian diplomacy regarding international organizations should be set by taking into consideration their specifics under current conditions. In the UN, Ukraine must use its status of non-permanent member of the Security Council in 2016—2017 to counter the aggression and to take an active position including on issues that do not concern it directly (Syria, Arctic etc.).

The Ukraine–NATO cooperation has now turned into an important vector of Ukrainian defense policy. In the long run, the Alliance will remain the most trusted military ally of our state. However, it is necessary to be aware of the fact that the degree of the Russian threat to Ukraine and to NATO differs. Besides, the aggressive policy of the Kremlin involves the NATO member states to a different extent. Therefore, Kyiv should focus on countries of Central and Eastern Europe which feel the most threatened by the Russian Federation. Intensifying our partnership with Poland and the Baltic states, we realize closer integration with the military structure of NATO aimed at defending its eastern borders.

Developing relations with the EU, Ukraine should solve two main tasks within the framework of common counteraction against Russian hybrid aggression. The first is to achieve the prolongation of EU sanctions against Russia. The other one is to ensure, as quickly as possible, the implementation of the main provisions of the Association Agreement. These steps are of indirect but paramount importance for opposing Russian propaganda since the Kremlin, in its policy of hybrid attack, appeals to an erroneous European choice made by Ukraine. Some real success on this way will not only contribute to the Ukrainian economic development and improve citizens' living standards but also help remove Russia's arguments.



Ukraine is interested in the prolongation of the OSCE mission in its territory. The mission cannot bring peace and make the aggressor stop but it can record and document all its crimes on the Ukrainian land. At the same time, it is not worth exaggerating the role of the OSCE. At the moment, this organization is unlikely to become an effective mechanism combating the Russian aggression because of the specific charter of conditions for its activities.

The primary aim of the Ukrainian representatives in the Council of Europe should be to prevent the weakening of the pressure on the Russian Federation and restoring Russian delegation credentials in PACE without any changes in the Russian policy towards Ukraine.

Considering the position of the world great powers and international organizations on the Russian aggression against Ukraine, experts often mention reaction of G7 and G20 forums to the events. However, both structures are not stably integrated unions. They can hardly be called actors in international politics; they present a format for talks among such actors— global players of the world. Ukraine should not view those formats as those for which a special policy should be worked out. Instead, Kyiv ought to continue active bilateral consultations with participants to form an objective picture of the hybrid warfare events.

Analyzing the international organizations sample responses to the hybrid aggression of the Russian Federation in Ukraine, we can make two conclusions. On one hand, major international organizations and security forums were not susceptible to Russian influence: to a certain extent they expressed their support of Kyiv and condemned Moscow's aggressive policy. On the other hand, due to the nature of discussions and the process of planning and approving definite steps targeted against the aggressor prove that the majority of international security organizations are unable to solve these tasks easily. The words of the EU Parliament President M. Schulz that “nobody expected war to become a reality in a country next to the EU” can be the illustration to the general perception of the Russian Federation hybrid aggression against Ukraine by global community. As a result, international security organizations were unable to offer an adequate response to make aggression actually stop.

Helplessness of some institutions and inflexibility of others undermine trust to them and raise the question of whether these international security organizations in their current format can fully perform their mission





of guaranteeing international peace and security? Without an affirmative answer to this question a return to the system of international relations based on principles of international law and respect to national sovereignty seems impossible. The current situation dictates the necessity of profound reforms of leading security institutions as a guarantee for higher effectiveness and more realistic responses to the challenges and threats of a modern world.

5.2. ECONOMIC SANCTIONS POLICY

After the Second World War, the role of one of the elements of the World Order was taken by the International Financial Institutions establishing the economic basis for global war prevention. The IMF, the World Bank, the GATT-WTO and other institutions formed a system of close economic cooperation under which start of any conflict would have negative impact for many countries thus making it inexpedient for any potential party.

The spread of such a phenomenon as a hybrid war in international relations has created a problem requiring priority introduction of economic impact levels vital to conflict prevention and deter aggression. Economic sanctions are one of the most widely used tools for putting pressure on the countries which break fundamental principles of the existing global order. However, in most cases these sanctions have a two-way effect, that is, they affect all the parties of confrontation. The Russian Federation aggression deployment against Ukraine marked the beginning of a large scale revision of the world order existing system and Ukrainian — Russian relations. The aggressive actions done by the RF targeted at limiting or depriving Ukraine of its sovereignty are accompanied by unprecedented pressure on its domestic economy, with imposition of unequal requirements, causing maximum asymmetric direct and indirect losses to businesses.

The RF hostile policy makes equal and mutually beneficial relations impossible. Thus there is need for additional mechanisms to resolve economic contradictions between countries, introducing preventive sanctions and full eradication of Russian channels of impact on the economic and political system of Ukraine.



World community expressed total support for Kyiv that is certified on a large scale by the imposed economic sanctions and the process of active development of additional mechanisms of economic opposition in response to the growing aggression of Russian foreign policy. Today the international coalition embraces 43 countries, namely the USA, the EU member-states, Canada, Japan, Australia, Switzerland, Norway, etc. Some international organizations and associations have joined the sanctions and defiantly lowered levels or suspended relations with the Russian Federation.

In particular, it involves the Organization of Economic Cooperation and Development, the European Bank for Reconstruction and Development, the G7 etc. For instance, early in 2014 the EU adopted a number of resolutions expressing their indignation of the RF actions against Ukraine, introducing and expanding sanctions (that were confirmed from time to time).

Sanctions were planned to be introduced in three stages:

- 1) diplomatic measures against 18 persons accused of stealing the state funds of Ukraine (Resolution of the EU Council dated March 6, 2014);
- 2) asset freezing and banned entry to the EU for the persons included into the expanded list (Resolution of the EU Council dated March 17, 2014);
- 3) financial and economic sanctions against some branches and areas of economic cooperation with Russia (Resolution of the EU Council dated July 25 and 30, 2014)¹.

Later the USA and the EU adopted the resolution on possible expansion of sanctions to financial and energy sectors. International sanctions envisage different employment depth and intensity: from curtailing cooperation with the aggressor in different fields, restricting technological supplement and selected assets freezing to introducing direct banning on sectoral economic cooperation. The latest most essential expansion of sanctions in sectoral aspect took place on December 18, 2014 by means of enactment of the Law of the USA "On Supporting Freedom in Ukraine"² and imposing the EU Council full-fledged sectoral sanctions on the occupied peninsula (the Crimea and City of Sevastopol).

¹ Kraatz S. The Russian Embargo: Impact on the Economic and Employment Situation in the EU / Policy Department A: Economy and Scientific Policy; European Parliament. — PE 536.291 — P. 2.

² Ukraine Freedom Support Act of 2014. 12/18/2014 Became Public Law No: 113—272 [Electronic resource]. — Access mode: <https://www.congress.gov/bill/113th-congress/house-bill/5859/text>





Comprehensive Ukrainian sanctions were announced by the Government in July, 2015, more than a year after the beginning of the events in Donbass. They partially repeat the EU sanctions. In addition, since the beginning of the conflict Kyiv has taken the steps against Russia: cooperation (for instance, military, scientific research etc.) was terminated, the Crimea and other occupied territories were blocked, border crossing was limited, Russian TV broadcasting in Ukraine was restricted etc.

At the same time, international and Ukrainian economic sanctions are selective towards some persons, organizations and officials of the Russian Federation authorities that support the armed conflict in the east of Ukraine or are involved in economic development of the annexed territory of Ukraine. Imposing sanctions by the USA, the EU and Ukraine was permanently continued and expanded into a new circle of people (for instance, nowadays EU sanctions affect about 200 people and 70 enterprises). However, since March, 2015, when the introduction of the main sectoral sanctions was announced, the full-fledged introduction of the third stage of international and Ukrainian sanctions has not taken place.

Instead, the EU and the USA use the tactics of gradual limitation of the aggressor and freezing the current sanction situation. For instance, the EU successively carries out anti-dumping restrictions of the Russian steel industry (since February 2016) and challenges the Russian Government decision to restrict EU export to the RF in WTO Arbitration Panel. In September 2016 the USA considerably expanded the scope of entities involved in the Crimea occupation (developing the infrastructure and supporting the trade)³ and those that conduct international trade activities regarding military and high technologies⁴.

In addition, the US Congress held a preliminary review of a bill to contain, reverse, and deter Russian aggression in Ukraine, to assist Ukraine's democratic transition, and for other purposes to maintain the territorial integrity and sovereignty of Ukraine — *“Stability and Democracy for Ukraine Act”*⁵.

³ Specially Designated Nationals List Update. The following individuals have been added to OFAC's SDN List [Electronic resource] / U. S. Department of the treasury ; Office of foreign assets control. — 2016. — September 01. — Access mode: <https://www.treasury.gov/resource-center/sanctions/OFAC-Enforcement/Pages/20160901.aspx>

⁴ Russian Sanctions: Addition of Certain Entities to the Entity List [Electronic resource] / Bureau of Industry and Security, Commerce. — Access mode: <https://www.federalregister.gov/documents/2016/09/07/2016-21431/russian-sanctions-addition-of-certain-entities-to-the-entity-list>

⁵ Suspend the Rules and Pass the Bill, H. R. 5094 [Electronic resource]. — Access mode: http://docs.house.gov/billsthisweek/20160919/HR5094.pdf?utm_source=Viber&utm_medium=Chat&utm_campaign=Private



The contradictions in imposing sanctions and putting economic pressure are explained by several conditions precedent that are taken into consideration by both sides in their own positioning:

- long-lasting unfriendly policy of the RF towards Ukraine. Since the collapse of the Soviet Union the Russian Federation has widely used economic pressure in relations with neighboring countries, first in financial, energy, and trade areas. Thus, Russian-Ukrainian relations were constantly in focus for Russia's 'integrative' policy. Once and again it provoked the appearance and aggravation of monetary contradictions (since 1991)⁶, gas conflicts (since 1993) and active transit and trade confrontation (from 2012). Social, economic and political state of Ukraine has been exposed to permanent shocks controlled from abroad.

Therefore, armed aggressive actions against Ukraine and the Crimea annexation were a logical continuation of the long lasting strategy of the RF to restrict Ukrainian sovereignty in different ways. The course for preserving control over Ukrainian political landscape and the country's economy was continued with methods of hybrid or non-linear warfare⁷.

The lasting regime of sanctions raises economic pressure on the RF development and potential in the modern world⁸. However, the sanctions economic impact is viewed in the RF as the opponents' weakness⁹. Russian society and elite are still imprisoned by a traditional notion according to which inability (unwillingness) to respond with forced counter-attack to attacks is considered as total incapability.

By this reason Ukraine should not expect that without activities which are symmetrical to the Russian ones, the sanctions or considerable economic pressure will result in making the RF to return to the 2013 status quo, to force a change to its current policy towards Ukraine or to give

⁶ In 1991-1993 the focus of Russian and Ukrainian confrontation was on the distribution of the assets and liabilities of the former Soviet Union and the 'monetary' war when the RF unilaterally withdrew the cash funds from Ukrainian bank institutions (that at the moment were in the same ruble zone and belonged to the system of the USSR bank institutions). The cash belonged to Ukrainian citizens and Ukrainian enterprises. There were several attempts to suggest to Ukraine the Russian version of introducing Ukrainian national currency and its turnover in the 'single currency area'.

⁷ The Economist: 'Non-linear' War of Dubovitskyi and Surkov in the eastern Ukraine [Electronic resource]. — Access mode: <http://www.actualpolitics.ru/article/2438>

⁸ Are sanctions on Russia beginning to bite? [Electronic resource] // CBC News — Business — Access mode: <http://www.cbc.ca/news/business/are-sanctions-on-russia-beginning-to-bite-1.2729192>

⁹ Левинсон А. Крым наш // Журнал «Неприкосновенный запас». — 2016. — № 3 (107). — С. 245–248. (Levinson, A. The Crimea Is Ours // Emergency ration. — 2016. — No 3 (107). — P. 245–248).





the Crimea back to Ukraine. This scenario is viewed by the experts as unlikely one;

- preventive nature of the Western sanctions. In contemporary world the application of sanctions differs greatly from that of the applied earlier. Sanctions have turned from a rough instrument of immediate restriction of economic cooperation between countries (for example, a certain embargo) into a highly selective instrument¹⁰. This makes it possible not to cause catastrophic damage to the country on which certain sanctions are imposed but forces this country to make concessions regarding Western partners' conditions. So, the application of the Western sanctions to the RF rather doesn't aim to collapse the state or its economy but at just defining certain 'red lines' for further long term development and calling to follow to generally accepted rules of coexistence.

It means that neither the USA nor the EU or any other allies of Ukraine are willing to pay any price for full-fledged renewal of Ukrainian rights and interests. Each stakeholder tries to avoid unexpected developments of the conflict or uncontrolled crisis situations in the RF (in particular, taking into account the state's considerable nuclear potential). Situational allies of Ukraine are governed by their own national interests and security. Only the direct threat from the Kremlin to Western countries' interests (for instance, linked within the Syrian issue) might provoke active confrontation over the Ukrainian issue as well.

The sanctions acquired significant deterring effect but are not viewed by the world as a warfare tool against Russia. That means that Western world's leaders may never recognize the Crimea annexation¹¹ and at the same time give up isolating the RF by resuming full-rate economic relations with the aggressor. Thus, the first manifestations of that have been traced to the financial sphere since September, 2016 when, without any reduction of the existing sanctions, for the first time since 2013, the RF succeeded in entering the world financial market of sovereignty loans;

¹⁰ Sydorenko, S., Mussayeva-Borovik, S. The USA Ambassador: The Crimea will come back to Ukraine, but when? My answer could be unpleasant // Ukrayinska Pravda: <http://www.pravda.com.ua/articles/2016/09/15/7120668/>

¹¹ The West can never recognize the Crimea annexation in the same way as it did not recognize the Soviet Union's occupation of the Baltic states but the USA and EU are unlikely just preserve full-range sanctions expecting for probable changes in the political regime in Russia. The RF (in contrast to, for instance, Cuba) is a too important state that is strongly integrated into international institutions, so the West cannot expect to make it completely isolated.



- Ukraine as the ‘object’ of confrontation. The RF positions confrontation with Ukraine as a response to the policy of foreign actors in the world: the USA, the EU, some European states and international organizations (primarily, the NATO). In particular, the Kremlin points out the lack of connection among military, political and economic bilateral relations between the RF and Ukraine (roughly speaking, the war is for the world around and we shall continue trading). That position partially resonates in some countries that support the regime of sanctions against the RF.

On the contrary, Kyiv has not revealed its proactive position on prolonging economic sanctions, it often just joins the restrictions announced and introduced by other countries. These restrictions often lack mechanisms of their realization and/or objects of their application in Ukraine. Undoubtedly, such position did not facilitate partners’ comprehension of our unambiguous position.

Such way it is created background for freezing the ‘Ukrainian crisis’ by means of an ‘asymmetry retreat’, by concessions to the RF in other urgent points of an international agenda (confrontation in Syria, Yemen, on the energy market etc.) or bilateral cooperation between states (for example, signing a kind of a compromise peace treaty with Japan);

- essentially heterogeneous positions of the European allies on the policy of sanctions. Varied history and the nature of interaction between the RF and certain EU member states before the confrontation with Ukraine led to a number of contradictions related to applying sanctions and some deterring measures. First, one should mention high selectivity of expanding the restriction regime (to some persons and enterprises) and insignificant sectors of expansion that practically are not related to the key areas of the Russian economy. According to their attitude to sanctions (their prolongation or significant expansion) all EU member states can be roughly divided into three groups:
 - 1) countries which have suffered from the negative impact of sanctions (or may suffer if they are expanded) but support the hard-line attitude of imposing further sanctions (Germany, the Baltic states, Poland, the UK etc.);
 - 2) countries which estimate their losses as noticeable ones for their economy and are inclined to lift sanctions (Italy, Spain, Slovakia, Hungary, the Czech Republic and, potentially, France);





3) countries which have suffered insignificant losses (or have not suffered at all) but by some political reasons are standing for lifting the sanctions (Greece, Bulgaria, Cyprus, etc.).

Contradictions existing within the EU create background for gradual lifting of the sanctions according to some formal indicators of the RF following some agreements in resolving the conflict with Ukraine. For instance, the public demonstration of the political movement for coming back to ‘status quo ante’ has taken place (ceasing the aggression in Donbass but not restoring full-range rights and interests of Ukraine).

At the same time, against the context of the rapid growth in uncertainty on the commodity markets, economic deterrence of the RF by the global community at once (in 2014) caused noticeable slowdown of the Russian economy, its entry into a recession, considerable cuts of gold and foreign exchange reserves (by \$134 billions, or by 27.7 %), ruble devaluation (in September, 2014 – January, 2015 ruble devaluated by 85 % compared to the US dollar, only in February – March, 2015, the RF Central Bank spent \$24.6 billion of international reserves to support the national currency), traceable decrease in the fund market indexes and acceleration of capital import (\$151.5 billion in 2014).

To define the real scale of the sanctions policy impact and other forms of economic pressure is very difficult since the processes in Russia and the world economy are indirectly interconnected. Today total economic losses of the RF due to the sanctions are estimated in curtailing its economy by 6.0 % from GDP (Gross Domestic Product) (compared to the level in 2013), total net capital exports \$160-170 billions. So under the influence of the sanctions the RF economy¹² decreases each year by over 2.0 % of GDP and experiences current deficit of international capital and loans of over \$50 billion per year¹³.

Moreover, the preliminary results of the confrontation and the sanctions policy imposed on the RF as well as its reaction to it enable one to make some conclusions.

It is already happened:

- **irreversible slowdown of the economic growth rate.** If it weren't for economic pressure, between 2014 and 2016, the potential intensifica-

¹² Hereinafter the sanctions impact is given without taking into account oil price drops that considerably intensify general negative tendencies, and sometimes they are thrice as large as mentioned losses from imposing economic sanctions.

¹³ Economists have estimated first Russia's losses due to Western sanctions: <http://www.rbc.ru/economics/11/05/2016/57322fb99a794753913fc68b>



tion of efforts in international trade could have allowed the RF to reach a GDP growth of over 4.0% per year¹⁴. This is the reason why, taking into account the lost profit, in 2016, the sanctions pressure provokes economic downturn estimated at 6.0% of the country's GDP. Indirectly, the sanctions pressure makes the economy decelerate considerably.

Moreover, if the sanctions are lifted immediately, their medium term impact on the RF, according to Moody's, will lead to curtailing the real GDP of the country by 1.0—1.5%¹⁵ till 2020. Long-lasting sanctions can lead to cumulative losses in the production output of 9.0% of the GDP, since the decrease of capital accumulation and technological transfer results in still weakening the low productivity growth in the country¹⁶:

- **accelerated use of state reserves.** The long-lasting negative situation on the world raw material market provoked profit drop in the main export goods producers in Russia, crude oil first of all. Taxes and customs revenue to the RF federal and regional budgets have dropped rapidly. There was a considerable budget deficit for state obligations and essential growth of pressure on the national currency on the market.

