

OSW REPORT



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**WINNING THE WAR WITH RUSSIA  
(IS STILL POSSIBLE)**

THE WEST'S COUNTER-STRATEGY  
TOWARDS MOSCOW

Marek Menkiszak



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## **Contents**

### **MAIN POINTS | 5**

### **INTRODUCTION | 7**

#### **I. STRATEGIC CONTINUITY, TACTICAL EVOLUTION: RUSSIA'S OBJECTIVES IN THE WAR WITH UKRAINE AND THE WEST | 9**

1. Russia's strategic objectives regarding Ukraine | **9**
2. Russia's strategic objectives regarding the West | **12**
3. The evolution of Russian tactics in the conflict with Ukraine and the West | **15**
4. The current state of Russia's aggression in Ukraine | **19**

#### **II. SHORT-TERM ADAPTATION, LONG-TERM CHALLENGES: FACTORS AFFECTING RUSSIA'S ABILITY TO CONTINUE THE WAR | 25**

1. Military capabilities | **25**
2. The economic situation | **28**
3. The political and social situation | **35**

#### **III. STOP – WEAKEN – DEFEAT RUSSIA: THE STAGES OF A WEST'S STRATEGY | 40**

1. Short-term: stop Russia | **41**
2. Medium-term: weaken Russia | **47**
3. Long-term: defeat Russia | **50**

#### **IV. WESTERN POLICY TOOLS TOWARDS RUSSIA: THE FIVE "D's" | 56**

1. Denying Russia a chance for victory | **56**
2. Denying the Putin regime political legitimacy | **64**
3. Decoupling Russia from the West and economic pressure | **67**
4. Deterrence and defence | **75**

## **APPENDICES | 84**

1. The Russian demands on Ukraine put forward during negotiations in Spring 2022 | **84**
2. Examples of hostile Russian actions against Western and partner states | **89**
3. The dynamics of artillery ammunition production and procurement by Russia | **93**

## MAIN POINTS

- Russia's full-scale invasion of Ukraine in February 2022 is not an escalation of a local conflict over limited territory. It is an armed aggression aimed at subjugating or destroying an important European state, and simultaneously a stage in Russia's long-standing war against the Western community. At stake is an overturning of the current political and security order in Europe and the implementation of a fundamental revision of the global order by replacing democratic leadership with a coalition of dictatorships, including Russia. This conflict is systemic and there is no chance of de-escalation, at least as long as the dictatorial Putin regime remains in power in Moscow.
- Although Russia has regained the tactical initiative at the front, it still faces failure at the strategic level. So far, it has been unable to achieve the key objectives of the war. However, there are no signs that Moscow is abandoning its maximalist and hostile goals towards the West. Putin has become a hostage to the conflict, and thus making the entire Russian state and society hostages to it. The Kremlin is counting on the resolve of countries supporting Ukraine waning due to the protracted nature of the confrontation and its increasing human, economic, and political costs, as well as the Russian threats of escalation. If Ukraine does not face complete defeat or cease to exist as a state, it should at least be forced to accept Russian conditions for a temporary freeze of the conflict, which would severely limit its sovereignty. This would allow Russia to reconstitute and prepare for the next phase of the conflict, not just with Ukraine, but primarily with the West.
- Therefore, it is crucial to maximally weaken Russia's ability to wage war against Ukraine and the West, and in the long term, create conditions conducive to regime change, to replace the current dictatorial Putin regime. There are no easy or cost-free solutions in this regard. Measures should be taken in three stages. In the first phase, over the course of the next several months, it will be necessary to amass military support for Ukraine to stabilise the front and prepare for a future Ukrainian offensive. Its successes would open the way to political negotiations and a ceasefire on terms relatively favourable to Kyiv. In the second phase (over the course of several years), the goals would be to strengthen Ukraine through reconstruction, reform, and accession to Western structures, while simultaneously weakening Russia to the highest extent possible, primarily by intensifying sanctions. The third phase (over the next 15 years at least) would aim to achieve

the strategic defeat of the Russian regime through systematic pressure, the deepening of long-term trends unfavourable to Moscow, and the strengthening and correction of the global order.

- To maximise the chances of success, Western policy should be based on several pillars of political, economic and security actions, summarised as the five “D’s”: (1) **denying Russia the possibility of victory in the war** and ensuring Ukraine’s success, (2) **denying the Putin regime political legitimacy**, (3) **decoupling Russia economically from the West** and applying economic pressure, (4) **deterring** Moscow, and (5) **defending** the NATO and partner states. There are no magical solutions, and political will is essential.
- For this strategy to succeed, the continued consolidation of the Western community in the political, security and economic spheres is especially important. Its objectives must be consciously accepted by the public. Additionally, it is necessary to build the broadest possible global coalition of states defending the fundamental principles of the international order against the countries that violate them, such as Russia.

## INTRODUCTION

On 24 February 2022, the Armed Forces of the Russian Federation (RF), under orders from their commander-in-chief, Vladimir Putin, launched an invasion of Ukraine. This marked an escalation of the war which Russia has been waging against this major democratic European country since 2014 into a full-scale military aggression.

Approximately a year after this event, OSW published the text *Winning the war with Russia. The West's counter-strategy towards Moscow*.<sup>1</sup> This paper had several objectives. First, it aimed to highlight the high stakes of the war – fought against both Ukraine and the West – and its nature, which stemmed from Moscow's far-reaching aggressive ambitions. Second, it sought to characterise the tactics the Kremlin employs to achieve its objectives. Third, it aimed to analyse the key factors influencing the Russian Federation's ability to continue to prosecute the war. Finally, and most importantly, it set out to offer recommendations for a Western counterstrategy designed to maximise the chances of inflicting both a tactical and strategic defeat on the Putin regime.

Since then, more than a year has passed and there have been no radical changes in the tactical situation on the Ukrainian front. However, the overall strategic context has deteriorated (from the perspective of Ukraine and the West). Russia has increased its short-term resilience, regained the initiative, and sensed the opportunity for a favourable resolution based on a combination of military pressure and a political offensive exploiting its adversaries' weaknesses. Meanwhile, the recommendations for a counterstrategy have largely remained relevant, due to delays, limitations, and inconsistencies in decision-making and the implementation of actions aimed at defeating Putin's Russia. There have also been signs of fatigue, discouragement, and at times even defeatist sentiments in the West, skilfully fuelled and exaggerated by Russian propaganda and those Western politicians, experts and journalists who, knowingly or otherwise, cooperate with it.

This publication seeks to address this situation. On the one hand, it reiterates key points where they remain applicable, pointing out the changes that have occurred in the actions of the parties involved. Above all, however, it assesses the implementation of the recommendations for the West's counterstrategy,

<sup>1</sup> M. Menkiszak, *Winning the war with Russia. The West's counter-strategy towards Moscow*, OSW, Warsaw 2023, [osw.waw.pl/en](https://osw.waw.pl/en).



identifying the sequential actions that, in the author's view, need to be taken to ensure that the strategic defeat of Putin's aggressive regime happens.

The primary goal of this text is to challenge the false belief that there is no alternative to the swift freezing of the armed conflict in Ukraine, which would, in practice, have to occur on terms dictated by the Kremlin. This would allegedly entail a "compromise" with Russia, both territorial and political, which, although unlikely to lead to a lasting political resolution, would supposedly at least achieve long-term stability and reduce the costs of confrontation with Moscow. In reality, entering peace negotiations with Russia now – essentially from a position of Ukrainian weakness – would almost exclusively benefit Moscow. At best, it would offer a brief pause before the next round of military confrontation, which Russia could better prepare for.

Victory over the Putin regime is still possible in the medium- and long-term perspective. Achieving this requires, above all, the recognition of the necessity to pursue a long-term, multi-faceted strategy – one that is calculated to span years, or even decades, of systemic conflict, likely to be more brutal than the Cold War era. This also entails accepting the need to bear the various costs of such a confrontation, costs that are certainly more advantageous than the alternative: facing the consequences of Moscow's strategic success and that of its allies.

# I. STRATEGIC CONTINUITY, TACTICAL EVOLUTION: RUSSIA'S OBJECTIVES IN THE WAR WITH UKRAINE AND THE WEST

## 1. Russia's strategic objectives regarding Ukraine

The current war between Russia and Ukraine did not begin on 24 February 2022, but eight years earlier with the illegal annexation of Ukraine's Crimea, the start of Russian military aggression (disguised as a local rebellion) in the Donbas, and Moscow's unsuccessful attempt to seize other regions in southern and eastern Ukraine. This conflict, which had been fought with varying, generally low intensity, entered a new phase when Russia launched a full-scale armed invasion in 2022. However, this war will not end with the hypothetical cessation of hostilities on the Ukrainian front. The Putin regime will not accept any resolution as a foundation for a permanent settlement of the conflict unless it leads - if not to the total annihilation of the Ukrainian state - then at least to a severe limitation of its sovereignty. Russia's minimum objective is to gain strategic political control over the entire Ukrainian state. Conversely, the Ukrainian government and society (the latter being, unlike Russian society, a genuine political actor) will not, in the long term, accept any settlement that significantly limits their sovereignty or formally and permanently violates the territorial integrity of the state.

It should be acknowledged that **Moscow's true minimum ambitions towards Kyiv** are quite accurately reflected in the demands formulated by Kremlin representatives during its negotiations with the Ukrainian delegation between late February and late March 2022 in Belarus, Turkey and online, which aimed at halting military operations (see Appendix 1).

Russian politicians, officials, and state propaganda have been trying, since spring 2024, to convince Western public opinion of a false narrative which includes several elements. First, Moscow allegedly put forward limited demands on Ukraine. Second, the parties had essentially reached an agreement and agreed on "compromise" formulas. Third, the talks were sabotaged by the West, leading to their failure (the then-UK Prime Minister Boris Johnson is often presented as the main culprit).