In addition, due to the sanctions, the process of obtaining cheap external credits has become more complicated. This led to accelerated depletion of state reserves. For example, during the period of confrontation, the RF international foreign currency reserves diminished by 25.3% (or \$ 130.3 billion, December 2013-2016)¹⁷, including the total sum of the Reserve Fund and the RF Fund of National Wellness – by 41.7% (or \$ 73.44 billion)¹⁸. This use of inner resources against the background of curtailing investors' activities increases inflation pressure and risks of financial crisis. The decrease of reserves continues, but the new risks of non-payment crisis arise which may result in unpredictable consequences for social and economic situation in the RF;

- **growth of direct military and 'integration' expenditures.** Sanctions policy determines the constant increase of the RF expenditures to main-

¹⁴ Kholodilin K., Netsunajev A. Crime and Punishment: The Impact of Sanctions on Russian and European Economies // Deutsches Institut für Wirtschaftsforschung Discussion Papers. — 2016. — Berlin. — 18 p.

¹⁵ Russia, Government: New Currency and Oil Price Drops Exacerbate Recession / Moody's investors' service: <https://www.moody's.com/credit-ratings/Russia-Government-of-creditrating-600018921>

¹⁶ IMF assessed Russian losses due to the imposed sanctions as 9% // Дзеркало тижня. Україна: http://dt.ua/ECONOMICS/mvf-ociniv-zbitki-rosiyi-vid-sankciy-9-vvp-180613_.html

¹⁷ The RF International reserves / The RF Central Bank: http://www.cbr.ru/hd_base/?PrId=mrrf_m

¹⁸ Sovereignty Funds. Statistics / The Ministry of Finance of the RF: <http://minfin.ru/ru/statistics/fonds/index.php>





tain military parity in the region and significant direct expenditures on economic integration of the annexed Crimea as well as expenditures to support the special operation in the East of Ukraine. For instance, between 2014 and 2016, the RF total expenditures on these things will make up over \$49.2 billion, or up to 1.4% on average of the country's GDP annually without taking into account current expenditures to maintain armed forces (over the years before the aggression, less than 4.5% GDP) in the country's federal budget. Meanwhile, according to the T.Ye. Gaidar Institute of Economic Policy, total defense budget expenditures make up 5.4% of the GDP at present¹⁹. The expenditures on the military operation in Syria have been growing as well (up to \$ 1 billion in the last year).

If the confrontation continues in 2017, the total burden of direct expenditures will annually rise over 1.7 % of the GDP in the RF Budget (or will reach \$ 59.8 billion) without taking into account current expenditures on the country's armed forces. Direct military expenditures, financing of various special operations in particular (support to terrorist organizations in Eastern Ukraine), will make up over 80% of occupation allocations. As an example, direct defense expenditures of Ukraine (up to 2.7% of the country's GDP) are sometimes at a level lower than similar countries current support of their armed forces in peacetime;

- **groundless introduction of food embargo.** In response to series of sanctions imposed by number of countries, the RF introduced embargo on food products imported from some European countries (the turnover of such imported products decreased to 10% from the turnover before the embargo). However, any noticeable intensification did not take place in the RF food industry. The lack of modern agricultural technologies, seed stock, special fertilizers, food substitutes as well as the close of the market for cheap foreign loans, in fact, completely undermined expectations for substantial recovery of domestic non-commodity agricultural production²⁰. Home prices on the food market have risen considerably and sometimes even doubled.

¹⁹ Russian economy in 2015: Trends and Prospects. — Issue 37. — M.: Gaidar Institute Press, 2016. — Chapter 6.5.6: Military Financial. — P. 458. — URL: <http://www.iep.ru/files/RePEc/gai/gbooks/RE37-2015-ru.pdf>

²⁰ Russian Economy in 2015. Trends and Prospects. — Issue. 37 / V. May et al; ed. By S.G/ Synelnikova-Murylyova (ed.-in-chief), A.D. Radygina; T.Ye. Gaidar Institute of Economic Policy. — M.: Gaidar Institute Press, 2016. — P. 254—264.



The lost profit of several European producers in the Russian food market did not come up to \$ 8.6 billion (or up to 0.4 % from the EU total export). Considerable losses of Russian food products were experienced, in fact, exclusively by nearest neighbors from Central, Eastern and Northern Europe, most of all Finland and Norway²¹.

At the same time, prior fears of the EU regarding losses for agrarian production by the member states have not been justified²². Relatively the highest number of job cuts, as a result of Russian countersanctions, took place in Poland and the most significant losses in proportion to their own GDP occurred in the Baltic States;

- **painful regime of restrictions for the countries which have supported the sanctions.** The main lost profit (up to 82% of all confrontation losses) for countries that had joined in the sanctions against the aggressor occurred due to Russia's several non-food embargos and restrictions as well as the impact on the general development of the Russian economy. According to the Centre d'Etudes Prospectives et d'Informations Internationales²³, French analytical centre of the world economy, the total lost profit of the countries that have supported Ukraine exceeds \$47 billion per year.

Nearly 77% of all losses are experienced by the EU member states. However, the impact of restrictions on the EU²⁴ as the RF main economic partner²⁵ remains practically unnoticed. During two years of confrontation

²¹ Monitoring the economic situation in Russia: tendencies and challenges of social and economic development / Gaidar Institute; РАНХиГС; ВАБТ; АИПП. — 2016. — September. — № 14(32): Access mode: http://www.ranepa.ru/images/docs/monitoring/2016_14-32_September.pdf

²² On the eve of imposing the sanctions some organizations predicted and spread the information, through Russian mass media mainly, about annual EU losses up to 100 bn Euro (or over 120 \$ bn) and growing unemployment through the loss of 2m jobs.

²³ Crozet M., Hinz J. The impact of the Russia sanctions on sanctioning countries' exports : <http://www.cepii.fr/CEPII/en/publications/wp/abstract.asp?NoDoc=9213>

²⁴ Expert loss estimations are relative since, first, they are based on the RF export turnover in 2013 and not on the actually terminated contracts, and, second, they do not take into account the RF export decrease resulting from retargeting commodity flow to other markets. For instance, while in 2014 export from the EU to the RF went down by nearly 20 %, the total export turnover increased by more than 2%, in particular to the USA — by 5 %, to China — over 20 %. The EU also gained some benefits from the oil price drop.

²⁵ The RF is the third biggest trade partner of the EU while the EU is the biggest partner for Russia. Before the confrontation and price decrease for energy resources the RF share in the trade with the EU made up 10 %, the EU one in the trade with the RF — 44.8 %. In the EU export the RF share was equal to 2.4%, while the RF export to the EU made up 63.8 % of its total export turnover. By early 2013 about 75 % of all direct foreign investments (over 190 bn Euro) originated from the EU to the RF. In its turn, Russia invested 77 bn Euro to the EU countries. But within the total of direct foreign investments accumulated by the EU member states Russian contribution was only 2% and in the total of investments abroad — less than 4 %. The RF maintained essential trade relations with Germany (75 bn Euro), the Netherlands (37 bn Euro), Italy (30 bn Euro) and Poland (26 bn Euro).





years the EU total export to the RF decreased by 40.2% (or by \$64 billion). In other words, from 2017, if European producers do not cross over to different markets, then the EU annual losses may come to over 0.2% of the GDP (or, to be more exact, 0.217% of the GDP of the EU member states). Each month the following countries potentially suffer from losses: Germany (up to \$830 million), Ukraine (\$450 million), Poland, Netherlands, France and Japan (up to \$200 million each)²⁶;

— **a futile loss of the positions on Ukrainian market.** In confrontation with Ukraine the RF has been rapidly losing the Ukrainian market. For instance, the total turnover between the countries decreased by three times to \$16 billion. During two years of confrontation the drop of Russian exports to Ukraine is 66.7% and this trend continues²⁷.

Under conditions of changing customer preferences in Ukraine (refusal to buy goods of Russian origin), several restrictions and diversification policies regarding importing goods and services of Russian manufacture lost profit of \$27.2 billion in 2014 and 2015. For instance, the losses due to Ukraine's refusal to buy Russian gas in 2015 reached \$2.64 billion and cause significant damage to the Russian gas monopolist.

Russian enterprises did not manage to redirect exports to other countries. For three years in a row, the RF total export decreased practically in all goods positions (for example, for three quarters of 2016 the decrease constituted 22.8% compared to 2015)²⁸.

For Ukraine, the closure of Russian market meant the loss of over \$19.9 billion potential profit in 2014 and 2015. At the same time, decreasing international trade between the two countries rapidly reduced the negative balance of payments in trade with the RF by 10 times (from –\$3.94 billion to –\$307.7 billion). This significantly influenced the improvement of the country's foreign trade results on the whole²⁹.

Thus, according to the results of the confrontation in the international trade, Ukraine has gained some additional macro-economic stability. The drop of the turnover with the RF is ongoing. Instead, redirection of Ukrainian exporters to European and other markets has been taking place.

²⁶ Before imposing sanctions the EU member states imported energy resources from the RF for 160 bn Euro, or 77.7 % of the total import of the aggressor-country.

²⁷ In 2015, the worth of Russian goods and services exports to Ukraine was \$ 8.2 billion.

²⁸ On the Foreign Trade State in January-July 2016/ Rosstat: http://www.gks.ru/bgd/free/B04_03/IssWWW.exe/Stg/d01/191.htm

²⁹ In 2013, the balance of foreign trade economic activities was — \$ 6.2 bn, in 2014 — 2015 — \$ 5.0 bn under the cut-down in both import and export of Ukraine.



The main consequences of the sanctions policy and economic confrontation for both parties are as follows:

- **the Russian Federation considerable losses.** During the confrontation the RF lost up to 8.8% of the country's GDP per year (including direct expenditures on supporting the occupation regime that made up over 2.8% of GDP) or, without the losses in the trade with Ukraine – 3.4% of the GDP (up to 2% from the sanctions and 1.4% direct expenditures on the occupation and confrontation). In addition, general estimation of lost profit (and under-resourcing) is over \$302.2 billion between 2014 and 2016. In 2017, the confrontation prolongation will increase the loss up to 3.7% of the GDP and will increase lost profit by over \$66 billion per year.

Long-lasting sanctions will decrease the RF's capability of rapid recovery in its own economy and international trade. The risks of financial, social, and economic crisis are growing;

- **moderate losses for the rest of the world countries.** The impact on the countries that supported Ukraine is not homogeneous and direct losses are practically not involved. The EU countries and neighboring countries of the RF (primarily Norway, Finland, etc.) suffered from indirect losses. All in all, the EU losses for two years are estimated at \$64 billion for the European producers. However, since these facilities are actively retargeting other markets, potential losses of the EU will be less than 0.2% of GDP per year in the future and will decrease dynamically³⁰. The total losses of all the countries that have joined the sanctions and economic pressure in the confrontation with the RF (Ukraine excluded) are up to \$47 billion annually. Today the RF policy of counter-sanctions has failed both abroad and within the country;
- **ambiguous impact on the economy of Ukraine.** As the object of aggression, Ukraine carries the main loss burden among countries that support preservation of the world order. For instance, the obstacles in the trade with the RF potentially led to a decrease of the country's GDP by 10.8 % during two years due to significant clotting of export to the RF. However, the policy of diversification and import substitution of a number of exported Russian goods, most of all fuel and energy resources, facilitated parity of losses in the trade with the RF and lead to positive

³⁰ The EU potential losses in percentage in reference to GDP are within the range of calculation (statistical) error for these data.





results in international trade as a whole against the context of the aggressor-state's expenditures for occupation of subsided and depressive territories of Ukraine. Along with this, till the recovery of economic relations with the RF the potentially lost profit for Ukrainian manufacturers will reach \$12.7 billion each year (or up to 15.2 % of the GDP in 2015). However, these losses will not have macro-economic influence on the recovery of the country's economy thanks to redirecting to other countries' markets.

So, imposing of sanctions and other ways of economic pressure on the RF by Ukraine and its allies has reached the sanctions policy aim to exhaust the aggressor's resources and to deter it from active intensification of the confrontation in Donbass stimulating the aggressor to search for compromise. Losses of Ukraine, and other countries that have supported it, are incomparably lower than RF losses, primarily due to a general decrease of macroeconomic indicators and considerable occupation expenses. The economic sanction of the International community will remain one of the main and most effective means of influencing the Russian Federation.

5.3. ACTIVATION OF RADICAL AND ANTI-EUROPE FORCES IN SUPPORT OF RUSSIA

Moscow efforts to destabilize the situation on the European continent stretches far beyond the borders of post-Soviet space. In Georgia and Ukraine, the Kremlin used a military scenario. In the EU and NATO countries it relied on radical and reactionary elements.

For the past 10 years, parties that doubt the success of European integration and emphasize sovereignty and national identity preservation have gained significant electoral support in European countries. Their programs, aimed at conservative voters or those frustrated with social injustice, accuse the European international project of all problems. As if it was for the EU that economic growth slowed down, the number of migrants grew and terrorist acts and threats increased on the continent.

Notwithstanding different political views related to home policy, far-right and far-left wing, European forces share a common view on foreign





policy (Euroscepticism) and criticize close relations between EU countries and the USA. The Russian Federation views the expansion of the EU and NATO as a threat to its national interests and interference with traditional spheres of its influence. Thus, the Kremlin agrees to give financial and ideological support to those forces in exchange for putting forward the narratives corresponding to its interests.

So Euroscepticism of European radical forces coincides with the principles of Moscow's anti-west rhetoric. For far-right and far-left European parties this is one of the most successful tools in getting electoral points. Popular support of the European Union project in the member-states has diminished lately, thus allowing former marginal political forces to gain enough votes to be elected to parliaments and local governmental bodies.

Moscow is interested in taking the role of "anti-western world" leader. The new Cold War has been developing around the Kremlin's favorite idea that Western countries had broken the international stability and violated other countries' national sovereignty many times. Russian authorities try to convince their own citizens and people who are sympathetic to it in other countries, that Russia appears to be the only defender of traditional Christian values in opposition to the liberal West. V. Putin, "the defender of Christian civilization", thus is viewed as an ally by numerous far-right wing leaders.

Their Pro-Russian position is accounted for by a common ideological platform. Russian political system based on the idea of a strong leader, ignoring human rights, Christian family values and national interests is a model for European far-right forces. Over the past few years the State Duma of Russian Federation has adopted several anti-Western laws, including a law on "foreign agents" that banned the activities of civil organizations financed from western funds and, thus, impact on the work of independent NGOs. Moscow has also found support in the right nationalist European parties after 2013 adoption of the law banning homosexual propaganda. For instance, those steps of Russia have been approved by the United Kingdom Independent Party, British National Party, Jobbik (Hungary) and Golden Dawn (Greece).

Instead, in 2014 it became known that French National Front got the credit from First Czech-Russian Bank connected with the Kremlin. There are suspicions that the Kremlin finances the Austrian Party of Liberty and Bulgarian party Attack. More often practice – Moscow pays the "fees"





to separate politicians who make it possible not to advertise the cooperation with a certain party.

European Left forces co-operate with Putin's regime but not in an open way. However, they act as active supporters of the Kremlin's geopolitical game and its anti-Western rhetoric. The support of Russia by the far-left political forces is explained by their traditional rhetoric of "pacifism". The Left accuse the USA of interference with internal affairs of European countries and the Middle East. Moscow depicts the policy of the USA and NATO as aggressive and acts as their ally, providing them with information channels for their ideological propaganda.

The idea of neutrality and calls to exit from NATO are also popular with far-left forces. They also come together with the Kremlin on the basis of anti-fascist ideology. Moscow's accusations against the USA and some EU countries of supporting radical right forces in Ukraine found support among left parties on the European continent that are willing to turn a blind eye to Neo-Nazi and anti-Semitic movements within Russia.

Those elements help Putin demonstrate his aggression in Ukraine and military campaign in Syria as an attempt at peaceful settlement of the conflict and protection of the socially vulnerable groups. Thus, having earned the support of both far-right and far-left forces, through its propaganda channels in Europe, the Russian Federation falsely boasts that it acts as the defender of the Russian-speaking people in Ukraine.

Among right European forces the greatest electoral support within its country is enjoyed by French National Front which has turned from the third popular political force in France into the second one over the last ten years. At the same time, such projects as Freedom Party of Austria, Belgian Flemish Interest (Vlaams Belang), Dutch Party for Freedom, Italian National Alliance and League of the North are stable parliamentary parties, and they have recently increased their electoral support substantially. On the whole, far-right parties are making less use of racist and xenophobic rhetoric; instead, they proclaimed themselves to be defenders of their citizens' rights and liberties in the conditions of flooding Muslim migrants. Some centrist parties in European countries are gradually adopting right extremist slogans, as can be seen, for example, in Hungarian party Fidesz.

Since 2008 the far-left parties have significantly increased their representation in national legislative bodies and the European Parliament. Such projects as Syriza (The Coalition of the Radical Left) in Greece and



Podemos in Spain have recently turned into prominent political forces in their countries. The Left Party has mighty representativeness in eastern regions of Germany and Sinn Fein is now the third most popular party in Ireland. Representatives of far-right and far-left parties have constantly defended Kremlin interests in the European Parliament, visited the annexed Crimea and occupied territories in Donbass. In 2014, N. Farage, a former leader of the UKIP, declared the necessity of taking Russian interests into account and pointed out how Ukraine forced Moscow's actions because of Euromaidan.

Radical left politicians from Greece, Germany and Poland have taken part in monitoring missions in the annexed Crimea and the occupied territories of Donbass. Representatives of German Left Party brought humanitarian aid to Donetsk and met the leader of the "DPR" militants. During the voting in the European Parliament representatives of the political group European United Left–Nordic Green Left often vote in support of Russia. They do the same in the EU Parliamentary Assembly and at the setting of the Parliamentary Assembly of OSCE.

Problems within the European Union have only increased their popularity. The community crisis due to the flood of migrants, successful Brexit in June 2016, some large-scale terroristic acts in France let the populist right and left forces continue to gain popularity. In September 2016, during the election to the regional parliament of Mecklenburg-Western Pomerania federal land, the Alternative for Germany ultra-right anti-immigrant party came in second place with votes and got ahead of the ruling party of Christian Democrats headed by A. Merkel.

There is a threat that alongside with the growing popularity of those left and right forces, centrist European forces will also have to use anti-European and pro-Russian slogans in order to win elections. It is partially because of growing support of the UKIP among the British electorate that the Conservative Party headed by D. Cameron agreed to implement the idea of a referendum as to membership in the EU that resulted in Brexit. The appearance of those forces in the European countries' governments may ruin the unity of the EU foreign policy with regard to the Russian Federation, inter alia, on the issue of sanctions for the aggression against Ukraine.