In reality, Russia's demands towards Kyiv at that time were far-reaching - their acceptance would have led to the "legalisation" of the violation of Ukraine's territorial integrity, its effective disarmament, and the stripping of its ability

to conduct independent foreign and security policy. These demands would have also created formal tools for Moscow to interfere in Ukraine's domestic politics. At no point during the negotiations was there a version of a document accepted by both sides. Initially, Ukrainians offered counterproposals to some of Russia's demands, but in the final stages, they presented what was essentially an alternative proposal, bypassing Moscow's key demands and focusing on Western security guarantees for Kyiv.

The Ukrainian-Russian talks were halted for two main reasons: firstly, the failure of the critical initial phase of the Russian aggression aimed at capturing Kyiv (Ukraine's sole motivation for engaging in talks at the time was to prevent the annihilation of the Ukrainian state in the face of a significant military imbalance favouring Moscow and very limited military support from the West at that time). Secondly, the discovery, in early April 2022, of mass graves of Ukrainian civilians murdered by Russian aggressors in Bucha and Irpin near Kyiv was a major political factor. This drastically increased anti-Russian sentiment among the Ukrainian public and strengthened the resolve to resist at all costs, making any concessions to Moscow politically unacceptable.

The participation of UN representatives, Western states, Turkey and Belarus in the negotiation process was highly limited – it was mainly confined to logistical services and editorial support. The talks never reached a stage where political decisions regarding Western commitments to either side (guarantees for Ukraine or concessions to Moscow) had to be made.

Since April 2024, Russia has publicly suggested that a permanent settlement of the conflict with Ukraine could be based on the aforementioned Istanbul conditions, albeit with modifications. The most comprehensive list of such formal, general demands was presented by Vladimir Putin in his speech on 14 June 2024. At that time, he proposed two conditions for halting military operations:

- The withdrawal of Ukrainian forces to the administrative borders of the regions annexed by Russia (Russian forces control almost the entire Luhansk region but only a majority of the Donetsk, Zaporizhzhia, and Kherson regions);
- Ukraine's commitment to abandoning its goal of NATO membership.

According to Putin, the conflict could be resolved through negotiations, provided Kyiv (and the West) agree to Russia's conditions, namely:

- Ukraine's acceptance of the "new territorial realities" (i.e., the annexation of Crimea and four other Ukrainian regions);
- A neutral, non-aligned, and non-nuclear status for Ukraine;
- Demilitarisation (based on the levels of armament discussed in 2022 – see Appendix 1);
- "Denazification" (which Putin defined on 4 June as including a ban on organisations supporting (neo-)Nazi ideologies, including Bandera's ideology);
- Ensuring the rights and freedoms of the Russian-speaking population;
- Adopting peace agreements in the form of international legal acts;
- The lifting of all Western sanctions against Russia.<sup>2</sup>

However, there is no doubt that if talks were to occur based on these demands, Russia would likely expand the list of specific conditions to a scale comparable to what they sought in the spring of 2022 (see Appendix 1).

Fulfilling the above demands would not only seriously violate Ukraine's territorial integrity but also significantly limit its sovereignty. Kyiv would lose its freedom to conduct foreign and security policies (these areas would be subordinated to Russian dictates) and its ability to effectively defend the state. Under the pretext of "denazification", Russia would effectively determine which organisations and individuals would be considered "radical" and excluded from politics, while also dictating privileges for the Russian-speaking population. This would provide Moscow with tools to interfere in Ukraine's domestic politics. Furthermore, lifting the sanctions would enable Russia to rapidly strengthen its capacity to pursue an aggressive foreign policy, including the potential for military aggression against its Western neighbours (NATO member states).

<sup>2</sup> 'Встреча с руководством МИД России', Administration of the President of Russia, 14 June 2024, kremlin.ru.

## 2. Russia's strategic objectives regarding the West

The current Russian-Ukrainian war is not a local conflict but a key component of a much broader **confrontation between Russia and the West**, which has been intensifying since at least the beginning of 2007, barring a brief interlude of more cooperative relations between 2009 and 2011. A significant turning point came with Putin's return to the presidency in the spring of 2012, followed by a series of aggressive actions by Moscow starting in 2013. Since that time, it has been possible to speak of a war waged by Putin's Russia against the West. This war encompasses, and continues to include, hostile propaganda campaigns, cyberattacks, sabotage actions (including against critical infrastructure), attempts at political subversion, corruption efforts, energy blackmail, and even military demonstrations and provocations (see Appendix 2).<sup>3</sup>

The de facto elimination of Ukraine as an independent state following Russia's planned victory in the full-scale aggression launched in February 2022 was intended to be merely the starting point for negotiations with the United States and NATO countries, but now from a position of strength. These negotiations were to be based on the security demands presented by Moscow in December 2021 in the form of draft security agreements (see below: *Russia's demands regarding European security from December 2021*). The Kremlin would likely have escalated its claims further to achieve the strategic goals of Putin's policy in Europe. These goals include:

The West's recognition of the so-called post-Soviet space (with the temporary exclusion of the Baltic states) as a Russian sphere of influence, thus blocking

<sup>3</sup> While between 1992 and 2006 Moscow's policy towards the West could generally be characterised as a mixture of cooperation and competition (with the balance periodically shifting and temporary crises emerging), from 2007 onwards, Russia's approach has been marked by confrontation. The symbolic beginning of this shift was Putin's speech at the Munich Security Conference in February 2007 (although he had already announced the political decision to revise Russia's anti-Western policy six months earlier during a meeting with Russian ambassadors). The practical manifestations of this change included cyberattacks on Estonia, Russia's withdrawal from the Conventional Armed Forces in Europe (CFE) treaty, and the initiation of work on intermediate-range missiles, followed by the war with Georgia. After a brief period of more cooperative relations between 2009 and 2011 and Putin's return to the Kremlin in May 2012, the confrontation further intensified. This was demonstrated by, among other things, anti-American sanctions, the resumption of Russian strategic air patrols in 2013, large-scale unannounced military exercises, the aggression against Ukraine in 2014, and the military intervention in Syria in 2015. For more on the evolution of Russia's policy towards the West, see M. Menkiszak, *A strategic continuation, a tactical change. Russia's European security policy*, OSW, Warsaw 2019; *idem*, *Russia's best enemy. Russian policy towards the United States in Putin's era*, OSW, Warsaw 2017, [osw.waw.pl/en](https://osw.waw.pl/en).

the possibility of the future integration of Eastern European and South Caucasus countries into the European and Euro-Atlantic structures;

The creation of a security buffer zone in Central Europe (as well as Northern Europe) by imposing far-reaching restrictions on armaments, military activity, and the deployment of allied forces in the region;

Minimising the American presence in Europe, particularly by forcing the withdrawal of US forces (starting with its nuclear weapons) and dismantling the emerging integrated (US-NATO) missile defence system on the European continent.<sup>4</sup>

### **Russia's demands regarding European security from December 2021<sup>5</sup>**

Both documents are short, with preambles and eight (the agreement with the US) or nine (the agreement with the NATO member states) articles. The agreement with NATO gives Russia the option to withdraw from it at short notice on any pretext.

The drafts specify and expand upon previously known Russian demands for restrictions on the US and NATO military presence and activity in the post-Soviet area (including Ukraine in particular) and Central Europe. Among the most important demands contained therein is that the US and other NATO member states commit:

- to non-aggression and to refrain from actions that Russia considers harmful to its security;
- not to expand NATO, specifically eastwards, particularly into the post-Soviet area;
- not to establish bases and not to conduct military activities on the territory of Ukraine and other post-Soviet states which are not members of the Alliance;

<sup>4</sup> For more details, see *idem*, *A strategic continuation...*, *op. cit.*

<sup>5</sup> For more details, see *idem*, 'Russia's blackmail of the West', OSW, 20 December 2021, [osw.waw.pl/en](https://osw.waw.pl/en).

- not to deploy intermediate-range and shorter-range missiles outside NATO territory and in areas from which Russian territory can be attacked;
- not to deploy nuclear weapons outside the territories of the countries that possess them and to dismantle the infrastructure for such deployment;
- not to deploy troops or conduct military activities in Ukraine and other post-Soviet states;
- to withdraw allied troops deployed on the territories of new NATO member states after May 1997 (following the signing of the NATO-Russia Founding Act);
- to designate a buffer zone around the borders of Russia and its allies in the Collective Security Treaty Organization where exercises and other military activity at brigade level and above will be prohibited;
- to prevent overflights of heavy bombers and passage of warships in areas from which they could strike targets on Russian territory (especially in the Baltic and Black Seas);
- to ensure that fighter planes and warships of the Alliance countries keep a certain distance from similar Russian units in the event that they approach one another.

**Source:** own analysis based on the texts of Russian draft agreements published on the website of the Russian Ministry of Foreign Affairs, 17 December 2021: *Договор между Российской Федерацией и Соединенными Штатами Америки о гарантиях безопасности; Соглашение о мерах обеспечения безопасности Российской Федерации и государств-членов Организации Североатлантического договора*, mid.ru.

Since the autumn of 2023, the Russian side has referred to the aforementioned demands, suggesting that, in the new geopolitical reality (following Russia's aggression against Ukraine and the intensification of the conflict with the West), these demands would need to be revised (i.e., toughened). The Kremlin's specific "offer" to some Western countries (especially in Europe) involved joining the vision of a new security and development architecture in Eurasia, as presented by Putin in June 2024. This broad concept, which expanded on the Greater Eurasian Partnership idea promoted by Moscow since 2015, proposed

developing a network of economic cooperation (including financial, trade, technological and transport collaboration) across Eurasia, tied to collective security agreements and the withdrawal of “extraregional” forces (meaning US forces) from the area. According to Putin, the condition for European countries to join this new centre of global integration (dominated in practice by China) would be their “liberation” from their military, political, technological, ideological and informational dependence on the US.<sup>6</sup>

In practice, this would mean dismantling the existing political and security order in Europe and fundamentally reshaping the global system. The strategic consequences of implementing this vision would be the collapse of NATO, at least a weakening of the European Union, particularly in the security sphere, the severing of transatlantic ties, and the expulsion of US presence and influence from Europe. This would fully open the European continent to economic, and consequently political, penetration by China and Russia. Globally, this would result in the breakdown of US alliances and the reorientation of key states towards cooperation in the economic and security realms with China, which would become the centre of the new order. Russia would seek a place within this order as a weaker ally of Beijing, while maintaining its strategic autonomy and regional spheres of influence (primarily in the so-called post-Soviet space); this would increasingly take the form of joint Russian-Chinese “condominiums”.