Planned for 2017, presidential election in France and parliamentary election in Germany are threatened with an increase of the far-right influence in those countries that can have negative impact on the work of Normandy Format as to settle the conflict in the east of Ukraine.





Apart from Europe, Moscow intensified its support of populist forces on other continents. The biggest surprise was Russia's indirect participation in the presidential campaign in the USA in which the Kremlin announced its support to the Republican candidate D. Trump. Moscow's choice was predetermined by relying on the isolationist course of the new presidential administration of the USA, due to which further expansion of the RF influence sphere may become possible.

Ukraine has a wide range of means which can be applied to prevent negative scenarios – the increase in the influence of radical and reactionary forces in support of Russia. It largely depends on successful reforms within our country and active information campaign in the leading world media regarding the Russian Federation aggressive intentions. Kyiv should make an active use of the 'soft force' tools – public democracy, expanded partnership with the EU and NATO countries in the sphere of strategic communications, actively cooperate with numerous Ukrainian diaspora in Europe and Northern America, and establish horizontal connections with political and civil forces in key countries.

In order to oppose far-right and far-left forces supported by Moscow, there is a need of intensify the activities of intelligence services, journalists-investigators, civil activists and analytical centers that deal with exposing networks controlled by the Kremlin. Quite a few networks were created by KGB employees at the time of the Soviet Union. It foremost refers to far-left parties, whose leaders studied in Moscow or were Russian special services informants.

At the political level, it is important to constantly remind ourselves of the existing ties of the Russian Federation with far-left and far-right European parties and their financing by Moscow. It is especially urgent in pre-election periods. The idea of holding common information campaigns together with prominent conservative, social, and democratic European parties seems promising.

5.4. MINSK PROCESS IN THE LIGHT OF WORLD POLITICS

On September 5, 2014, after severe and bloody battles near Ilovaisk resulting in heavy losses for Ukraine (over 300 servicemen killed and over 400 wounded), the Trilateral contact group, comprised of representatives



of Ukraine, the Russian Federation and the OSCE, signed the Minsk Protocol. It was aimed at a peaceful settlement and the return of Donetsk and Luhansk regions to a unified legal and political field of Ukraine. The document defined a series of conventional measures for the peaceful settlement of the conflict, including ceasefire, the withdrawal of heavy weapons by both parties of the armed conflict for a specified distance to set up a security zone, Ukraine's regaining complete control over its state border with Russia, taking relevant urgent political decisions, and etc.

It was of paramount importance for Ukraine that key foreign partners (the USA, the UK, Germany, France etc.) as well as major international organizations (NATO, the EU, the OSCE) not only supported our peace initiatives but also recognized the Minsk process as the main and may be only instrument of settling the armed conflict. Though the signed document was mainly declarative since it did not provide a clear sequence of actions and reference to certain terms, it contained strict political requirements for Ukrainian leaders that bordered on the interference with sovereign country internal affairs.

In fact, it was the ultimatum of the aggressor with considerable military success who did not want to press it but exchange its military advantage for political concessions.

To stop the bloodshed, Ukraine had to agree to those terms. European mediators certified the exchange as fair and supported the affected party.

After establishing a fragile peace, in order to implement the reached upon agreement, on September 16, 2014 the Verkhovna Rada of Ukraine adopted the Law "On Special Local Self-government Procedure in Specific Regions of Donetsk and Luhansk Oblasts" and a draft law on pardoning the insurgents. These legal acts took into account all the Kremlin's wishes.

However, no further steps to implement the Minsk agreements were taken by the RF and the insurgents it supported. On the contrary, November 2, 2014, in violation of Ukrainian laws and the OSCE requirements, the leaders of the DNR and LNR, supported by the Kremlin, held local "elections" in territories of Donetsk and Luhansk regions, and started forming statehood attributes in the controlled territories. This led to blocking further implementation of the reached agreement and greatly impeded the process of peace settlement in the east of Ukraine.

The armistice turned out to be unstable and short-lived. The insurgents, accumulating weapons and military equipment regularly provided





by the Russian Federation through the uncontrolled state borderline, continued fighting, using harassment and provocations tactics. Almost every day in the ATO zone, Ukrainian soldiers and law-enforcement officers were killed as well as civilians. Thus, the Minsk process was terminated and armed confrontation was resumed.

To gain further political concessions from Kyiv (in terms of state sovereignty, preserving the status quo in Donbass and making Ukraine pay for the occupied territory recovery and social benefits for its population) and from European leaders (lifting the isolation, being forgiven for the Crimea, getting guarantees of non-interference in Russian internal affairs, and recognizing the post-Soviet space as the sphere of the RF “special interests”), Moscow has resorted to the use of force again on the eve of the next round of Minsk talks. This time, the climax point was a large-scale offensive of the Russian regular forces and insurgents supported by them on the Debaltseve bridgehead. According to the available data, from January 18 till February 18, 2015 during the combat actions in that area, 179 servicemen were killed, 110 imprisoned, and 81 missing.

At this time, Ukraine badly needed some rest since both military resources and financial capacities were almost exhausted. On the other hand, France and Germany leaders staked their political reputation and the ability of the united EU governments to influence regional security. That was the reason why they were interested in a ceasefire and conflict resolution at all costs in the east of Ukraine.

In that context the Trilateral contact group signed the Package of Measures for the Implementation of Minsk Agreements (hereinafter the Package of Measures) that was approved by President of Ukraine, P. Poroshenko, President of the RF, V. Putin, President of France, F. Hollande, and German Chancellor, A. Merkel in Minsk on February 12, 2015. In the Declaration supporting the document, all parties confirmed their complete and unconditional respect to our country sovereignty and territorial integrity.

The Package of Measures envisaged the following three consecutive stages:

- de-escalation (ceasefire and withdrawal of heavy weapons with mandatory verification by the OSCE; release of hostages including unlawfully detained persons);
- stabilization (withdrawal of foreign armed formations and mercenaries; reinstatement of full control of the Ukrainian-Russian border by



Ukraine; launch of a dialogue on the terms of holding free and fair local election under the OSCE standards and other aspects of the political process);

- Donbass recovery (bank payments recovery, restoration of social and economic relations, infrastructure recovery, political, social and economic reintegration of Donbass).

However, the Package did not clearly specify the final terms of fulfilling the obligations by all parties and there were no logical links between particular objectives either. All that affected the process of implementing the plan provisions.

The steps that Ukraine took unilaterally to fulfill Minsk Agreements in 2015 (discussion of the draft laws on holding local elections on the occupied territories of Donetsk and Luhansk regions, on amnesty and on amendments to the Constitution of Ukraine) did not lead to appropriate concessions from the other side. Neither the insurgents, nor the RF took any steps to fulfill their obligations, among them the vital prerequisite for further peaceful settlement of the armed conflict was the withdrawal of regular units of the RF armed forces and mercenaries from the territory of Ukraine and the local insurgents disarmament.

After drawing Ukraine into negotiations on Donbass' special status, amnesty, and modality of local elections and resumption of economic ties, the insurgents running the occupied territories of Donetsk and Luhansk regions took advantage of the gained time for establishing quasi-states of DNR and LNR on the occupied territories, strengthening their power, establishing corresponding legal framework of their own, prosecuting local citizens loyal to Ukraine, eradicating Ukrainian national symbols, blocking access to Ukrainian mass media, introducing a new state currency for circulation (Russian ruble), working out educational curricula of anti-Ukrainian nature and openly declaring their plans for further occupation of new territories in Ukraine. All that took place under the full control and support of the RF.

In addition, after signing the first and the second agreement in Minsk the demarcation line was eventually moving towards the Ukrainian territory. Breaking the regime of ceasefire by illegal armed units also led to disruption of the timeline for withdrawing heavy weapons to the defined distances. To top it all, there were multiple recorded instances of the insurgents impeding the OSCE observers trying to fulfill their task of monitoring and verifying the ceasefire and withdrawal of heavy weapons.





It is the fulfillment of security conditions under Minsk agreements that were among the decisive factors required to enable long-expected progress in implementing other integral parts of the process of the conflict peaceful resolution, namely: solving political, economic, social and other issues as well as ensuring complete region reintegration into Ukraine and its further steady development.

Furthermore, the RF leaders tried to blame Ukraine for the failure to fulfill the Package of Measures. For instance, RF Prime Minister D. Medvedev accused Ukraine of not performing its obligations regarding the broad amnesty that, as he believes, should apply to those who participated in the events which took place in Ukraine between 2014 and 2015. At the same time he assured that Russia, from its side, was willing to show “reasonable flexibility” in fulfilling the Minsk agreements but it “saw neither will, nor wish of Kyiv authorities to fulfil their obligations”³¹.

D. Medvedev pretends not to see that the insurgents and Russian side have not fulfilled the agreed upon ceasefire, withdrawal of Russian troops from the territory of Ukraine, as well as release of hostages and the unlawfully detained persons following the “all for all” principle. The EU member states and the USA repeatedly called Russia demanding immediate and unconditional release of Ukrainian political prisoners. After all, the further practical solution of ensuring pardons and amnesty is impossible without fulfilling this condition.

It should be noted solution to resolve conflict provided by the Package of Measures contains a significant shortcoming that, in fact, makes it impossible to achieve any progress in this regard. It is in the Minsk agreements provision under which reinstatement of full control over the state border by the Ukrainian government starts on the next day after local election. Meanwhile, nobody doubts the necessary prerequisite to solve political issues peacefully is ensuring security conditions. In this case the Minsk agreements envisage separation of the important security element, i.e. reinstatement of the control over the state border, from the package of other security issues (ceasefire, weapons withdrawal, etc.). That creates considerable threats and obstacles for further implementation of the political component, particularly, ensuring and holding local elections under the legislation of Ukraine.

³¹ D. Medvedev demands broad amnesty for pro-Russian gunmen of Donbass: <http://dt.ua/POLITICS/medvedyev-vimagaye-shirokoyi-amnistiyyi-dlya-prorosyyskih-boyovikovDonbassu-199688>



Reinstating control over the state border of Ukraine in the conflict zone is vital for ceasing combat since it will result in blocking the insurgents' supply chain of weapons, military machinery, materials, financial and human resources that allow accelerating the process of peaceful settlement in Donbass. Taking this into account, an accepted option for Ukraine would be an initial provision of that kind of control by international peacemaking or police mission.

Today one can not name a single fact to confirm the intentions of DNR and LNR puppet regimes to reintegrate into the political and legal framework of Ukraine, although their representatives in Minsk have declared the opposite.

The abovementioned provides all the grounds to state the negotiation process in Minsk is used by the RF as an element of hybrid warfare for making the occupation regime of certain areas in Donetsk and Luhansk regions legal, for discrediting Ukraine in the eyes of the international community, as well as for increasing pressure on its leadership.

From the very beginning, Russia spoke in Normandy format using strong-arm tactics. By supporting a continuous source of tension in Donbass, they have strived to exhaust Ukraine's resources. Meanwhile, in the context of gradual weakening in the RF, capacities caused by the economic crisis substantially worsened by international sanctions and low commodity prices, Russia is interested in a rapid change of the conflict format in the east of Ukraine for its own benefit. Official representatives of Moscow have been persistently trying to bring up the idea of integrating the occupied areas of Donetsk and Luhansk regions into Ukraine granting DNR and LNR a 'special status' in order to preserve control over Donbass and use it as a tool of influence over Ukraine. Moreover, the RF authorities pay no attention to the fact that neither the Minsk agreements nor any other documents of international law envisage the establishment of such quasi-states.

In case of successful fulfillment of Kremlin intentions, the central authorities in Kyiv would to some extent lose control over the situation in the country, radical pro-Russian forces would become the participants of the internal political process, the country would end in a deadlock of international political uncertainty, and all their social and economic implications would be the responsibility of Kyiv and its Western partners. In that case, the destiny of post-Maidan Ukrainian political authorities would be doomed. V. Putin, who triumphed in the Crimea, would have to wait for some time when pro-Russian forces came to power in Kyiv.





Officially, Moscow's strategic aim at this stage is to create conditions to lift the EU and USA sanctions by imitating support of the Minsk agreements implementation along with shifting attention away from Russian-Ukrainian conflict and creating new cooperation channels with Western countries. Furthermore, Ukraine has been under pressure to fulfill Minsk agreements provisions which are most advantageous for separatists and the RF (holding local elections, granting amnesty to the insurgents, enshrining Donbass special status within the Constitution of Ukraine) while fulfilling the key provisions for ensuring citizens' security is completely ignored. For instance, according to G. Karasin, RF Deputy Foreign Minister, all Kyiv's arguments about the impossibility to discuss any political issues without establishing a long-term ceasefire are viewed as 'neither serious, nor grounded'. It proves the idea that the 'political component of the Minsk agreements was worded by the Russian party not as a real conflict resolution plan but as a convenient tool to exert pressure on Kyiv and European mediators.

The issue of actual political results of fulfilling the Minsk agreements is a matter of principle. There are two options and no compromise between them is possible: 1) Ukraine regains its sovereignty over the occupied territories and integrates them into the state legislative, political, social and economic framework, or 2) the puppet pro-Russian regimes will be created, legitimized, and their access to political tools of influence with the central authorities in Kyiv will be provided.

Some initiatives of our Western partners to the prerequisites for holding elections on occupied territories and the sequence of fulfilling particular provisions point out their willingness to accept the latter version as the basis for political solution if the ceasefire in Donbass is guaranteed. However, it is evident that this imaginary compromise will bring neither crisis resolution, nor proper peace to the Ukrainian land.

It might be due to some tactical maneuvering or under pressure of "tiredness from Ukraine" that European leaders could agree to this option but viewed in strategic dimensions the RF settlement plan would be risky for European and global stability. First, depriving Ukraine of its sovereignty and including it into the zone of the RF interests would basically change the balance of forces on the European continent. Even now economic, media and political tools let Russian authorities exercise essential impact on some Central European countries' policy and recruit allies among EU members from the Mediterranean region. So achieving complete domi-



nance in post-Soviet Eurasia would make the European liberal project face the toughest challenge since the time of the Cold War. And there are lots of doubts the European community would be able to adequately respond to that challenge, divided by social and cultural conflicts and weakened by social and economic problems.

Second, it is obvious the conflict in Ukraine is viewed by Russian leaders in terms of victory and failure. For V. Putin, the victory would mean his right to act against the rules, to use force to achieve his foreign policy goals, would confirm conditional and abstract character of the values and principles declared by Western politicians, and boost the aggressor's self-esteem and motivation.

In order to advance Russian views on the situation in the Crimea and in Donbass and probable ways of resolving the conflict in the east of Ukraine, **the RF authorities are trying to participate in international discussion panels** taking the role of organizer (or co-organizer) of several communication events, involving foreign pro-Russian politicians and experts, and others who are interested financially or otherwise. Russian ideologists have been trying to present the conflict in Donbass, triggered and actively supported by Russia, as an exclusively internal Ukrainian conflict (or civil war) in which the people from some areas of Donetsk and Luhansk regions have been fighting for their language, civil and other rights.

Giving such grounds for the nature of the conflict in Donbass, the RF insists that the only way out is through federalization of Ukraine (or, at least, granting the special status to some areas of Donetsk and Luhansk regions set forth in the Constitution). Imposing that opinion during the Minsk talks, the Russian party urged European countries, which are contributors to security, to share the responsibility with the RF regarding interference with internal affairs of a sovereign state.

It is worth noting that neither the Crimea, nor Donbass had any separatist inclinations during all the years when they were part of Ukraine. Related movements and ideologies were not supported by the public at large in the regions and there were no conflicts on ethnic or confessional grounds. The government crisis in 2013 and the escape of V. Yanukovich, and his henchmen did not lead either to a state collapse or civil conflict. Free democratic elections for the head of the country were held promptly, the Verkhovna Rada of Ukraine was re-elected and then the political process was back to normal. The destabilization of the situation in the Crimea





and Donbass took place following the same script: the support of the RF armed forces and use of the extensive agent network created in advance.

No doubt that the violation of the territorial integrity of the neighbouring sovereign country, interference with its internal affairs, conduct of subversive activities on its territory, organization of forced power take-over, terrorism financing and direct armed force support of illegal armed formations is to be considered a crime for which the RF authorities and their henchmen should be tried. The Ukrainian state system and territorial division issues belong exclusively to the competence of Ukrainian people – the only source of power and state sovereignty.

It is of paramount importance that the hybrid war launched by the RF against Ukraine goes beyond the borders of our country. To solve the issues of preventing the war sprawling to other European countries it is necessary to consolidate the efforts of all the stake-holding countries and Ukraine with its unique experience of combating the hybrid war under current conditions. It is the renewal of mutual trust in international relations, respect for basic international law principles – non-use of force and threats, peaceful settlement of international disputes, non-interference in state's internal affairs, inviolability of state borders, territorial integrity of states, etc. that are the prerequisites for recovering stability on the European continent.

In this context the aggressor's attempts to use well-known European politicians and diplomats as mediators for putting forward their interests should be noted.

For example, the attention should be focused on the position of P. Morel, French diplomat, Coordinator of the political subgroup, Contact Group on Settling the conflict in Eastern Ukraine, who, noting the existence of essential contradictions between the negotiating parties, constantly tries to push Ukraine to approve some draft laws (on holding local election in certain areas of Donetsk and Luhansk regions, the insurgents amnesty etc.) which to a great extent contradict the Constitution and laws of Ukraine and whose implementation in the suggested form will have considerable negative consequences for Ukraine's national security³². Such a position of P. Morel surely complicates already hard and complex negotiations.

Ukraine can not accept the so called "Steinmeier's formula". It means the Law of Ukraine *On Special Order of Local Government in*

³² Document on Amnesty in Donbass edited by P. Morel, OSCE Ambassador : http://dt.ua/POLITICS/dokument-z-amnistiyyi-u-Donbassi-stvoreniy-pid-redakciyeyu-poslaobsye-p-yera-morelya-saydik-194669_.html



Certain Areas of Donetsk and Luhansk Regions is to be temporarily enacted on the same day with local elections in Donbass. And after publishing the report by the Office for Democratic Institutions and Human Rights (ODIHR) OSCE mission where experts would confirm the fact of holding democratic elections, that law might be in force on a permanent basis.

The current Law of Ukraine *On Special Order of Local Government in Some areas of Donetsk and Luhansk Regions* does not satisfy the RF because, first of all, the Law defines the prerequisites for holding local election as follows:

- observer security;
- withdrawal of illegal armed groups, weapons and military equipment;
- access of Ukrainian media to the electoral process;
- national parties' participation in the election;
- measures to ensure temporarily displaced persons' electoral rights;
- absence of a provision for holding a possible local election in electoral constituencies abroad etc.

Generally, the RF is not satisfied with everything which will guarantee the legitimacy of the local elections held on the occupied territories of Donetsk and Luhansk regions. At the same time the destructive anti-Ukrainian position of the RF makes it impossible to ensure these conditions today.