### **3. The evolution of Russian tactics in the conflict with Ukraine and the West**

Over the two and a half years since Russia’s full-scale invasion of Ukraine in February 2022, there has been an observable evolution in Russian tactics. Moscow has adapted to the changing situation on the battlefield and the external political-economic environment. This process can be broken down into several stages.

#### **1) *Attempt at a surgical military operation against Ukraine (24 February – end of March 2022)***

Statements and actions by top representatives of the Russian state and Armed Forces enable a reconstruction of Moscow’s initial plan. It appears that the

<sup>6</sup> For more details, see *idem*, ‘The capitulation of Ukraine and the Finlandisation of Europe: Russia’s threats and ‘offers’’, *OSW Commentary*, no. 606, 18 June 2024, [osw.waw.pl/en](https://osw.waw.pl/en).



Kremlin envisioned a swift military operation, aiming to capture Kyiv, secure all of Donbas, and establish a land corridor to Crimea within a short time (a few days to a few weeks). In the most ambitious scenario, Russia sought to take control of the entire eastern part of Ukraine on the left bank of the Dnipro River and the southern part up to the border with Moldova. The democratic Ukrainian government, led by President Volodymyr Zelensky, was to be overthrown, with key members either eliminated or forced to flee the country. A puppet government made up of pro-Russian collaborators would then be installed in Kyiv. These actions were intended to paralyse any potential resistance from the Ukrainian Armed Forces and other security structures, as well as to intimidate Ukrainian society. Russia would thereby assume political control over all of Ukraine (though the extent of the military occupation, potentially excluding the westernmost regions, remains unclear), suppressing any local resistance through terror.

Moscow likely anticipated limited sanctions from the West but assumed that the shock caused by the speed and effectiveness of its actions, coupled with the collapse of Ukrainian resistance, would deter the West from intervening, eventually leading to the de facto acceptance of the new status quo. To discourage Western countries from supporting Kyiv militarily, the Kremlin signalled its willingness to use all necessary means for its “defence”, including nuclear weapons. Simultaneously, Moscow agreed to political negotiations with Ukraine to test the unity of the Ukrainian authorities and assess whether its political objectives could be achieved diplomatically, avoiding significant war costs.

## **2) *Russia on the defensive (end of March 2022 - August 2023)***

By this period, Russia had already realised the failure of its military operation. Its military successes were limited to the capture of most of the Kherson and Zaporizhzhia regions, the creation of a land corridor to Crimea, and cutting off Ukraine from the Sea of Azov. However, a shortage of forces meant Russia needed to withdraw from the northern front (the Kyiv, Zhytomyr, Chernihiv, and Sumy regions). This, along with the discovery of Russian mass war crimes, led to the suspension of Ukrainian-Russian political negotiations.

Russia now faced increasingly stronger Ukrainian forces, with gradually increased support in terms of Western military and financial assistance. In September 2022, a successful Ukrainian counteroffensive in the Kharkiv region forced Russian troops to withdraw. Moscow responded with several significant steps. First, it announced a “partial mobilisation” to bolster the

numbers of troops on the front. Second, it formally annexed four Ukrainian regions: Donetsk, Luhansk, Kherson, and Zaporizhzhia. This move, even by historical Russian imperial policy standards, was unusual, as Moscow did not fully control parts of the annexed territories. It highlighted the Kremlin's desperation, leading it to suggest the use of tactical nuclear weapons to defend the "territorial integrity of Russia". This was aimed at deterring the West, especially the US, from continuing its military support for Ukraine, and it seems to have delayed some Western military aid deliveries due to concerns about escalating the conflict (this argument was frequently raised in both public and private discussions in Western countries, leading to a self-deterrence effect).

In addition to military actions, Russia sought to weaken Ukrainian morale and trigger a humanitarian crisis by launching a wave of air attacks on Ukraine's critical energy infrastructure during the autumn and winter of 2022. Despite these efforts, Russia suffered another defeat on the battlefield. In November 2022, under pressure from the Ukrainian counteroffensive, Russian forces were forced to withdraw from the right-bank Kherson Oblast, including the oblast's capital, Kherson.

From early 2023, Russia stabilised the front and increasingly focused on attempts to go on the offensive in the Donbas (the "defence" of which was the Kremlin's main political pretext for the war) and on reinforcing defensive lines in other sectors. Limited Russian advances in the Donetsk Oblast, particularly the capture of Bakhmut in May 2023, came at a high cost, primarily in the form of heavy casualties among Russian prisoners (approximately 50,000) who had been recruited into the ranks of the so-called Wagner Private Military Company. The growing public conflict between Wagner's leader, Yevgeny Prigozhin, and the Russian Armed Forces' leadership weakened Russian morale. The culmination of this process was Prigozhin's short-lived "mutiny" in June 2023 (see below), which occurred after the Ukrainian counteroffensive had already begun.