Thus, F.V. Steinmeier and some of his colleagues are more interested in the procedure of holding the elections than in ensuring the expression of Donbass voters' wills.

As the director of the *Third Sector* analytical center A. Zolotaryov puts it, "Steinmeier's formula" poses serious risks for Ukraine since the country will have to make economic and social obligations regarding Donbass and gigantic financial expenditures for its recovery. Moreover, politically Donbass will be transformed into a tool of permanent Russian pressure on Ukraine³³.

The main objective of Germany and France as mediators in the peaceful settlement process is limitation of negative conflict consequences and, if possible, its quickest resolution under the conditions which do not contradict their own interests. Their position is increasingly more influenced by current aggravation of these countries' internal political situation (migrant problem in Germany, growth of terrorist threat in France) as well as growing decentralization trends within the EU as a result of the "migration crisis".

³³ 'Steinmeier's formula' and solving the issue of Donbass: <http://ian.com.ua/analytics/20160128/1004336347.html>





Taking this into account, the interest of German and French authorities is shifting towards a quick settlement of the conflict in the east of Ukraine at any cost, including under Russia's conditions.

One should also consider that Germany, as the country that is heading the OSCE in 2016, is interested in demonstrating progress in settling the conflict in the east of Ukraine which is viewed as an image project of, first of all, the German authorities headed by A. Merkel against the context of a sharp drop in her personal rating and prospects of her re-election for the Chancellor position.

The USA as a global actor wants to prevent any considerable escalation of the conflict in the east of Ukraine, to preserve its position in Ukraine and have space for new decisions in 2017. US administration under President, D. Trump is unlikely to consider the settlement of Ukrainian-Russian conflict as a top priority of their foreign policy.

The escalating combat in Syria diminished the urgency of the conflict in the east of Ukraine in the international community's eyes and opened new opportunities for Russia to overcome international isolation and get its sanctions lifted. On the other hand, the participation of the RF armed forces in the conflict in Syria narrows the Kremlin's capabilities to fuel the conflict in Donbass, including supplying the DNR and LNR insurgents with weapons, paying mercenaries, providing humanitarian aid to the local residents of the occupied territories, supplying energy, and etc. A sharp decrease of the Kremlin's propaganda machine's attention to the Ukrainian issue and Moscow "curators" pressure on the militia to stop fighting and freeze the conflict speak well for this trend.

It is worth noting that currently, no country has an adequate response to the challenges of this complicated era. R. Gates, a former CIA Director and US Secretary of Defense, said that America and Europe did not pass the test of how to combine to meet Russia's status as an aggressor, on the one hand, and its place on the world chessboard, on the other.

As former President of Poland A. Kwasniewski believes, "... the conflict in Ukraine is not frozen. The successful resolution of the conflict is the most important step for Russia coming back to the status of being a super-state." He is convinced Ukraine is in a kind of a test for Western democratic forces³⁴. P. Poroshenko, President of Ukraine, said in the context: "...Minsk process

³⁴ Notes from the Yalta European Strategy forum: <https://site.ua/valerii.pekar/5009-notatki-z-forumu-yes-svitova-politika-v-tsitatah/>



is losing momentum because of an ever-lasting Russian masquerade. It is time to correct our thoughts as to Russian intentions since they are threatening not just Ukraine, but European security and safety. Taking into consideration real intentions of Russia, we must at last stop being so naive as we were in 2008 and continued to be in 2014 and 2015.

Russia will not terminate its aggression unless we all will make it stop. Fraud and manipulation are effective only if there is a lack of solidarity and insight. That is why we need them both, including sanctions that will be in effect unless sovereignty and territorial integrity of Ukraine are restored. They will keep Russia at the negotiation table and prevent it from causing more casualties”.³⁵

In today’s deadlock, the Normandy format is viewed as the only acceptable format of settling Ukrainian-Russian conflict. It is to enhance the final conflict resolution and cease the Russian aggression.

In order to strengthen the Ukrainian position in negotiations, it is necessary to demand the Normandy format extension for more active involvement of two other countries that signed the Budapest Memorandum – the USA and the UK – to take part in the process of peaceful settlement (France and the RF have already been taking part in the format). It is also reasonable to initiate a global scale consideration to work out the mechanism of international law guarantees to the state sovereignty and territorial integrity of Ukraine.

In his annual Address to the Verkhovna Rada, *On Internal and International Situation of Ukraine in 2016*, President of Ukraine, P. Poroshenko, said that “our country will further need substantial international support in combating Russian aggression. It has been increasingly difficult to ensure this support because of various objective and subjective factors.

Europe is still speaking unanimously but there are countries where Russian voices are getting loud. Today, the governments of many countries are under serious pressure from their opposition who wants to come to a compromise with Moscow. The opposition, in their turn, rely on the demands of business circles and social groups that consider themselves victims from curtailing their country’s economic cooperation with Russia³⁶.

³⁵ Masquerade is over. P. Poroshenko’s article for Frankfurter Allgemeine Zeitung : <http://glavcom.ua/publications/kinec-maskaradu-stattya-petra-poroshenka-dlya-frankfurterallgemeine-zeitung-377731.html>

³⁶ The Annual Address of President of Ukraine to the Verkhovna Rada On Internal and International Position of Ukraine in 2016: <http://www.president.gov.ua/news/shorichne-poslannya-prezidenta-do-verhovnoyi-radi-pro-vnutri-38077>





The crisis in Ukraine and Minsk negotiations appeared became the focus of world politics because the vector of further transformations in European and world politics and security depend on their results. The choice is between civilization and barbarity, between the rule of force and the rule of law, between adventurism of the leaders who are newly brought to light and democratic government's responsibility. The awareness of the choice has to trigger today's leaders to clearly assess the aggressor's actions and work out a common stand on the condition to resolve the conflict.

The position of Ukraine on the issue is clear and consistent.

First. The issue of our state political system, restoration of social and economic ties and recovery of Donbass economy and infrastructure will be discussed only with legitimate regional representatives who are elected to governmental bodies under the Constitution of Ukraine. We are ready to provide our proposals reflected in the appropriate Law of Ukraine to those Donbass representatives.

Second. Ukraine will never recognize the results of the elections to governmental bodies that do not comply with the Constitution, at gunpoint, without ensuring the legitimacy, openness and transparency of the electoral process, without participation of a Central Election Committee, Ukrainian parties, Ukrainian media and Ukrainian citizens that temporarily left the combat zone.

These positions are basic and are not subject to change. They are shared by all authorities and Ukrainian representatives in various international and negotiation formats.

What is the way out of the current situation?

If the political part of the Minsk agreements has not appeared to be ready for the implementation in today's version, then it means it requires specification and additional agreement. It is important that this should not influence the process of achieving stable peace in Donbass.

Political issues should not be used as a tool for blackmail, whereas, weapons should not be used as a political argument. That is why all parties should stop delivering ultimatums and setting artificial temporal limitations on passing political resolutions.

It is advisable to give up the principle of simultaneous political and military, technical and humanitarian settlement. Instead, we must see order more clearly and the relationship between stages and areas of the settlement.



OUTLINES OF THE NEW REALITY

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*The more difficult part, that of perfectly preparing the victory,
is a silent service of which the merit belongs to strategy,
and yet for which it is hardly commended.*

Carl von Clausewitz

6.1. DESCTRUTION OF THE INTERNATIONAL SECURITY SYSTEM

The modern vision of the world order and nature of international relations is based on the fact that the geopolitical landscape is divided by great powers not only into spheres of their influence but rather by internal tension and stress lines between the areas of stability under the rule of law at national and international level, where priority is given to human rights, and the area of uncertainty, featuring defiance of law, numerous local conflicts, the hypertrophy of crime figures, etc., i.e. all those phenomena that pose a threat to the security, stability and development of the human civilization.

Currently, it is possible to resist global threats only using means established by the system of international relations. The main forms of resistance include building up global and regional security models with collective threat prevention and recovery measures.





The security and world order systems function in compliance with generally accepted rules and regulations based on the system of human values and principles of behavior applied to international relations.

The key principles of building the world order include inviolability of borders, non-interference in the internal affairs of other states, prohibition of using armed forces or threats to settle conflicts, political settlement of disagreements between countries, and so on.

Over a long period in history, international mechanisms of ensuring world order generally have been functioning as deterrence.

However, the system may be considered efficient only when the violation of its regulations and rules results in the respective punishment of the country in fault. Crises within the international security system may be caused by the inefficiency of international organizations, inadequate behavior of a powerful country, incapacity of the international legal system, violation of bilateral and multilateral framework agreements.

The current international security crisis, which may be considered the deepest since Cold War times, was provoked by the behavior of one of the key elements of the international and European security – the Russian Federation – which, despite rules of a civilized country, after assuming the responsibility for keeping peace and stability in the European region and worldwide as a permanent member of the UN Security Council, openly infringed upon international law and the general principles of world order. The Russian aggression against Ukraine strengthened existing negative views and set new destructive trends in the international security environment.

The crisis of the current system of international security and uncertainty of the basis for the new one, blurring of the system of international treaties on strategic stability, weakening of the role of international security institutions – all these along with an imperfect system of international law enables irresponsible use of force in the global arena to achieve goals. The return to the rule of force in international relations means increasing the risks of the international security system collapse, which will be followed by the uncontrollable growth of threats.

Globalization processes, encouraging deeper understanding of the world unity and unified security principles, require that the part of the confrontation model of international relations is replaced by another, more civilized world order system, which will be built not on the opposition of world powers, but on their efficient interaction. However, the situation has been



developing in the opposite direction so far, and globalization sometimes acts as a factor which encourages the processes that create chaos.

In the past the Russian aggression would not have received such huge coverage, unlike what is happening now in the globalized world. As a result, the system of European and global security has appeared in many ways helpless and ineffective, thus questioning the opportunity for further sustainable development on the Continent. Meanwhile, Ukraine turned out to be on the stress line of the global security system, in the hot spot facing a conflict of interest of global powers.

The Russian attack on Ukraine undermined the system of international relations which had been developing for decades, violating principles of the regional and global security. The Russian intervention breached a number of international treaties which supported peace and stability in Ukraine and Europe, including the Helsinki Final Act 1975, the Budapest Memorandum, the 1997 NATO-Russia Founding Act. Russian actions contradict the founding document of the Euro-Atlantic Partnership Council, the Rome Declaration and other agreements.

The goals of the Russian government are not limited to conquering Ukraine or to the redistribution of spheres of influence in post-Soviet countries.

The implications of the Kremlin undermining the world order system are far larger. Based on the status of the nuclear state, the Russian Federation seeks a global revenge.

Unpredictable behavior of the powerful nuclear state, which refuses to comply with international law and pursues re-division of frontiers, struck a blow to the world order, which was established after the Second World War. These processes may lead to the development of a new geopolitical reality with destroyed international relations and an imbalance in the world political system as a whole. The model of the world order is being replaced with a model of the world in chaos, where some players dream of controlling the processes of global destabilization.

Russia's disregard of obligations under the Budapest Memorandum threatened the non-proliferation regime. Since international guarantees, provided in return for the refusal from the nuclear country status, are ineffective, like in the case of Ukraine, any country may conclude that it must rely on its own efforts only and that the most effective protection are nuclear weapons as a deterrent. On the other hand, having these weapons, the country may be tempted to impose its will on other countries.





The consequence of the rapid growth of the Russian military potential (including the annexed territory of the Autonomous Republic of Crimea and the city of Sevastopol) has been the intensive militarization of the region. On the grounds of the renewed confrontation between Russia and NATO this significantly raises the risk of transforming the Black Sea region into an area of military confrontation with the potential to become a full-scale armed conflict.

The Russian aggression against Ukraine showed NATO's vulnerability on the eastern flank (Poland, Baltic and North European countries). The annexation of the Crimea and further high military activity of the Russian Federation in the Black Sea led to additional security threats for NATO member states and partner countries in the region, shaping the base area for spreading Russian influence towards the Mediterranean Sea and the Middle East.

Polarization has been observed in relationships among countries in the region. They have been divided into those which support Ukraine as a victim of the Russian aggression and joined the international sanctions against the aggressor, and those countries which directly or indirectly support the aggressor, being afraid or seeking to keep high level of economic cooperation with Moscow.

The regional subsystem of international relations is undergoing significant changes tending to convert into a confrontation model, where, on the one hand, there will be a strengthening of NATO's southeastern flank by increased military presence and development of partnerships with potential members of the Alliance, and on the other hand, the Russian Federation will go on reinforcing its military forces and continue aggressive activities in the region.

International security organizations appeared to be ill-prepared for this situation. The key elements of European and European-Atlantic security – NATO, the EU, and the OSCE – are urgently searching for a response to the regional and global threats that emerged due to the Russian actions.

Delays are to the advantage of the aggressor, further worsening the state of the international security environment.

The incapacity of international organizations to approve prompt and adequate steps to cope with critical situations in the region confirms the low efficiency of the existing global and regional security mechanisms. It puts on the agenda the issue of reforming and adapting these



organizations to the contemporary trends of global development. It has become especially evident in the case of the UN Security Council, whose actions were blocked by the Russian Federation, ruining any attempt to resolve the Ukrainian-Russian crisis via international security mechanisms.

The crisis, provoked by the Russian aggression in Ukraine, has revealed not only institutional weaknesses of the organizations regarding international security, but also tactical and strategical errors in evaluating and understanding the nature of the post-bipolar security environment, created by the above organizations and key international players. The conception of a seeming decrease in significance of *tough threats* in the European environment has been misleading.

The trend towards the continuous reduction in defense spending by NATO member states has also become evident.

The crisis in the international security system should not be limited to the issue of the inefficiency of international organizations only. Their structure has always relied on the mechanism in which the decisive role belongs to the great powers. Established after World War 2, these international security organizations could not be efficient enough since they were basically built on compromises and tradeoffs between large countries interested in keeping their influence with decision making.

The very idea of peacekeeping by consensus of great powers, set forth in the UN Charter as their right to veto decisions of the UN Security Council, actually allows for the opportunity of dividing spheres of responsibility, which may be easily transformed into a division of geopolitical domination zones. It was considered that countries of the socialist camp were under support of the USSR, whereas the western world was under the US security umbrella. Still today the relations between influential countries and key actors of international politics determine, in fact, the effectiveness of international legal institutions.

Insufficiently effective mechanisms were used as the basis of the activities of such international security institution as the OSCE, which was also established via compromise and tradeoffs of the countries from military and political as well as social and economic systems, which then divided Europe. Despite positive declarations in the Helsinki Final Act, the mechanisms of implementing its provisions do not actively prevent crisis developments and settle conflict situations.





The specifics of European security environment based until recently on the fact that a threat of a large-scale military conflict was estimated as low. Instead, it was thought the cumulative effect of new *soft threats*, related to globalization, could be destructive for the Continent. However, the conception of decreasing *tough threats* primarily on the European continent appeared deceptive and, in the light of events related to Russian aggression against Ukraine, are being reconsidered.

Since the outbreak of aggression the geopolitical and security situation in Europe has changed dramatically in nearly all aspects. It is, mainly, characterized by the emergence of a *security vacuum*, shaped by neglecting the agreed legal foundations of the European security architecture due to the gross violations of international laws by Russia and all the package of the Helsinki Final Act as well as other international treaties, let alone those between Ukraine and Russia.

The Western policy held by CIS countries was ambiguous: on the one hand, their democratic transformations were supported; on the other hand, the West sought to develop a specific format of relations with these countries, actually oriented on the specifics of transformation processes, which seemed to be in place in the Russian Federation. It became obvious that countries of the European and European-Atlantic community made a serious mistake having relied on the assumption that Russia was moving towards Western democracy.

Because of certain close-mindedness and wishful thinking, European politicians did not manage to figure out promptly the pan-European meaning of democratic revolutions in Ukraine and Georgia and provide them with sufficient support, instead of limiting themselves to declarations and moral praise, but generally expecting that these countries would move themselves towards social economic reforms and fight corruption. Even after the 2008 Russian-Georgian war, Russia's aggressive foreign policy was not politically assessed by the international community in an appropriate way. The reaction of the European-Atlantic community to the Russian-Georgian war and further occupation of Georgia was too weak. Both the USA and the EU intensified the policy of *Russia's engagement*, ignoring the growth of the Kremlin's aggressive plans and actions.

The European Union, focused on *soft force* means, appeared in the situation where Russia applied *tough force* and combined military and civil hybrid warfare. Nevertheless, the EU activities may be efficient in resisting



economic, financial and energy threats. Besides, the policy of *Russia's engagement*, or its appeasement, based on the general image of Russia as a partner, failed.

The Russian aggression revealed inefficiency and indecisiveness of the European Neighbourhood Policy (ENP), which turned out to be unable to prevent and mitigate the risks for Europe in the Mediterranean and Eastern European regions. The events in Ukraine confirmed that instead of establishing a *ring of friends* around the EU and on the EU borders, specified by the Neighbourhood Policy, there emerged a situation which resembles more a *ring of fire* of armed conflicts.¹

Even a powerful collective security system such as NATO is currently showing its inability to respond to contemporary challenges because of a complicated and slow decision-making process and unavailability of efficient mechanisms to prevent armed conflicts and eradicate unconventional and asymmetric threats.

After the end of the Cold War, due to the focus on crisis management and peace-keeping operations, the NATO member state's capacities to participate in a full-scale conventional war with high combat intensity decreased. It was not only about shrinking military potential and deterioration of warfare skills, but also the lack of awareness of the full range of consequences of this war by the public and political elites of the NATO member states. Unlike the modern aggressive Russia, Western countries are not psychologically ready to endure this kind of war.² Belief in the illusion that Europe is free from threat of war affected the activities of NATO as the key element of the European and Trans-Atlantic security, which entailed drastic reduction or loss of a significant number of collective defense and deterrence means. This refers to NATO nuclear forces as well as conventional arms. As a result, the choice of available actions narrowed, while the capacity of the Alliance to apply its approaches to respond to Russia decreased.

Offering resistance to *tough threats*, NATO has to regain its role as the basis for European security. Until recently, the Alliance focused more on activities outside Europe whereas the growing Russian military threat

¹ How to be good neighbours [Electronic resource] // The Economist. — 2014. — March 01. — Access mode: <http://www.economist.com/news/europe/21597948-ukraine-biggest-test-eus-policy-towards-countries-its-borderlands-how-be-good>; Nicu Popescu. First lessons from the Ukrainian Crisis / European Union Institute for Security Studies. — 2014. — October.

² Clark W., Luik J., Ramms E., Shirreff R. Closing NATO's Baltic Gap. Report / International Centre for Defence and Security. — Tallinn, 2016. — P. 8.





moved the dominant risk area to the European Continent. In these circumstances it is becoming increasingly important that the Alliance essential country – the USA – should focus its foreign policy on Europe and renew its traditional role as a major factor in European security.