At this time, Moscow once again began to more broadly use the nuclear threat, announcing the deployment of tactical nuclear weapons in Belarus. It also carried out economic warfare: in July, Russia withdrew from the Black Sea Grain Initiative (which had been in place since August 2022), allowing Ukraine to safely export agricultural products. However, in the following months, Ukraine managed to largely neutralise the impact of this move by developing alternative export routes along the Black Sea coast, via the Danube River, and through land corridors.

### 3) *Russia on the offensive (from September 2023)*

The death of Yevgeny Prigozhin in a plane crash in late August 2023 (likely due to sabotage by Russian special services) restored a sense of stability within the Russian elite. By September, the failure of Ukraine's months-long counteroffensive efforts on the southern front and the Donbas had become clear. Contributing factors included the strong preparation and adaptation of Russian forces, delayed and insufficient Western military support, and errors made by the Ukrainian side.<sup>7</sup> Signs of fatigue with the protracted conflict were also growing in some Western countries, along with a waning resolve to support Kyiv. This boosted Russia's confidence. Moscow began signalling its willingness to discuss ending the conflict but based on the terms of Ukraine's de facto capitulation, as outlined in the spring of 2022. The Kremlin counted on the US blocking a new aid package for Ukraine (which largely covered the crucial supply of arms and ammunition to Ukrainian forces), anticipating that this would lead to the gradual collapse of Ukrainian defence by the end of 2024 or early 2025. Russia, therefore, intensified its airstrikes on Ukraine's critical infrastructure (including energy facilities) and increased military pressure in the Donbas.

However, the approval of the US aid package (approximately \$61 billion) in late April 2024 altered the situation, allowing Ukraine to gradually strengthen its defence. In response, Russia launched a localised offensive in the Kharkiv region, tying down part of the Ukrainian forces. This led the US to approve the use of Western missile systems to strike Russian border areas (previously, Washington had only permitted attacks on occupied Ukrainian territories). Key Western countries, including the US, also signed long-term bilateral security cooperation agreements with Kyiv.

In reaction, Moscow initiated a political-propaganda campaign along two lines. First, it revived the nuclear threat, warning it would escalate the conflict to the level of tactical nuclear weapon use. Second, it expressed its readiness to end the war, presenting its political conditions (see above). While the Kremlin could no longer count on a swift defeat of Ukrainian defences, it likely assumed that the political dynamics in Europe (the rising influence of populist

<sup>7</sup> The issue of the causes behind the failure of the Ukrainian counteroffensive is a subject of debate and goes beyond the scope of this text. Public criticism directed at Ukraine's political and military leadership has particularly focused on attempts to launch simultaneous attacks in multiple directions (including the Bakhmut area), the insufficient use of combined operations, and the limited number of forces deployed for the operation.

and nationalist factions sympathetic to Moscow) and the US (increasing isolationist sentiments) would, by 2025 at the latest, lead to internal disputes and the eventual breakdown of Western solidarity in supporting Ukraine and pressuring Russia. This would make it more feasible for Moscow to achieve its strategic objectives regarding Ukraine (in the first phase) and the West (in the second phase).

Kyiv responded with declarations of its readiness for peace talks while simultaneously launching a local offensive by its regular armed forces in Russia's Kursk Oblast in August 2024. This offensive resulted in the Ukrainian forces occupying the border areas of the region, posing a political and reputational problem for the Kremlin. However, it did not alter Russia's tactics.

#### 4. The current state of Russia's aggression in Ukraine

As for the state of Russia's aggression against Ukraine, the initial objectives outlined by Russia have not yet been achieved. In this regard, **Russia's operation has failed**. Moscow has not only proven unable to capture Kyiv but has also failed to "liberate" even the entirety of Donbas, which was one of the main officially declared priorities of the so-called special military operation. The Kremlin underestimated the will and capacity of Ukrainians to resist, a miscalculation stemming from the ignorance and arrogance of Russian elites in their approach to the so-called post-Soviet states, leading to faulty assessments. Moscow also misjudged the level of support the West would provide to Ukraine and its determination to counter Russia's policies. This reflects a distorted perception of the West by the Russian government and a degree of wishful thinking on their part.

After two and a half years of bloody conflict, waged by what is considered the "second strongest army in the world", despite resorting to methods typical of a full-scale war (such as partial mobilisation, the use of prisoners and immigrants), and enduring losses estimated in the tens of thousands (several times higher than those incurred by the USSR and Russia in all military conflicts since World War II), the failure to achieve these objectives illustrates the scale of Moscow's defeat.

For Russia, another major cost of its aggression has been the imposition of the harshest sanctions in its history of relations with the West. While these sanctions have not led to the collapse of the Russian economy, they have caused significant damage and generated substantial costs (see Chapter II). Many

cooperation ties with the West have been severed, cutting Russia off both from advanced technologies and the financial markets. Additionally, the European market for energy resources, a cornerstone of Russia's economy, has been seriously curtailed.

Contrary to Russian interests, Ukraine and Moldova have strengthened their ties with the West, with both countries formally recognised as candidates for EU membership and they have started accession negotiations. Meanwhile, European nations have been progressively bolstering their military capabilities. Furthermore, the US military presence in Europe, particularly on NATO's eastern flank, has significantly increased, and transatlantic cooperation has deepened. Finland and Sweden have joined NATO, altering the geostrategic landscape in Europe to Moscow's disadvantage. Additionally, global alliances and agreements involving the US and other Western nations (such as AUKUS and cooperation with Japan and South Korea) are becoming stronger. This means that Putin's decisions, along with those of his closest associates, have overturned decades of efforts by Russia's diplomacy, intelligence services and corporations.

Despite this, **there is no indication that the Kremlin has abandoned its maximalist goals regarding Ukraine and the West.** It appears that Russia has merely concluded that achieving these goals will take longer, incur much higher costs, and require the use of more brutal methods.<sup>8</sup> The nature of the Russian power system – with its centralisation, personalisation of authority and traditional political and strategic culture, which values strong and determined leadership – has made Putin a hostage to the war in Ukraine, and the Russian people hostages to Putin. A clear defeat for Russia in this conflict would deal a massive blow to the regime's reputation, potentially leading to internal destabilisation and, ultimately, the regime's collapse.

However, a Russian success – achieving victory in Ukraine through a combination of military and diplomatic actions – would lead, if not to the destruction of the Ukrainian state, then at least to a significant limitation of its sovereignty (see above). This success would also likely push Moscow, perhaps after a brief pause, towards the implementation of further aggressive plans.

<sup>8</sup> This is demonstrated by numerous statements from Putin and other Russian state officials, including the Russian President's address in February 2023. See M. Domańska, I. Wiśniewska, W. Rodkiewicz, 'Putin's address: an attempt to unite Russians and blackmail the West', OSW, 21 February 2023; M. Bartosiewicz, 'Consolidating for victory: Putin's address to the Federal Assembly', OSW, 1 March 2024, [osw.waw.pl/en](https://osw.waw.pl/en); M. Menkiszak, 'The capitulation of Ukraine and the Finlandisation of Europe: Russia's threats and 'offers'', *op. cit.*

## Consequences of a Russian success

A Russian victory in Ukraine would have severe consequences for the states formed after the dissolution of the USSR.<sup>9</sup> It would heighten fears of Moscow and of the possibility of it repeating similar scenarios towards the other countries in the post-Soviet space. It is highly likely that the Kremlin would first attempt to gain political control of Moldova, combining efforts in political subversion with military pressure. As for the other countries in the South Caucasus and Central Asia, given their limited ability to secure external security guarantees, most would likely comply with at least some of Russia's demands to avoid antagonising Moscow. This would lead to closer cooperation with Russia while simultaneously reducing their ties with the US and the EU. Relations with China and Turkey would also be likely to intensify as a way of balancing Russian influence.

Moscow would then proceed with its plans to dismantle the European political and security order, demanding the fulfilment of its earlier security demands (see above). To strengthen its bargaining position, Russia would likely resort to military demonstrations (e.g. large-scale military exercises with aggressive scenarios near its western borders) and provocations (e.g. incidents involving fighter jets or warships and possibly missile strikes), aimed at creating the impression that it is prepared for a military confrontation with NATO. Moscow might even conduct a nuclear weapons test on its own territory to heighten Western public fear of escalating the conflict to the nuclear level. Russia would expect that such tactics would intimidate some EU and NATO member states, leading to deeper political divisions over how to respond. Should such divisions materialise, Russia would likely escalate its actions, intensifying so-called hybrid warfare (sabotage, cyberattacks, economic pressure, military provocations) primarily against the Baltic states (Estonia, Latvia, and Lithuania) and Poland. The weaker the Western response, the more aggressive Russia's actions would become.

In an extreme scenario, if the Kremlin became convinced that NATO – particularly the US – was experiencing a genuine erosion of collective defence

<sup>9</sup> According to the author, the category of the “post-Soviet space / states of the former USSR” has lost its definitional and explanatory value. Almost nothing now links these states to each other, and they do not form any common region or geopolitical area. The only justification for considering them collectively is their place on Russia's mental map – the way they are viewed by the Kremlin and Russian elites as objects of the Russian Federation's strategy.

guarantees or paralysis in decision-making regarding a strong response to Russian aggression, Moscow might take the risk of initiating a limited war. This could involve quickly seizing parts of the territory of one or more of the aforementioned states, while simultaneously threatening the use of nuclear weapons in case of a NATO counterattack. The Kremlin would view this as leverage to force political concessions, such as the “Finlandisation” of these states and the eventual acceptance of increasing the Russian presence and influence. If such aggression did not trigger an immediate military response from the US and NATO, it could lead to the de facto, if not formal, break-up of the Alliance and a significant weakening of the European Union.