Russian aggression against Ukraine revealed weaknesses in the Alliance defense system in Eastern Europe. NATO does not have a means of effective defense from energy blockade, economic sanctions and information wars, which are the basics of Russian tactics. In hybrid wars, information and cognitive elements are used as actively as armed forces, leading to physically destructive effects. However, the Alliance does not have experience responding to these challenges. The deterrence system does not work in such cases as annexation of the Crimea. The Baltic states are the area of highest concern since there are Russian minorities there, and Russia might exercise its *right to protect its compatriots*.

The behavior of Russia, which turned the country into a source of military, energy, and cyber threats for the Alliance, caused a revision of strategic principles that have been in place so far as the base of the European security system.

Expectations of the West that Russia would gradually transform its model of behavior towards a more civilized one fell short. Presently, the Russian government is oriented toward an aggressive imperialistic policy, which is the most powerful destabilizing factor of regional security.

It has become clear the security of NATO member states has been more ensured by trust in agreements than by military means. The Russian Federation has ruined this trust. In response to the Russian invasion of Ukraine and occupation of the Crimea, NATO countries had to suspend any military and civil cooperation with aggressor.

When signing the Russian Federation — NATO Founding Act in 1997, in order to soothe the concerns inside Russia regarding NATO expansion eastwards, the Alliance declared it would not place considerable military forces, including tactic nuclear weapons, in the territories of new member states from Central and Eastern Europe and Baltic states. The situation, when Russia turned from a partner into an opponent, triggered NATO to refuse these voluntary obligations due to an urgent need to arrange pre-conditions for securing guarantees for the countries of Central and Eastern Europe and Baltic region, in case the aggressive behavior of the Russian Federation requires a balance of forces in the east of Europe. NATO



officials are fully aware that Russian activities demand a multidimensional response – in international law, in operative and tactical areas, as well as in searching for new conceptual approaches to support Trans-Atlantic security. NATO new strategic principles are being established. They are aimed at an active deterrence to the aggressive Russian policy.

The consolidated position of European countries should be noted, as they generally complied with the sanctions against the Russian Federation, which are very painful at times. However, it is also worth pointing out the significant variety of opinions among different EU countries, their indecisiveness in terms of introducing sanctions, which were temporary in nature and incomplete. On the whole, the sanctions did not considerably affect the aggressor's behavior, though they did restrain it to a certain extent. Insufficiently tough reactions of the West to aggressive Russian activities gave the Kremlin an opportunity to go on acting even more aggressively and insolently, which has been obvious in the real war against Ukraine.

In the context of Russia's aspiration for global revenge, it is clear that any assurances that Ukraine will not enter the Alliance do not solve anything and can not meet aggressor's needs in any way. The door to NATO is still open for Ukraine, which is especially important considering its refusal from Non-Bloc status. The former position of being non-aligned to any defense unions has appeared to be very costly.

Since we've learned international security institutions are insufficient, there are two options left – either a fundamental reform of international security organizations or the responsibility for peace and stability in the world will fully transit to the great powers. The latter seems to be fully satisfactory for the Russian Federation, as it fits its geopolitical paradigm of strategic thinking, relying on its military power and nuclear potential.

However, it is impossible to restore the world structure belonging to the Cold War time, which Russia strives for. The point is to establish a new world order, or, more likely, world disorder, with a new power landscape and new key players, where the principles of international law will be replaced by hybrid rules and new hybrid wars will break out.

This new condition may not be merely a transition, but it will be determine a new reality. In this new reality and geopolitical disorder, which emerged mainly due to Kremlin activities, the Russian Federation will hardly have the chance to play the role of a global power, which it is





seeking.³After the collapse of the USSR, having passed on the permanent membership of the UN Security Council to the Russian Federation, the world community thus extended a huge credit of trust to one of the former Soviet Republics, the largest by size, which took over the functions of the nuclear country. It was expected the new Russian government would respect the principles of international law and would respect the rights of the new independent states. However, these dreams did not come true. Therefore, there is an expectation that if serious violations of international law are committed by Moscow there must be a process to deprive the Russian Federation of its permanent member functions in the UN Security Council as the country which neglected the trust of the global community.

The G-5 powers – permanent members of the UN Security Council empowered with the right to veto, – are not generally something absolute. The People's Republic of China was granted permanent membership in the UN Security Council only in 1971 at USSR's request and owing to the changes in the US position, whereas before that the seat belonged to the Republic of China (Taiwan).

When the USSR collapsed in December 1991, the newly established Council of Heads of CIS countries determined membership status in the UN and other international organizations. According to this decision, the Russian Federation notified the UN General Secretary that it was the successor of the USSR in the UN Security Council, which was silently accepted by other permanent members of the Security Council. No discussions were held in the UN in this respect, though the decision was of great importance, since it was about the mechanisms of ensuring global security and succession of the USSR.

The effect of this silent consensus was in establishing the image that the Russian Federation was the country identical to the USSR, which continued functioning as the CIS. The Russian propaganda broadly supports this image in the international community because it meets the expectations of Russian politicians for the political reintegration of the post-Soviet space.

Ukrainian government, vice versa, considered the CIS as the mechanism of civilized divorce process, not as reintegration tool, and it clearly moved towards strengthening its independence. The transfer of the USSR powers

³ Horbulin V. Sophisticated uncertainty of the new world order [Electronic resource] / Dzerkalo tyzhnia. — Ukraine. — 2016. — August 26. — Access mode: <http://gazeta.dt.ua/internal/hitromudra-neviznachenistnovogo-svito-poryadku-.html>



in the UN Security Council, as well as refusal to possess nuclear weapons, the status of the Black Sea fleet, the autonomy of the Crimea etc., were perceived by Ukraine as the payment for independence. Now it is evident these concessions were made in vain, and there was no chance to avoid war with the Russian Federation. Furthermore, Russia frequently uses its right to veto in the UN SC to implement its aggressive plans and intentions against Ukraine.

Nonetheless, Ukraine may be able to correct some mistakes. Since the agreement of the UN to give Russia permanent membership was determined only by the consensus decision of Heads of the CIS countries, including Ukraine, our country should recall its signature which will make the permanent membership of Russia in the UN SC illegitimate. Thus its right to veto will become void too.

It would be logical to raise the issue at the UN General Assembly and initiate a broad discussion of the lawfulness of the Russian Federation's permanent membership in the UN SC.

In the 21st century the new architecture of European security will be determined primarily by changes in strategies on foreign policy of the countries in the region, their vision of their further development, and a series of events, which directly influence the security environment. European stability and security are possible only providing termination of the Russian aggression and facing the consequences. Any other option, for example, appeasement on the terms of *freezing* the conflict, actual recognition of the Russian occupation, leaves space for destabilizing the situation in hot spots and in the region on the whole.

The key position, to renew the system of European stability and security, is de-occupation of the Crimea and Donbass, and renewal of Ukraine's control over the whole border. Implementation of these tasks will lead the way to deploying similar processes in occupied areas of Moldova and in the southern Caucasus. It is obvious this development of events is related to significant shifts in the nature of the Russian political regime and strengthening international pressure to resist Russian aggression.

The restoration of Ukrainian-Russian relations as the main precondition of crisis management must be based on the agreement of great powers – guarantors of the sovereignty and territorial integrity of our country under support of international organizations who are responsible for security in the region. Ukraine insists on a comprehensive solution to a whole range of issues on restoring territorial integrity, not separating the issue





of the Crimea annexation and military operations in Donbass, since these are elements of the same chain in the Russian aggression.

Today, the foreign and security regional policy of Ukraine is primarily focused on responding to Russian aggression and organizing a wide international front supporting Ukrainian resistance.

The use of force by the Russian Federation again confirms that it is impossible for small and medium-size countries to ensure their own security using their national military resources only, which only strengthens the willingness of these countries to get integrated into NATO and build up their own regional security system.

The establishment of a unified regional security subsystem, integrated into the general European system, where the countries of the southern Caucasus and Ukraine would be included into the Alliance, was not foreseen by Brussels. NATO considered it reasonable to build relations with each country of the region separately and did not see the need to interact with regional associations. However, the necessity of a joint reaction to the Russian aggression makes it important to set up regional collective security subsystems supervised by the Alliance.

The foreign and security policy of Ukraine must provide for opportunities to advance in one of the key strategic directions – the establishment of the Baltic – the Black Sea international security and cooperation subsystem was designed to facilitate the processes of European and European-Atlantic integration, organize a joint response to the imperial ambitions of Russia, resolve local conflicts, and overcome their consequences. The implementation of this strategy requires encouragement of various forms of partnership between countries of the region and the NATO and EU bodies, most powerful countries of the West in different aspects of defense and security, as well as in economic and political cooperation.

6.2. WORLD FACING CHALLENGES OF GLOBAL RUSSIAN PROPAGANDA

The modern war is the war of values, the war of narratives, the war for public opinion and attitudes, the war that uses information as weapons. Disinformation, propaganda, fake news, verbal weaponization and



deweaponization, linguistic aggression⁴ and linguistic loss⁵, information ghetto⁶, hate speech etc. – are all the elements of the military confrontation. Not only Ukraine, but also Europe and the world on the whole appeared ill-prepared for Russia's activities, which contradicted any established international rules of state's behavior. In fact, the lack of alertness can be observed throughout the western civilization: from the consciousness of common citizens⁷ to political processes and procedures, where compliance is used by the RF to achieve its own objectives in foreign policy.⁸ Legal and judicial systems do not have adequate regulatory and organizational resources to combat information challenges of a hybrid war (e.g. the Lisa case⁹ in Germany). The same refers to western journalism, which is taking on more and more functions of a party forming the political agenda, turned out to be incapable of seeing the scale of the fight.¹⁰

The lack of self-confidence of western democracy,¹¹ consisting of a well-established tradition of democratic procedures and standardization of behavior rules in the international environment, as well as the predominance of local values (work, economic situation, and social status) over the universal ones led to the absolute inability of the West to protect their own values of freedom and democracy. This enabled Russia to dominate and impose its agenda on the world. Since the beginning of the Russian-Ukrainian conflict, the efforts of the European Union to respond to disinformation have been limited to important, but evidently insufficient activities of revealing Russian fake news.

⁴ Illarionov A. When did this war start and when will it finish? [Electronic resource]. — Access mode: <http://obozrevatel.com/blogs/45610-kogda-byila-nachata-i-kogda-budet-zakonchena-eta-vojna.htm>

⁵ Why should be Putin's lies about Ukraine be debunked. Western mass media named 4 reasons [Electronic resource]. — Access mode: <http://glavnoe.ua/news/n282571>

⁶ Freedom House: the Kremlin creates an information ghetto in the Crimea [Electronic resource]. — Access mode: <http://www.pravda.com.ua/news/2015/03/5/7060536/>

⁷ The positive aspect in this context is the experts' opinion that currently in Europe there are by far more people who are aware of the Kremlin games than two years ago. See.: Yermolenko V. Dutch referendum on Ukraine: 5 scenarios [Electronic resource]. — Access mode: <http://www.hromadske.tv/world/gollandskii-referendumpro-ukrayinu-5-stsenariyiv>

⁸ Referendum in the Netherlands is an example of Russia using purely national legitimate (including financial) mechanisms of western social and political systems operation. With time these activities may as well lead to the defamation of the logic of these systems, doubts in their value and effectiveness.

⁹ Germany did not manage either to hold representatives of extremist organizations legally liable for these activities, or the journalists of the Russian TV, who actively disseminated the fake story.

¹⁰ The pinnacle of the inability to react to various provocations was well known news on the fake interview of the President of Ukraine to The New York Times. Conversation of pranker V. Kuznetsov was accepted by the American periodical without suspicions, and only recognition of the interview as a fake by the Ukrainian side and the respective statement by V. Kuznetsov prevented the publication of these materials. See: Dmitry Zolotukhin. Post in Facebook [Electronic resource]. — 2016. — April 13. — Access mode: <https://www.facebook.com/dzolotukhin/posts/113722772995270>

¹¹ From the speech of N. Tenzer, president of the Center for Studies and Research on Political Decision (CERAP) (France), at the 9th Kyiv Security Forum, April 14—15, 2016.





In the European Council Conclusions on external relations, approved at the scheduled summit of the EU leaders on March 19, 2015, the head of the European diplomacy, F. Mogherini, jointly with the member states and official EU bodies were ordered to prepare an action plan on strategic communications¹² by June in response to ongoing Russian disinformation activities. In September 2015, the East StratCom Task Force operations started – an operative working group on strategic communications of the European Union.

The activities of the group were aimed at the efficient communication and promotion of the EU policy on Eastern Partnership; general development of the media space in the Eastern partnership countries and EU member states, which, in particular, promoted the freedom of mass communications and development of independent mass media; improvement of the mechanisms enabling forecast, evaluation and reaction of the EU to disinformation, which is spread by external agents. At the same time the tasks are not limited to strategic communications only.¹³ In February 2016, the group launched a Russian-language site of the European Foreign Affairs Service (EFAS),¹⁴ which became the official Russian-language website of the EU. This website, inter alia, publishes news and weekly digests with an analysis of Russian propaganda samples in English and Russian, from the overview of evaluations on *Panama Papers* headlines to hardly noticeable distortions in translation, language and stylistic manipulations, and other techniques from the arsenal of Russian (and not only) press and television.

Meanwhile, the launch of the information aggression by Russia urged the European community to develop joint response mechanisms, transiting to the integral multi-dimensional activities of the EU. In early April 2016 the European Commission approved and submitted the Joint Framework *On Countering Hybrid threats – a European Union Response*¹⁵ (hereinafter, the EU Joint Framework) to consideration by the European Parliament and the European Council. The EU Joint Framework emphasizes the need for member states to work out the agreed mechanisms for implementing strategic

¹² European Council Conclusions on external relations, Press release [Electronic resource]. — 2015. — March 19. — Access mode: <http://www.consilium.europa.eu/en/press/press-releases/2015/03/conclusions-russia-ukraine-european-council-march-2015/>

¹³ Operative working group for strategic communications (East StratCom Task Force): Questions and Answers [Electronic resource]. — Access mode: http://eeas.europa.eu/top_stories/2015/261115_stratcomeast_qanda_ru.htm

¹⁴ We offer you a Russian Speaking website of the European Foreign Affairs Service [Electronic resource]. — Access mode: <https://www.facebook.com/EUinRussia/photos/a.10150323106535652.559882.443886785651/10156505667625652/?type=3&theater>

¹⁵ Joint Framework on countering hybrid threats — a European Union response: Joint communication to the European Parliament and the Council, JOIN(2016) 18 final [Electronic resource]. — Access mode: <http://ec.europa.eu/DocsRoom/documents/16201>



communications¹⁶ to support reliable information and counter disinformation in order to expose hybrid threats (par. 3.2). The document also defines that the activities in strategic communications involve close interaction with NATO (par. 6). The European Parliament resolution dated November 23, 2016 *On EU Strategic Communications to Counteract Propaganda against it by Third Parties* also calls for the prompt enforcement of the EU Joint Framework.

The North Atlantic Alliance has long been making efforts to establish capabilities in strategic communications;¹⁷ currently this task has become a major focus of its activities.¹⁸ The development of the NATO capacities in strategic communications is the mission of the NATO Strategic Communications Centre of Excellence (or NATO StratCom COE).¹⁹ The Centre carries out research, analytical, educational, training and communication activities. It has developed a number of special educational courses on strategic communications²⁰, issues the Defense Strategic Communications journal, carries out research, holds conferences and seminars on the role of perception in the modern world, Russian information war against Ukraine, manipulation techniques, conversion of social media into weapons, existing practices of NATO and its allies related to strategic communications, etc.

The USA, in its turn, has also joined the counteraction against Russian propaganda. In particular, in the resolution approved by the US Congress on December 4, 2014,²¹ congressmen encouraged then President B. Obama and the Department of State to develop a strategy of producing and disseminating news and other information in the Russian language around countries with a significant proportion of Russian-speakers. The House of Representatives advised to intensify the use of existing platforms,

¹⁶ This document also states that agents provocateurs of hybrid threats may systematically spread fake news particularly as pre-planned campaigns in social media, seeking individuals' radicalization, social destabilization and control over the political narrative. Strategic communications must fully use social media, and conventional visual, audio and online mass media. The European External Action Service, basing on the activities of operative working groups, has to optimize the work of linguists, who are fluent in respective languages (not the EU official languages), and social media experts who can monitor information coming from outside the EU as well as ensure focused communications to respond to fake news.

¹⁷ Strasbourg / Kehl Summit Declaration [Electronic resource]. — Access mode: http://www.nato.int/cps/en/natohq/news_52837.htm?selectedLocale=en

¹⁸ Wales Summit Declaration [Electronic resource]. — Access mode: http://www.nato.int/cps/ru/natohq/official_texts_112964.htm?selectedLocale=en

¹⁹ NATO STRATCOM [Electronic resource]. — Access mode: <http://www.stratcomcoe.org/>

²⁰ Strasbourg / Kehl Summit Declaration [Electronic resource]. — Access mode: http://www.nato.int/cps/en/natohq/news_52837.htm?selectedLocale=en

²¹ H.Res. 758 — Strongly condemning the actions of the Russian Federation, under President Vladimir Putin, which has carried out a policy of aggression against neighboring countries aimed at political and economic domination [Electronic resource]. — Access mode: [https://www.congress.gov/bills/113th-congress/house-resolution/758/text](https://www.congress.gov/bills/113th/congress/house-resolution/758/text)





including the Voice of America and Liberty/Free Europe radio stations to broadcast information, encourage the setup of private companies with a government interest to issue corresponding content and engage regional authorities in the implementation of this task. Also, on March 4, 2015, the Broadcasting Board of Governors decided to commit \$23.2 million to Russian-language programs.²² In March 2016, the bill entitled *Countering Information Warfare Act*²³ was submitted to the US Senate. The document emphasized the need to coordinate actions with allies and partner countries, primarily those being targets of disinformation operations organized by third parties, international organizations and such institutions as the NATO Strategic Communications Centre of Excellence (NATO StratCom COE), the European Endowment for Democracy, the European External Action Service Task Force on Strategic Communications. The idea was to reinforce respective national efforts and prevent their overlapping. Other countries also put efforts to counter Russian propaganda in different ways. In Germany, the Federal Government is planning to enhance Russian counterespionage, propaganda and disinformation activities.²⁴ For instance, the Intelligence Service was ordered to prepare a respective report and a decision was made to renew the Counter Intelligence Agency.

In the United Kingdom the problem of Russian disinformation became the subject of a section in the report²⁵ prepared by the House of Commons Defense Committee. The Government reacted to this document, particularly, in its decision to increase funds allocated to the BBC World Service to produce Russian-language programs.²⁶ However, some previously announced activities have not been carried out yet, including the launch of trans-European Russian-language broadcasting channel.²⁷

²² Testimony on Ukraine before the House Foreign Affairs Committee [Electronic resource]. — Access mode: <http://www.state.gov/p/eur/rls/rm/2015/mar/238147.htm>

²³ S.2692 — Countering Information Warfare Act of 2016 [Electronic resource]. — Access mode: <https://www.congress.gov/bill/114th-congress/senate-bill/2692/text>

²⁴ Die Welt: German Intelligence Services will strengthen RF counter-espionage and counter propaganda [Electronic resources]. — Access mode: <http://www.dw.com/uk/die-welt-spezialdienst-heimatland-foerderung-gegenueber-russland-19160961>

²⁵ Russia: Implications for UK defence and security [Electronic resource]. — 2016. — 8 June. — Access mode: <http://www.publications.parliament.uk/pa/cm201617/cmselect/cmdfence/107/107.pdf>

²⁶ 4th Special Report: Russia: Implications for UK defence and security: Government Response to the Committee's First Report of Session 2016—17 [Electronic resource]. — 2016. — 13 September. — Access mode: <http://www.publications.parliament.uk/pa/cm201617/cmselect/cmdfence/668/668.pdf>

²⁷ Europe needs a Russian-language broadcasting channel — President Poroshenko [Electronic resource]. — Access mode: <http://www.president.gov.ua/news/32527.html>



6.3. NEW BALANCE OF POWER AND SEARCH FOR INTERNATIONAL LEGAL SECURITY FORMULAS

The *balance of power* concept designed to establish a bipolar system has been subject to significant changes over the past two decades. The idea of importance of verifying the force by means of a counterforce did not meet the actual demands of the post-bipolar world, where the factor of military might be have somewhat lost its leading position in upholding national interests on the international arena. The focus has been to establish a balance of interests, which is much wider in terms of its content and comprises moral imperatives alongside rationality.

In the current international situation, hybrid warfare waged by the Russian Federation destroys a well-established world order replacing it with a new hybrid world (dis)order where all the aforesaid is of little importance.

The point is that nobody in the world can predict the scale of destructive actions dictated by the ill Kremlin imagination, not to mention the effects of these actions.

Violating all the basic principles and rules of the modern world order, the Kremlin has actually turned the world board and established conditions of free-for-all positions, except for those who are not allowed anything.

The biggest current problem is that the first players to take advantage of this situation have been the countries like North Korea, which has not only accelerated implementation of its nuclear program and nuclear tests, but also criticized the UN Security Council at the first committee session of the UN General Assembly in October 2016 for “groundless statements and resolutions condemning nuclear tests and missile launches performed by Pyongyang“, which allegedly “contradicted the UN Charter”.²⁸ A vivid example of the contemporary “hybrid world (dis)order” is the audacious aggression of Russia against Ukraine including the annexation of the Ukrainian Crimea which has been called the *Ukrainian crisis* in international discourse. Despite all

²⁸ North Korea will not use nuclear weapons first [Electronic resource]. — Access mode: http://gazeta.ua/articles/world-life/_pivnichna-koreya-ne-zastosovuvatime-yadernu-zbroyu-pershoyu/727712





affectation of this title, international expert community gave this name to the events happening around Ukraine and, naturally, those influencing the development of the country.

As a phenomenon in modern international relations, the “Ukrainian crisis” has become a factor transforming the balance of power, a trigger for initiating the revision of the principles of modern international order, a logical extension of modern trends in international relations.

It has actually turned into a key object of interest for major players in the international arena, since the outcomes and effects of the conflict will have a direct impact on shaping the new international order.

The “Ukrainian crisis” is also gaining a special significance as an action in the global transition, as a drama of an independent country, which has to survive and make its choices under the “conflict transformation” of the world.²⁹ According to the experts of the Free Voice Information Analysis Center at International Relations Faculty of Ivan Franko National University of Lviv, the current fight for spheres of influence under continuously changing international order also provides for competition of all great powers worldwide – in crisis spots of foreign political strategies.

This local opposition of interests of great powers, which have been most evidently in conflict in Ukraine, is going to set the new rules for all parties of international relations.

The most urgent issue in the Ukrainian crisis and international order is the wisdom and meaning of its consequences. It is obvious the Ukrainian crisis creates bifurcations and crossroads for the future stable security system, as well as for international, national and regional legal rules.

“Ukrainian lessons”, (i.e. legal or political decisions on individual aspects of the Ukrainian crisis) are the records of the new principles and rules of international order emerging before our very eyes. It is in this context the Ukrainian crisis is the indicator of establishing a new global order.

The situation around Ukraine has passed beyond regional confrontation. Whatever the dynamics of further events are, it is apparent the crisis will have long-term effects for the whole system of international relations. According to a number of researchers, the world is going back to the Cold War, and the West must finalize the task of destroying the USSR today represented by Russia. Other experts believe the world is generally turning to an

²⁹ A.Yermolayev, S. Denisenko, O.Markeeva, L.Polyakov The Ukrainian Crisis // Nova Ukraina (New Ukraine). Institute for Strategic Studies. — Kyiv, 2015. — 30 p. — P. 3.



earlier epoch — either 19th or even 18th century when great powers fought for controlling territories, communications and resources. Yet another group of scientists forecasts the arrival of an unprecedented period of chaos, lack of control, a kind of ultimate fighting in world politics. There are also those who see the current situation merely as another clash of civilizations which must lead to a new configuration of world powers.

Despite the variety of opinions, the prevailing majority of forecasts involve negative or even catastrophic consequences in the current international relations crisis.³⁰ It is, however, too early to say if the implications of the Ukrainian crisis have been identified. They will be determined by numerous factors, primarily — the ability or inability of the major players to draw the right conclusions from what is happening, learn from the “Ukrainian lessons”, and specify an optimal strategy for the future.

The Ukrainian crisis may not be considered as an unexpected failure in world politics or as an isolated phenomenon which contradicts the key trends observed in the global development over the past decades.

There has been a series of steps, where each one in some way has been undermining the fundamentals of international law and the role of the UN Security Council, in particular, cutting down opportunities for multilateral activities, justifying the use of armed forces, etc. The Ukrainian crisis has clearly shown the fragility and unreliability of the existing institutions of the Euro-Atlantic security. Unfortunately, in today’s Europe no treaty on Conventional Arms Control and Armed Forces is effective.³¹ When drawing up the Budapest Memorandum, according to former US Ambassador to Ukraine S. Pifer, there was a dilemma in the terms to be used — *guarantees* or *assurances*, since the former was used to provide guarantees to NATO members, which involves military commitments. The American administration was not ready to provide Ukraine with military guarantees especially because it was evident the US Senate would not ratify the treaty with those obligations. According to S. Pifer, the memorandum was intended to be a political agreement and included “unspecified assurances, but not military guarantees”. Nevertheless, the signatories of the Memorandum shall react, even if they are not willing to apply armed forces.

³⁰ The Ukrainian Crisis of 2013—2015 and basics of modern world order [Electronic resource]. — Access mode: <http://iac.org.ua/ukrainian-crisis-2013-2015-and-the-modern-international-order/>

³¹ Ibid.





The absence of a tough reaction of the West to the Russian aggression against Ukraine, in Pifer's opinion, discredits western security guarantees and affects the stability of non-proliferation regime³². The strategy of the Ukrainian delegation during the negotiations was as follows: the final text of the memorandum had to be absolutely binding. At the same time the partners insisted on the political nature of the guarantees. As a result, a compromise was found – an international – legal agreement, which provided real political and legal guarantees of independence, sovereignty and territorial integrity for Ukraine and established a special mechanism of diplomatic protection in case of their infringement.

It is important that the international – legal confirmation of the Budapest Memorandum validity and binding nature of the agreement to the parties (including Russia) are two official UN documents:

- 1) The document of the UN General Assembly and UN Security Council A/49/765*S/1994/1399* dated December 19, 1994 executed as a letter on behalf of the permanent representatives of Ukraine, UK, RF and the USA (A. Zlenko, D. Hannay, S. Lavrov and M. Albright) to the 59th GA session with request to distribute the text of the Budapest Memorandum as the official document of the UN GA and UN SC;
- 2) The document of the regular UN Disarmament Conference CD/1285 dated December 21, 1994 as a letter from the permanent representatives of the above four countries at this conference requesting to register the Budapest Memorandum and a cover letter as the official documents of the Disarmament Conference and their circulation to all countries taking part in the Conference.

Therefore, presenting the Budapest Memorandum as the official document of the most influential international organization in the world, the UN member states being parties to this international legal document confirmed its validity and binding nature.

That is the reason why we can not agree with the opinion of well-known Ukrainian experts who claim that we need real, tangible support rather than just signatures on declarations ... “the Budapest Memorandum has become null and void. Despite all those prominent signatures on it! So why do we think that other well-respected treaties may not fail when facing similar

³² To 20th anniversary of Budapest «assurances»: Russian aggression against Ukraine as a factor of eroding international legal non-proliferation regimes [Electronic resource]. — Access mode: <http://uaforeignaffairs.com/en/expert-opinion/view/article/do-20-ji-richnici-budapeshtskikh-garantii-agresija-rosiji/>



circumstances?”³³ An absolutely fair conclusion is that it is necessary not only to counter for joining NATO, but for Ukraine to have sufficient defense potential and ability to operatively request support from the allies.

Ukrainian diplomat, I. Losovskyi, notes that it is not relevant today to demand special legally binding security guarantees for Ukraine, its territorial integrity and inviolability of its frontiers from the world and Europe, since, firstly, the time of pressing these requirements was missed 20 years ago, and, secondly, this may lead to a series of similar requirements from other countries of the so-called grey zone, which are not currently involved in collective security systems.

The only effective way to solve the pressing security issues Ukraine is facing is a radical strengthening of its own defense and security capabilities and continuing active integration with the Euro-Atlantic collective security system.³⁴ Understanding by all international actors of the already established new global hybrid order is the priority task in searching for a contemporary international legal security formula.³⁵

The struggle to understand the current reality is probably a major hurdle for the international community to overcome the hybrid aggression.

The attitude of the global community to Russia as the leader of this aggression is still questioned in international discourse. According to P. Vaitiekunas, Ambassador Extraordinary and Plenipotentiary of Lithuania to Ukraine between 2010 and 2015, the strategy of relations between the West and Russia should be as follows: 1) create successful stories about Russia, starting from Ukraine; 2) refuse from the “provoking weakness”; 3) differentiate between Russia and the Kremlin.

The Lithuanian diplomat is convinced the civilized world will never legally recognize the violation of the territorial integrity and sovereignty of Ukraine. World unconditional support of Ukraine is clearly reflected in UN Resolution A/RES/68/262. Political expert J. Sherr, speaking at the Conference in Vilnius, stated Putin’s goal at this stage is probably not victory over the EU and NATO but rather reduction of their role and influence, and to demonstrate to the EU and NATO their inability to defend

³³ Belov O., Litvinenko O., Horbulin V. Life with the Enemy: what to do in security // Dzerkalo tyzhnia. Ukraine. — 2014. — № 11.

³⁴ To 20th anniversary of Budapest «assurances»: Russian aggression against Ukraine as a factor of eroding international legal non-proliferation regimes [Electronic resource]. — Access mode: <http://uaforeignaffairs.com/en/expert-opinion/view/article/do-20-ji-richnici-budapeshtskikh-garantii-agresija-rosiji/>

³⁵ Ibid.





Europe. The challenge from the Kremlin to the democratic world is global; therefore, the response must be of integral and global scale too.

The formula of communication with the Russian Federation is there. It is international sanctions. It is not relevant today to make unilateral offers and seek compromise. Currently Russia is not ready for tradeoffs and negotiations, so silence should be valued and appreciated now.

Strategically the situation will improve only when the West will support Ukraine at this level. G. Soros wrote in his essay for New York Review of Books that Europe is becoming aware of being attacked by Russia. Assistance to Ukraine will be considered a defensive action from the EU countries. Soros called on Europe to spend \$50 billion to save Ukraine. In his opinion, Europeans must finally realize that it is not one of their developing markets. Today, the success of Ukraine determines the future of Europe.³⁶ The weakening the role of the USA as a World Policeman, notices president of the London Center for Policy Research H. London, entails the need to establish regional alliances which may become the main guarantor of well-being in the future. NATO's level of efficiency was tested by the RF actions in the Crimea and in the east of Ukraine. This Alliance needs reforming based on the objective assessment of modern threats.

A number of European countries, according to H. London, have discredited themselves due to their dependence on Russian gas supplies. Many countries are scared of their own potential *Finlandization*. It is this fear that can push some European countries to join and mobilize in new alliances.³⁷

³⁶ P. Vaitiek nas Baltic response to the new situation. Is there a prospect for the Baltic-Black Sea security cooperation? (Вайтекунас П. Б Балтійська відповідь на нову ситуацію. Чи є перспектива у Балто- Чорноморського безпекового співробітництва?) [Electronic resource]. — Access mode: http://www.r-studies.org/cms/index.php?action=news/view_details&news_id=20119&lang=ukr

³⁷ A Modern Balance of Power (Современный баланс сил в мире. — пер. на рус.) [Electronic resource] / Washington Times. — Режим доступу: <http://korrespondent.net/world/3530354- sovremenniyi- balans- syl- v- myre- Washington- Times>.



SUMMARY

The World Hybrid War is a new global international confrontation, emerging within the contemporary geopolitical order. It is a race for domination and influence between states, coalitions and non-governmental actors. One of the fronts of this war is in Ukraine.

A three-year hybrid confrontation with Russia has been challenging Ukraine, its sovereignty, independence and the right of Ukrainian people to define their future. Rejecting international law and Russia's obligations under multilateral and bilateral agreements, the Kremlin resorted to armed aggression against Ukraine. Its impact has turned out to be highly burdensome: annexation of the Crimea and occupation of a part of Donbass; over 10 thousand casualties and nearly 2 million internally displaced people; destruction of numerous industrial enterprises, and many modern plants were either robbed or relocated to the Russian Federation.

Nonetheless, the Kremlin did not achieve its main ambitious objectives. In particular, the Novorossia project, launched to separate southern and eastern regions of Ukraine, has failed. The Armed Forces, law-enforcement bodies and intelligence services of Ukraine were not only able to recover and renew their capabilities but also to stop the aggressor within a short period of time. To a great extent it was possible due to massive public support, including that of civil and military voluntary movements.

Hybrid aggression of the Russian Federation is the main threat for the national security of Ukraine. Simultaneous conventional and non-conventional warfare, conducted to destroy the sovereignty of Ukraine, creates a synergistic effect.

The annexation of the Crimea, which was not recognized by the international community¹, the emergence of uncontrolled areas in the east

¹ Reference to the UN General Assembly Resolution A/RES/68/262 On Territorial Integrity of Ukraine dated March 27, 2014, which confirmed the sovereignty and territorial integrity in the internationally specified frontiers, non-recognition of any change in the status of the Autonomous Republic of the Crimea and Sevastopol based on the results of the Crimean referendum dated March 16, 2014, which has no legal force.





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of Ukraine with illegitimate quasi-states have undermined the basic constitutional order, violated the sovereignty and territorial integrity of Ukraine.

Russian aggression against Ukraine shows that the concept of hybrid war should not be considered as merely an advanced type of warfare and armed conflict.

A hybrid war should be qualified as a new form of global confrontation in the modern security environment. “Hot” and “frozen” conflicts in various parts of the world are becoming an attribute of global hybrid confrontation. Events such as the Russian war against Ukraine, the war in Syria, and conflicts in the Pacific region, manifest the common process of destroying the preceding system of international security and the establishment of new, not yet settled forms of coexistence in conditions of uncertainty and unpredictability.

Following hybrid war events, there has been a drastic shift in strategic thinking paradigms, one of which, inherent in Russian political culture, may be called *geopolitical*, whereas the other, inherent in leading western countries may be entitled *globalizing*. Sooner or later, globalization strategic thinking paradigm, related to establishing more efficient principles of organizing and keeping the world order, will become universal and dominant in world politics. However, today the fundamentals of geopolitical thinking keep major positions in international processes, partially due to Russian political elite’s cynical eliciting of archaic stereotypes of the past.

Consequences of the Russian hybrid aggression proved there are two asymmetric modes of hybrid war existence – material (physical) and discursive. In the military (material, tangible) dimension, Russian-Ukrainian conflict is localized, embracing part of the territory of Ukraine, while the discourse of this hybrid war has gained momentum on a global scale.

The conflict of interpretations as a collision of strategic narratives with alternative versions of events is used as a kind of weapon alongside other non-military hybrid warfare components.

The consideration of differences in the understanding of new “mixed” warfare enables us to raise the issue of significantly different strategic perspectives in modern approaches to hybrid war, depending on the position of the conflicting parties and their goals, as well as the role of the conflict party’s position in forming its strategies to counteract hybrid threats and attacks.

International law must react to changes in the world’s security and emergence of new threats. After the events of 9/11, it is necessary to consider





the specifics of the *War on Terror* to legally define the concepts of *war* and an *armed conflict*. Today, with Russian aggression against Ukraine, because of the new hybrid war realities, there is a need to study and specify the semantics of corresponding legal terms and concepts.

The international security environment is currently characterized by turbulence in multiple dimensions. Certain non-governmental actors are taking over functions which used to be typical of national governments and authorized international organizations only (e.g. the monopoly on use of force). The lack of responsibility in international relations and unenforceable international law set up preconditions for new forms and sorts of aggression, which are often disguised as democratic institutes.

For example, separatist movements are becoming increasingly popular worldwide. Therewith, we can often observe deliberate exaggeration of factors, which constitute a separatist threat in the country, both for propaganda and legitimization of radical acts. As a rule, it happens under the influence of interested countries, which provide military, political and information support to the separatists.

The counteraction to the separatist movements initiated by the country is significantly complicated by collisions in the international law between the principles of inviolability of borders and respect to the territorial integrity, on the one hand, and the right of all nations to self-determination, the violation of which is used by an interested party with the help of manipulative information technologies.

Over the past two years, Ukraine has faced an organized separatist movement with specific features. First, our country deals with hybrid separatist conflict in Donbass, which is based on political separatism, inspired and supported by the Russian Federation. Second, indications of separatism are observed in other regions of Ukraine, too. In particular, some representatives of national and ethnic communities, living in the south and west of Ukraine, are seeking national autonomy in Ukraine. Another problem is that these processes may be used by Russia against our country as an element of hybrid war.

It is urgent for Ukraine to form a strategy for counteracting separatism by studying causes of this phenomenon. This strategy should include developing means of resolution of the hybrid separatist conflict in Donbass, as well as prevention of separatism and effective counteraction against separatist movements in other regions of Ukraine.





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Another dangerous trend, emerging in the current international security environment and influencing processes in different countries, is the growing terrorist threat. Despite all measures regularly taken by the global community, terrorist activities are developing, adapting to counteraction, and their efficiency has been improving along with technological advances.

For independent Ukraine, the terrorist threat today is greater than ever before. However, it is generated not by international terrorist organizations, but by Russia, whose aggressive policy aims to destabilize and destroy our country, as well as support sabotage and terrorist movements.

Taking into account new trends of terror threat spreading, formed both in the international environment and in our country, today it is especially important to take a number of measures to improve the effectiveness of counterterrorism policy in Ukraine.

To achieve its foreign policy objectives, the Russian Federation is actively using its own energy industry as a kind of “weapon”. The energy sector, primarily, the natural gas industry, was also used by Russia as an instrument for realizing its aims in relations with Ukraine and the EU countries during the pre-war period.

This aspect has repeatedly been mentioned by energy experts, but a part of western European political elite and experts, willing to keep friendly relations with an important energy supplier, tried to consider Russian behavior only in terms of economic expediency.

For Ukraine and other post-Soviet and former Warsaw Pact countries, Russian use of its energy industry to limit their sovereignty was real. In fact, in the energy sector, historically there has always been a permanent *hidden war* (or hybrid peace) between Ukraine, which was eager to gain independence, and Russia, striving to keep Ukraine within the scope of its political, economic and technological interests.

The practice has shown that under hybrid peace there were a number of most efficient *energy* instruments of subordinating the policy of other countries to Russian interests:

- monopolization of the consumer market by price dumping (providing discounts to specific companies and countries for entering long-term contracts);
- corrupting officials and top business management (signing contracts on terms beneficial for Russia);





- blocking reforms in the domestic energy market (prevention of energy market liberalization, implementation of projects to diversify energy supplies, blocking the process of unbundling vertically integrated companies);
- blocking the processes of establishing common energy markets (resisting the creation of a common market between states – consumers of energy, prohibiting energy re-export contracts under agreements with Russia, providing benefits to certain countries (entities) in their access to the Russian domestic market).

These Russian policy instruments were used on Ukraine on multiple occasions, such as: during negotiations in 2009, which resulted in unfavorable ten-year contracts; in 2010 when gas price discounts were agreed in exchange for expanding the period of stationing Russian Black Sea fleet in Crimea; in 2013 with a waiver of penalties and preferential loan for gas procurement were pushed in an attempt to block signing the Ukraine-EU Association Agreement.

It was the global community's failure to see Russian attempts to weaponize energy in peacetime that facilitated the implementation of energy aspect as a new concept of warfare, which was openly used against Ukraine between 2013 and 2016, including subversive acts against energy infrastructure.

The policy of turning a blind eye to Russia's and other aggressive energy suppliers use of energy as a means of achieving their political interests and ambitions should no longer be acceptable in world affairs. It is worth mentioning existing theoretical and political excuses, manufactured by some European experts to explain numerous conflicts in the energy sector between Russia and countries – members of CIS and Warsaw Pact, appear to be inadequate.

Moreover, it must be stated that explaining Russian actions in the European energy markets only by its intention to build pragmatic economic relations was a way for legalizing pro-Russian attitudes in European media, economic and political environments. At the same time, some European politicians, energy companies as well as policy experts and analysts played an important role in promoting Russian "*geostrategy of revanche*". This aspect of policy making in the countries that have political and economic cooperation with Russia in energy sector, is still to be thoroughly analyzed.

The issue of elites' responsibility for implementation of international legal treaties must be put on the public agenda for discussion and reaction. It concerns not only the Budapest Memorandum implementation, but also





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other treaties, in particular, in the energy area, e.g. the Agreement on Energy community, where Ukraine is a member.

Since politicians of some countries' distance themselves from problems in the "European periphery" it encourages actors to destroy the international security system and applying methods of hybrid influence in other policy areas and in other regions of the world. Under the ongoing globalization process, it is impossible to restrict hybrid aggression to the territory of certain "periphery" countries by complying with the aggressor's interests.

Attempts to reach an agreement with the aggressor at the cost of other countries, e.g. Ukraine, whose interests have been neglected because Russia and western European companies created *bypass* gas pipes², will not ensure better security for European countries. It should be borne in mind that hybrid techniques tested in Ukraine might once be applied in the territory of the countries, which initiated agreements with the aggressor.³

At the beginning of the active hybrid war phase, the security forces of Ukraine (which includes the Security Service of Ukraine, The Ministry of Internal Affairs and the State Border Service) didn't manage to adequately respond to the aggressor's actions. Our country was suffering a deep complex crisis that was a result of an absence of reforms and the critical accumulation of domestic troubles. The formal nature of security policy and systemic degradation of public institutes in the previous years created favorable conditions for a full-scale external interference in Ukrainian affairs. Dramatic events in the Autonomous Republic of Crimea and in the east of Ukraine showed that the national security system of Ukraine was inefficient, it was not adapted to the specifics of the new type wars, particularly, to the growing role of political, economic, information and other non-military warfare.

² One of the examples of this behavior is the position of Germany. In 2005, German Chancellor G. Schroeder signed an agreement on building the gas pipeline on the bottom of the Baltic Sea (Nord Stream—1), despite the protests of a number of countries in Central and Eastern Europe as well as the Baltic States. In 2015, Chancellor A. Merkel, despite the warnings of other EU countries, supported the project of Nord Stream—2, emphasizing on the commercial nature of the project with private investors. In 2016, following the initiative of the German regulator, the European Commission permitted Gazprom to use OPAL gas pipeline as a monopoly, in effect helping Russia bypass Ukraine in the north.

³ The rate of changes in Russian rhetoric regarding Ankara (in case of Russian fighter aircraft in Turkish sky) or the information attack claiming that German authorities couldn't control migration processes (the devised case of kidnapping and violence against Russian speaking girl Lisa) demonstrate the effectiveness of control and capacities of Russian propaganda machine. Cyberattacks against the German Bundestag and Polish government have similar traits with those against Ukrainian energy companies. See more: За кибератаками в Польше и ФРГ стоят связанные с РФ хакеры (RF related hackers are behind cyberattacks in Poland and Germany) [Electronic resource]. — Access mode: <http://dw.com/p/1FnDK>





The possibility of Russian armed aggression against Ukraine was not considered at all. This strategic error, together with unreliable foreign security assurances, had a high cost to our country.

The active phase of the Russian hybrid war started when state leadership (due to the escape of the former country rulers) was the weakest, and demoralized law-enforcement bodies in Kyiv couldn't adequately and efficiently respond. However, within a short period of time there were democratic elections, power institutions were renewed, and all available resources to counter the aggression were mobilized. The nationwide Ukrainian voluntary movement played a prominent role in this process.

In compliance with legislation, a full-scale Anti-Terrorist Operation was carried out which involved units of the Security Service of Ukraine, the Ministry of Internal Affairs, the newly-established National Guard of Ukraine, and other security sector units, as well as the Armed Forces of Ukraine.

Some of the major successful techniques of countering the hybrid war included intensifying counter intelligence activity, localizing the conflict to certain areas of Donetsk and Luhansk regions, and acclimatizing the Intelligence Service and the State Border Service of Ukraine to new conditions.

Essentially, Ukraine gained experience to counter the hybrid war, and developed ways of responding to the new threats.

The situation in the ATO zone, as well as in other regions remains difficult and requires more and more efforts from Ukrainian intelligence services and law-enforcement bodies to prevent threats, reveal intentions of the adversary, and promptly find and stop intelligence, sabotage, terrorist and other criminal activities against our country.

One of the major preconditions for Russian hybrid aggression was the inconsistent, weak and chaotic foreign policy of Ukraine, the so called multi-vector nature of diplomacy and frequent change of strategic priorities. Among the numerous failures in Ukrainian foreign policy the most serious mistake was nuclear disarmament without relevant security guarantees under the Budapest Memorandum of 1994.

Another failure of Ukrainian foreign policy was the connection between intergovernmental agreement on the Status and Conditions of the Russian Federation Black Sea Fleet stationed in Ukrainian Territory and Ukrainian-Russian Treaty on Friendship and Cooperation. The presence of Russian troops in the territory of the Crimea created favorable conditions for annexing the peninsula; in particular, its provisions masked the operation





SUMMARY

of the Armed Forces of the Russian Federation in the Autonomous Republic of the Crimea.

The multi-vector policy of the Ukrainian government, which sought to balance regional interests, together with ambiguity of Western policy toward post-Soviet countries eventually turned Ukraine into a “buffer” country between the European civilization and the sphere of Russian influence, preventing it from joining the Euro-Atlantic security system and ensuring the security in case of foreign aggression.

The absence of critically important reforms in Ukrainian diplomacy, which still fails to meet European criteria of efficiency, was among other barriers of effective struggle against the aggressor’s actions.

So far, Ukraine has taken a number of important measures to neutralize hybrid attacks in foreign policy. They include political decisions like refusing a multi-vector foreign policy and non-bloc status. The policy of European and Euro-Atlantic integration was chosen and enforced by such fundamental legislative acts as the Law on Basic Principles of Domestic and Foreign Policy, the Military Doctrine, the Strategic Defense bulletin. The approval of the Law of Ukraine on national security is to complete the establishment of legislative base of the foreign policy of Ukraine. It is also necessary to implement reforms in the Ministry of Foreign Affairs of Ukraine, transforming it into an effective foreign policy institution that rates up to European standards.

The dependence of information (mainly digital) in Ukraine made our country especially vulnerable to Russian information aggression. Since 2007, Russia has re-established the system of state propaganda, which had developed after the struggle between the Russian government and independent mass media. For the first time this system was tested during the military operation in Georgia, which demonstrated Russian limited influence on the international community. This resulted in a rapid increase of expenses on foreign-language broadcasting and propaganda activities abroad.

By the time of aggression against Ukraine, Russian media had become a propaganda instrument of the Russian government, losing their natural function to inform people.

Modern global information environment is a product of the free information flows that prevail over the concept of *national information sovereignty*. The latter helped to create a *one-dimensional man*, a product of a developed industrial society.

Currently, the global information environment has become a hostage of tough confrontation between USA, Russia and China, which have





different ideas about its future. The crisis has also been brought by Russia's attempts to destroy the *new world order* and organize (restore) the world order where Russia would be a great power.

The concept of free information flow, which had to ensure sustainable and incremental development of the societies, was used by Russia for destructive ends, that is a new propaganda concept called by researchers, Propaganda 2.0.

Russian information aggression was quite successful due to the systemic problems of the Ukrainian media environment. At the beginning of 2014, Ukraine did not have an efficient system of securing the national media environment, particularly, television and radio broadcasting. Instead, media was over-dependent on the owners, so-called oligarchs. In Donetsk and Luhansk regions, there was peculiar model of media audience, since local private broadcasting and publishing companies were oriented toward delivering Russian media products while Ukrainian broadcasting, both digital and analogue, had no relevant presence in these regions.

Russia brainwashed the Ukrainian population before the aggression, using all available communication channels: traditional and electronic mass media, social networks, books, TV series, films, pseudoscientific research, etc. The annexation of the Crimea was supported by media content supervision, performed by leading Russian information agencies, federal television channels, and pro-Russian renegades all over Ukraine. In addition, the information infrastructure of the peninsula was actively suppressed, including the seizure of the infrastructure of TV and radio broadcasting.

The Russian Federation acted in a similar way during its aggression in the east of Ukraine, where as early as of the summer 2014, the DNR and LNR started to transform their information environment into the *information ghetto*. At the same time, all key information decisions in the occupied territories had been fully controlled by Russian specialists.

In the ATO zone, the enemy has been actively using methods of information and psychological pressure on the Armed Forces of Ukraine. Cyberattacks have been increasingly common as a means of achieving aggressor's objectives.

The strategic aim of the enemy's information activity remains unchanged – causing large-scale destabilization in the country, which must result in civil chaos nicknamed, “Third Maidan”.





SUMMARY

The response of the Ukrainian state to the Russian information aggression was relevant and justified. However, even today Ukraine's legal reaction to the new reality of conflict is limited: the official priorities of the information policy reflect pre-war conditions.

The new information policy of Ukraine is formed while the aggressor enjoys significant advantage in all available resources (financial or human). Furthermore, the aggressor captured a considerable part of broadcasting infrastructure in the occupied territories.

The broadcasting recovery mechanisms in Donbass have been partially efficient, although one can observe significant progress. The state agencies behind this policy do not have sufficient power and resources, or budget, or a clearly defined area of responsibility.

The urgent problem of delivering content for broadcasting to the occupied territories is being worked on very slowly. In fact, NGO projects play a considerable role in solving government tasks.

Under new hybrid war conditions, Ukraine requires an updated *journalistic consensus*, which should be based on principles of social responsibility rather than libertarian understanding of the free press. Ukraine is also getting more active in the foreign media arena.

The aggressor's intelligence services play a key role in achieving the goal of hybrid war: political objectives are mostly reached not with the help of military actions but via undermining Ukrainian military and economic potential, using information and psychological pressure, actively supporting domestic opposition, applying guerilla and sabotage methods, etc.

Russian intelligence services have been playing a key role in accomplishing the Kremlin's plans for Ukraine in all stages of hybrid war. They use both conventional warfare and new technologies of intelligence and sabotage; apply moral and psychological pressure, as well as brainwashing.

The latest reshuffles in the Russian intelligence services, the establishment of the National Guard, the plans of significant expansion of FSB powers confirm the Russian government will keep on relying on strong and controllable intelligence and other special services, which will continue activities against Ukraine even after the ceasefire in the ATO zone.

Russian aggression united Ukrainian people in their resistance, which together with the wide support of the international community, became the main obstacle for the Kremlin ambitions. The growing efficiency of Ukrainian defense and the consistent position of the international





community in condemning aggressive actions of the Russian Federation forced it to suspend conflict escalation in other regions of our country. Compared to 2014, the pressure of armed confrontation in the ATO zone has decreased considerably. However, the threat of an outburst of military activities in the east of Ukraine, expansion of the Russian aggression from the south and northeast is still real. This is confirmed by the Kremlin amassing military troops on the border of Ukraine.

Ukrainian authorities stick to non-military conflict settlement, while they must be accompanied by strengthening of defensive capabilities. According to President of Ukraine, Petro Poroshenko, the “only way to a peaceful resolution and restoration of the territorial integrity of Ukraine is a combination policy and diplomacy, backed, however, by armed defense”.⁴

That is why the main priorities of the state policy in security and defense include: setting and developing security and defense sector as an essential element of military security system of Ukraine; technical rearmament of the sector elements and intensification of their field and special training; improving moral and material motivation of Ukrainian military men; development of the defense industry, which can provide the law-enforcement bodies with modern arms and special equipment.

The Anti-Terrorist Operation has shown the urgent need to arrange closer interaction and coordination of agencies within the security and defense sectors. The country needs a unified mechanism for planning activities, controlling performance, including the rational use of available opportunities and resources.

To reform the security and defense sectors of Ukraine, a number of important issues should be tackled, among them:

- transforming the Security Service of Ukraine into a dynamic, professionally staffed, well-equipped and supported special service, able to effectively protect the state sovereignty, constitutional order and territorial integrity of Ukraine;
- improving of intelligence services capabilities based on well-designed operations, coordination of activity and strengthening of interaction with partner intelligence services of NATO member-countries;

⁴ The annual address of the President to the Verkhovna Rada On Domestic and Foreign situation in Ukraine in 2016 [Electronic resource]. — Access mode: <http://www.president.gov.ua/news/shorichne-poslannyprezidenta-doverhovnoyi-radi-pro-vnutri-38077>





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- reforming the Ministry of Internal Affairs to ensure consolidation of law enforcement activity, termination of its regulatory functions, increasing public trust to law enforcement bodies, transformation of the Ministry of Internal Affairs into a civilian body of the executive power, which enacts the state policies in law enforcement, protection of the state border, migration of regulation and civil protection;
- developing the capacity of the National Guard of Ukraine to ensure public security, physical protection of critical infrastructure facilities, protect and defend the state border of Ukraine, and support the operations carried out by the Armed Forces of Ukraine in crisis situations, which threaten national security as well as in the state of emergency etc.

Hybrid aggression of the Russian Federation has led to dramatic economic impacts, such as a violation of the integrity of the sovereign economic space of Ukraine, especially its financial and industrial elements, destruction of economic potential and infrastructure, fragmentation of public economy management institutions on some territories; gross violation of commercial and property rights.

Based on Ukraine's experience in countering these threats, we can identify economic factors of hybrid war and draw attention of the world community to their sources. These include:

- the absence of a formal definition of economic aggression committed by its subject and impossibility of prompt identification of aggressive non-bona fide actions, which make resolution of the commercial disputes in the international institutions unfeasible;
- financial and economic support of subversive, terrorist and other organizations disguised as non-governmental organizations;
- masking, concealing the facts of economic aggression, plausibly interpreting them as legitimate acts (the protection of national economic interests, the support of social-economic stability of the diaspora, humanitarian missions and objectives etc.), which create uncertainty regarding the goals and parties of the conflict that oppose the legitimate power and public institutes;
- applying modern subversion technologies (organized economic crime, raider mechanisms, social discontent, increase of protest sentiments etc.) and forms of mobilization (social media and other networks, cultural, patriotic and other organizations) for economic destabilization inside the country.





Russian hybrid aggression has led to increased volatility in the budgetary system of the country. The reduced taxation base, the loss of budget revenues, the significant increase of defense expenses, the demand for social security of people affected by the armed conflict and war veterans, restoration of destroyed infrastructure resulted in the higher budget deficit.

The policy of budget consolidation helped to reduce fiscal imbalance while the reforms in the energy sector encouraged the decrease of quasi-fiscal deficits. The budget funds management has become more efficient due to reform of public procurement and the introduction of a social benefits verification system for internally displaced persons. Today the state financially supports Donbass districts that suffered from the conflict by implementing investment programs and regional development projects.

The destabilized monetary situation caused by hybrid threats was accompanied by the rapid devaluation of the national currency and a crisis of the banking system, which was also caused by the operations of subsidiaries of the Russian state-owned banks in Ukrainian financial market.

To neutralize these threats, the state implemented a series of actions like ensuring a stable hryvnia (UAH) currency exchange rate, supporting insolvent banks, enforcing administration and reforms in the banking system.

The key instruments for financial hybrid threats aimed at isolating Ukraine from the international financial markets, financial exhausting and defaulting were *Yanukovych debt* and the tactics of the Russian *financial pressure* during 2015.

Rapid growth of the debt burden, increasing volumes of external debts and their servicing and repayment with simultaneous effects of budget unbalances and rapid depletion of the national bank reserves led to the critical deterioration of the state solvency. Active support of the international financial community, in particular, two IMF financial support tranches and debt relief and restructuring of the external commercial debts helped Ukraine to escape default, increase the NBU international reserves, and slow down the growth of debts.

Ukraine has set several tasks to neutralize financial hybrid threats. They mainly overlap with the recommendations of international financial organizations regarding the stability of the state financial system. For instance, they are:





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- in the budget system: ensuring balanced public finances, modernizing customs and tax administration, continuing budget decentralization reform, introducing mid-term budget planning, and increasing the efficiency of state financial control of the public finances in compliance with the best European practices;
- in monetary area: reducing the presence of the Russian state-owned banks on the domestic financial market; ensuring financial stability of the banking system, harmonizing standards of the banking system capital with the requirements of Basel III, lowering the level of dollarization of bank liabilities, and supporting the stability of the hryvnia exchange rate;
- in debt policy: transiting to the mid-term strategic debt management; optimizing the scope, structure, cost and sources of repaying the sovereign debt; improving the efficiency of using government loans.

The implementation of the above tasks will encourage improvements in the financial stability of the country under current and potential challenges of hybrid aggression.

At present, the main instrument of settling the armed conflict in Donbass is Minsk process. It has been recognized by the key international actors (the USA, the UK, Germany, France and others), as well as by respected international organizations (NATO, EU and OSCE).

The agreements aim at achieving peace in the region, returning the whole territory of Donetsk and Luhansk regions under the sovereign rule of Ukraine. Certain measures, traditional for peace conflict settlement, should be taken. The full reintegration of the region into Ukraine and its further sustainable development is impossible without consistent implementation of security provisions of the Minsk agreements. Since the beginning of the conflict, the Russian Federation and the pro-Russian separatists, despite all declarations, haven't demonstrated any intentions of implementing the agreements. Therefore, one can conclude that the Minsk negotiations have been used by Russia as an element of hybrid war to legitimize the occupation of certain territories of Donetsk and Luhansk regions, to discredit Ukraine before the international community, as well as to increase the pressure on the Ukrainian government.

Keeping a constant source of tension in Donbass, the Kremlin seeks to impoverish Ukraine. The Russian government is actively trying to use international negotiation platforms to promote a Russian vision of the situation in the Autonomous Republic of the Crimea and in Donbass and





possible ways of settling the conflict in the east of Ukraine; they also engage famous European politicians and diplomats as the agents for lobbying Russian interests in negotiations. The Ukrainian crisis and Minsk negotiation process has come into the focus of world politics, since their result determines the vector of further transformations in European and world politics and security.

In order to reinforce negotiation positions of Ukraine, the Normandy format should be expanded and two more countries – signatories of the Budapest Memorandum – the USA and the UK, should be engaged in the peace settlement more actively. France and Russia have already been taking part in this format, although the latter imitate peace-making activity, being the aggressor *de facto*. The mechanism for international legal guarantees of the state sovereignty and territorial integrity of Ukraine should be initiated on the international level.

As there is no real progress in implementing Minsk agreements, Ukraine should raise the issue of their specifying and additional finalization. At the same time, Ukraine will fight against attempts to use political issues as an instrument of blackmail, and arms as an instrument of politics. Consequently, there is no way to launch parallel processes of the political, military and humanitarian tracks of conflict resolution. Instead, there should be a clear acceptable sequence of conflict resolution measures and nexus between its stages and areas.

Not only Ukraine, but Europe and the whole world turned out to be unprepared for Russia's actions in the information environment. This allowed Russia (and is partially still allowing it today) to dominate and impose its agenda on the world.

The European Union and the North-Atlantic Alliance have been countering Russian destructive propaganda mainly in two areas – uncovering fake news and developing a system of strategic communications (both national and international).

For this purpose, in September 2015, the EU launched the East StratCom Task Force, the European Union operative working group for strategic communications. The Russian-language website of the EU External Action service has been launched. The European Commission approved Joint Framework on Countering Hybrid Threats – a European Union Response, the European Parliament adopted Resolution on EU Strategic Communications with a View to counteracting propaganda.





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NATO has set up the Strategic Communications Centre of Excellence, while the issues of countering Russian destructive propaganda have remained on the Alliance agenda. The USA, the UK, Finland and the Czech Republic have taken measures to the national level. The established system of foreign language broadcasting, the development of public diplomacy mechanisms, and the establishment of a national system of strategic communications must become an important instrument for consolidating efforts of the state and the civil society in counteracting information aggression.

Another dimension of the hybrid war includes damaging and hampering the recovery efforts of critical infrastructure, including the use of sabotage techniques, criminal behavior, provocative information impact etc.

As Ukrainian experience in critical infrastructure protection shows, deliberate criminal actions against infrastructure may be used as a strategy to impose the aggressor-state's interests.

In the armed phase of hybrid war, the issue of infrastructure damage becomes more and more critical. Delays in its recovery lead to reduction in the population's life expectancy and create a flow of emigrants from the affected territory.

This situation demands establishing international rules for protecting critical infrastructure and adopting the system of punishment for those who deliberately destroy vital infrastructure.

Based on Ukrainian experience, it is possible to point out the specifics inherent in modern hybrid war, e.g.:

- the absence of clear time limits, since hybrid war is never declared and thus the time of its commencement as well as its end can not be recorded;
- true hybrid war objectives are blurred and unclear;
- hybrid aggression operates on a number of fields simultaneously, inconsistently and asymmetrically;
- the toll and losses of all parties are hard to estimate due to the absence of relevant statistical data and it's impossible to differentiate direct and indirect losses;
- the casualties, unlike in conventional war, include a significant number of civilians harmed by combat operations and a drastic decline of the social, economic, environmental, and epidemiological situations;
- hybrid war entails internal population movement of monumental proportions.





Today Ukraine is the center of the global hybrid battle which will have no winners. The world hybrid war is conducted within a single global space on the frontlines dividing the stable and secure territories under the rule of national and international law, and the territories of uncertainty and political chaos under the rule of the gun. Therefore, each state, being an active or passive participant in the world hybrid war, must choose its way of action under these conditions (survival, adaptation, transformation and development) and craft respective strategies.

After three-years of fighting against the Russian hybrid aggression, Ukraine proved that it is able to protect its sovereignty and political subjectivity. The political aim of our hybrid opponent has not been and will not be achieved. Nevertheless, the fight is not over yet.

Nowadays, it is worth introducing the concepts of hybrid conflict, hybrid aggression and hybrid threats in the state doctrinal documents of Ukraine. Therewith, the state as a direct object of hybrid aggression has to draft a national strategy of hybrid counteraction based on its own resources, including military, human, economic, political, diplomatic, psychological, humanitarian, and information elements.



GLOSSARY¹

Armed aggression. The use of armed force by a state or a group of states against any country².

Civil military administration. The temporary public authority in one or more settlements, an administrative district or region, acting within the framework of the Anti-Terrorist Center operating under the Security Service of Ukraine. Its aim is to ensure the enforcement of the Constitution and laws of Ukraine, security and recovery of public activities, law enforcement, participation in combating sabotage and terrorist attacks, prevention of humanitarian catastrophe in the area of carrying out anti-terrorist operation.³

Critical infrastructure protection. The set of measures implemented in regulatory, institutional and technology tools directed toward assurance of critical infrastructure safety, security and resilience⁴.

Critical infrastructure resilience. The ability of the critical infrastructure to function reliably in the normal mode, adapt to continuously changeable conditions, resist and promptly recover after accidents and technical failures, malicious actions, natural disasters and hazardous natural phenomena.⁵

Critical infrastructure. The includes systems and resources, physical or virtual, which support functions and services whose disruption will cause most severe negative effects for society activity, country's social and economic development and national security.⁶

Cyber attacks. The stand for the total of several brief measures for information and technological influence agreed in time and united by a single purpose to destroy the target object of information infrastructure.⁷

Defense forces. The armed forces of Ukraine, the State Service for Special Communication and Information Protection of Ukraine, State Special Transport Service and other military units established in compliance with the Ukrainian law, as well as law enforcement and intelligence bodies, as regards their engagement in performing state defense missions.

Defense forces. The armed forces of Ukraine, the State Service for Special Communication and Information Protection of Ukraine, State Special Transport Service, other military units established in compliance with the Ukrainian law, and law-enforcement and intelligence bodies, as regards their engagement in performing state defense missions.⁸

¹ Provided clarifying some processes and phenomena, which facilitate understanding of the actual world hybrid war. The interpretation of some terms and concepts may be controversial since they are mainly given in the glossary for the first time.

² Actions, which are considered armed aggression against Ukraine, are specified by the Law of Ukraine on Defense of Ukraine.

³ Law of Ukraine On Civil Military Administrations dated 03.02.2015 No 141-VIII [Electronic resource]. – Access mode: <http://zakon3.rada.gov.ua/laws/show/141-19>

⁴ Green Paper on Critical Infrastructure Protection of Ukraine. Analytical Report. – K.: NISS, 2015. – 33c. [Electronic resource]. Access mode: <http://en.niss.gov.ua/content/articles/files/Green-Paper-engl-4bd7c.pdf>

⁵ Ibid.

⁶ Ibid.

⁷ According to Military standard 01.004.004 – 2014 (01) Information security of state in military field. Terms and Definitions.

⁸ The definitions of these terms are given in paragraph 4 of the Military doctrine of Ukraine, approved by the Decree of the President of Ukraine dated 24 September 2015 No. 555.





Diplomatic cover. The one of the forms and actions of non-declared hybrid warfare, aiming at concealing and minimizing the Russian role in the activities undermining the sovereignty of Ukraine.

Energy security. The capability of the country to meet its energy demand in technically reliable and safe, cost effective, feasible and environmentally friendly way to ensure: adequate levels of the population livelihood; sustainable functioning of the national economy in normal and crisis conditions; capabilities of the government to establish and execute the policy protecting national interests.

Euroscepticism. The way of political thinking in European countries, which questions the advantages of political, legal and economic integration within the EU member-countries to the extent of principle opposition to the existence of the European Union as a supranational institutionalized unity.

Government information policy. There is the total of core areas and activities of a state to collect, use, disseminate and store information.⁹

Hybrid threats (HT). The socially dangerous events, phenomenon or processes originated from the changes of global security environment as a result of the synergy from the use by aggressor of i) conventional armed forces and capabilities and ii) unconventional forms of warfare (terrorism, criminal activities, «civil war», subversion etc.) as well as iii) non-military modes of impact which has been transformed into a weapon on various fields of operation (diplomatic, informational, economic, financial, trade, social ones etc.). HT aim at forcing the object of aggression to the requirements that are contrary to its national interests regardless of a declaration of war. HT. can be conducted by both state and non-state actors, in or out of the territory of the object of aggression. One of possible way for conducting HT is the organization and support of separatist movements which could breach the sovereignty and territorial integrity of the object of aggression.

Import substitution in defense industry. The phasing out the import of parts for manufacturing domestic military products by setting up home production or import from other countries.

Information environment. The landscape, where the available information infrastructure of the country is used to generate, collect, store and disseminate information (from home and abroad), and information interaction of organizations and citizens and meeting their information needs according to the national law in force.

Information presence. The implementation of national interests in the information field via disseminating official information, interpretations and narratives, enabled by the capacity (including technical) to communicate them to the general public and specific target audiences.¹⁰

Information psychological operation. The total of agreed and interrelated information and psychological actions, attacks and events in terms of their goal, objectives, parties and time, which are held simultaneously or consecutively following a single idea and plan to reach the objectives of information psychological effect on emotions, motives, beliefs and behavior of the target audience.¹¹

Information security. The condition of securing vital interests of people, society and state, which prevents damage arising out of incompleteness, unseemliness and unreliability of information in use; adverse information influence; adverse effects of using information technologies; unauthorised distribution, use and breach of integrity, confidentiality and accessibility of information.¹²

Information sovereignty. The kind of national state sovereignty; unalienable legal property of an independent state, which symbolizes its political and legal independence, higher responsibility and value as a primary subject of international law. Information sovereignty means that all the rules of behavior in the information environment of a country are established by this country only, without interference. A non-sovereign country

⁹ According to the Law of Ukraine on Information, as revised and mended in 2010.

¹⁰ Конач В.К. Національний інформаційний простір України: проблеми формування та державного регулювання : аналіт. доп. — К. : НІСД, 2014. — 76 с.

¹¹ According to Military standard 01.004.004 — 2014 (01) Information security of state in military field. Terms and Definitions and Joint Publication 3-13.2 [Electronic resource] // Psychological Operations. 2010. — 07January. — Access mode: <https://fas.org/irp/doddir/dod/jp3-13-2.pdf>

¹² According to the Law of Ukraine On Essential Bases of Information Society Development in Ukraine for 2007–2015.





GLOSSARY

is dependent in this respect, being under external control, i.e. being a colony, a semi-colony, a part of another country, etc.

Information war. The combat in information environment, initiated by the aggressor to comprehensively affect social, economic, military and political life of the opponent to achieve its strategic goals regarding the attacked country¹³

Internally displaced persons (IDPs). There are people or groups of people who were forced to leave their houses or place of residence, in particular, due to or in order to eliminate the effects of a military conflict, mass violence, human rights abuse, natural or man-made disasters, and who did not cross the state border.

International security. The system of international relations, based on compliance with generally accepted international law principles and rules by all countries, which excludes settlement of disputable issues and disagreements between them using force or threat.

Membership Action Plan (MAP). The NATO program for candidate countries, which provides advice, assistance and practical support depending on the individual needs of the states striving to join NATO.

Multi-vector foreign policy of Ukraine. The concept of foreign policy which emerged in the late 1990s. It aimed at establishing a balance of interests and foreign political activities of Ukraine in three core directions – Russian, European and Eastern (the Black Sea region and Asia). This Ukrainian multi-vector foreign policy was determined by the need of making a clear choice between two options – pro-Russian or pro-European. The relative balance of the vectors was temporary, and the ineffective multi-vector policy was finally ruined in consequence of the Revolution of Dignity at the end of 2013 – beginning of 2014.¹⁴

National interests. The vital needs of a person, society and state. Their implementation ensures state sovereignty and welfare of Ukraine, it's progressive democratic development.

National interests. The vital needs of a person, society and country. Their implementation ensures state sovereignty and welfare of Ukraine, its progressive democratic development.

National values. The basic material, intellectual and cultural heritage of Ukrainian people, key conditions of existence and development of a person, society and state.

National values. The basic material, intellectual and cultural heritage of Ukrainian people, key conditions of life and development of a person, society and country.

OSCE Special Monitoring Mission. The unarmed, civilian mission of OSCE observers, which is temporarily monitoring and reporting on the humanitarian situation and the situation with human rights protection.

Post-conflict (de-occupied) area. The part of the area, where the military conflict occurred and which was liberated. This area features destabilized economic situation, ruined production, transport, energy and social infrastructure, housing, both urban and rural population decline, lower employment and income rate. The resumption of the post-conflict (de-occupied) area functioning requires special economic activity regimes. Currently in Ukraine this term refers to the part of Donetsk and Luhansk regions, where a military conflict had started in spring 2014 and which was liberated in summer 2014.

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¹³ According to Military standard 01.004.004 – 2014 (01) Information security of state in military field. Terms and Definitions and Joint Publication 3-13.2 [Electronic resource] // Psychological Operations. 2010. – 07 January. – Access mode: <https://fas.org/irp/doddir/dod/jp3-13-2.pdf>.

¹⁴ Парахонський Б. О., Яворська Г. М. Модернізація та опір: зовнішньополітична доктрина української держави // Стратегічна панорама. – 2015. // panorama.niss.gov.ua/content/articles/files/6s-1456309268.pdf



Propaganda. The spreading information, facts, arguments, gossip, half-truths or lies “designed to influence the opinions, emotions, attitudes, or behavior of any group in order to benefit the sponsor, either directly or indirectly”.¹⁵

Quasi reality. The part of the hybrid war strategy, which provides for the shift of emphasis, releasing semi-truths, striving for distracting attention; it affects decision making and aims at the diplomatic covering of the hybrid aggression. It is a key element of the Russian aggression, including the Crimea annexation and support of separatists in Donbass.

Stabilization operations. The different military missions, actions and activities, undertaken to support or restore safety and stability, ensure the provision of essential public services and humanitarian aid, as well as reconstruction of critical infrastructure.

Stabilization operations. There are different military missions, actions and activities, held to support or restore safety and stability of the environment, ensure the provision of necessary public services, reconstruction of critical infrastructure, as well as humanitarian aid.

Strategic communications. The mean coordinated and proper use of state communication capacities – public diplomacy, public relations, military public relations, information and psychological operations, events designed to facilitate and meet the targets of the country.¹⁶

The right to veto in the United Nations Security Council. The power to veto (prohibition by a person or a group of persons, imposed unilaterally to block approval or a decision by a competent body), granted to five Permanent Member States at the UN Security Council (the United Kingdom, China, Russia, the USA and France). It empowers the Permanent Member States at the Council to cast a negative vote to any UN resolutions, regardless of the general level of the proposed resolution support. The right to veto does not apply to voting on procedural matters.

Trade war (TW). The international trade conflict between two or more states accompanied by the use of discriminatory rules of trade. It is realized by tariff and non-tariff trade defense methods. TW is used both in and out of the existing international and national regulations with aim to gain economic and political advantages at the expenses of the rival country. TW can be directed to the expansion on the other countries’ markets as well as to national markets protection. TW is one of the type of economic war (such as currency, energy, food wars, etc.)

World hybrid war (WHW).¹⁷ A new type of global international confrontation, emerging in the context of modern geopolitical order; a struggle for domination and influence between nation-states, coalitions of states and non-state actors. The WHW is destroying, within the world chaos, the existing global political system so as international legal mechanisms to support it. Unlike traditional wars, including the so-called Cold war, caused by the intensification of contradictions among great powers and their fight for dividing the world into spheres of influence, the WHW is taking place within the single, globalized space. It is conducted in the lines dividing the areas of stability and security, ruled by order and international law, on the one hand, and the areas of uncertainty and political chaos, ruled by force, on the other hand. The WHW combines the use of conventional capabilities with non-conventional methods (irregular, disruptive, including cybersecurity, terrorism, criminal etc.). It is realized in different operative dimensions – military, intelligence, psychological, diplomatic, political, mass communication, economic, social, financial, infrastructural, energy etc. Non-military means are weaponizing to destroy opponent’s critical systems, thus these tactics are united with conventional warfare.

Yanukovych Debt. The instrument of the RF financial pressure on Ukraine to lead it to default in the condition of hybrid war. The debt of Ukraine to Russia resulting from the buyout of two-year 5 % coupon Eurobonds (Ukrainian government securities listed securities listed on Irish stock exchange) for the total amount of \$3 bln and maturity on 20 December 2015 by the Russian National Wealth Fund (NWF) in December 2013. It had political grounds only (refusal from the European integration of Ukraine).

¹⁵ Encyclopedia Britannica Joint Publication 3-13.2 [Electronic resource] // Psychological Operations. 2010. – 07 January – Access mode: <https://fas.org/irp/doddir/dod/jp3-13-2.pdf>

¹⁶ According to Military Doctrine of Ukraine, 2015.

¹⁷ The concept was worded and published for the first time.

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