At the same time, Moscow would push for the creation of a new European security architecture, including political institutions involving Russia, giving it actual veto power over key security decisions. It would use this situation to gradually curtail the sovereignty of Central and Eastern European countries and to exert increasing influence over them. Moreover, all of Europe would become a field for intensified Russian (and Chinese) penetration, starting with economic dominance and then expanding into political influence. In many states, this could lead to the rise of forces more inclined to cooperate with Moscow, ultimately leading to the destruction of the post-Cold War order in Europe.

A successful Russian campaign would also create a significant reputational crisis for the US as a power capable of defending its allies and partners. This would have serious negative consequences for the global network of US alliances and partnerships, prompting many countries to distance themselves from Washington and seek alternative ways to ensure their security. This trend would not be limited to countries within the Western alliance system. The process could lead to a new global arms race, potentially involving the uncontrolled proliferation of weapons of mass destruction, especially nuclear arms, as weaker states would see such arsenals as the most effective means of defence.

Another consequence would be the further destabilisation of security in several regions, including the Middle East, East Asia, and South Asia. Ambitious authoritarian states like China would, on the one hand, observe Russia’s example of how effective radical force-based methods are and, on the other, the weakening of the US and Western structures. This would create a strong incentive to emulate Russia’s policies and pursue their

goals through military means, including with the use of armed forces. In these circumstances, an escalation of conflict in the South China Sea would become highly likely, including, in a radical scenario, a Chinese military assault on Taiwan. Other aggressive regimes, such as North Korea and Iran, would be likely to increase destabilising actions in their respective regions. Moreover, conflicts such as the one between Pakistan and India could escalate, as could numerous other regional and local disputes.

In the aftermath of a Russian success in the war against Ukraine (and de facto the West), the entire world would become significantly less secure, and the international legal system would suffer severe erosion.

Russian declarations and actions indicate that the Kremlin still hopes for a favourable turning point in the conflict. This hope is based, on the one hand, on deeply ingrained beliefs shared by members of the Russian elite regarding the nature of Western states and, on the other hand, on the ruling elite's perception of the current situation and their short- and medium-term forecast of its evolution. As for the first premise, in Moscow, the West (itself not homogeneous) is still viewed as: relatively weak and plagued by internal crises and political, economic, social, or ideological divisions; having low societal resilience to long-term sacrifices, such as the need for austerity or a temporary reduction in the standard of living; risk-averse and fearful of conflict escalation; susceptible to intimidation and corruption; and seeking stability at the cost of compromises and concessions. These Russian stereotypes apply in particular to most Western European countries, while the US, the UK, the Baltic states, and Poland are perceived as being less susceptible to these factors.

The Kremlin seems to believe that the decisive factor for the outcome of the war in Ukraine is the level (more in terms of quality than quantity) of Western (especially American) military support. In addition, in the political and economic spheres, the political will of Washington (and to a lesser extent, the EU and its key member states) to provide systematic and long-term assistance to Kyiv will be crucial. **Moscow's immediate (short-term) goal**, therefore, is to deter and discourage the West from providing Ukraine with enough support to allow Kyiv to stabilise the front line and, at a later stage, even move to a counteroffensive. In the short- to medium-term, the Kremlin's next objective is to push for a revision of the current US and EU policies towards Ukraine, aiming for them to pressure Kyiv into accepting Russian terms for a ceasefire (or, ideally for Russia, a partial settlement of the conflict).



Russia's main intention is to convince the West that its own resources, determination, resilience, and willingness to bear the costs of the war exceed those of the West. This would mean it is in the West's interest to seek a quick freezing of the conflict at the cost of concessions to Moscow, which Ukraine would have to pay. In this scenario, at least some of the original goals of Russia's plan would be achieved, the Putin regime would be significantly strengthened, and the temptation to continue its aggressive policy towards the West would grow. This would increase the likelihood of the "darkest scenario" described above.

To prevent this, it is essential to formulate an adequate Western counterstrategy. However, the starting point must be to anticipate the factors that will determine Moscow's ability to continue its war against Ukraine and the Western states.

## II. SHORT-TERM ADAPTATION, LONG-TERM CHALLENGES: FACTORS AFFECTING RUSSIA'S ABILITY TO CONTINUE THE WAR

Although Russia can continue its military operations based on its current ability to replenish and restore its military capabilities, the real extent of these capabilities is closely linked to other factors – economic, political and social stability – correlated respectively with the economic costs, the cohesion of the ruling elites, and the public sentiment.

### 1. Military capabilities

Analysing Russia's current military potential and the production capacities of its defence-industrial complex is a highly challenging task (and is beyond the scope of this text, which focuses on a general political analysis). This difficulty arises primarily from the high level of secrecy surrounding this area, especially during wartime. The figures that appear in the public sphere – concerning losses of personnel or arms production – are therefore highly uncertain and should be treated with scepticism,<sup>10</sup> remembering that they are also part of the ongoing information war between the conflicting sides.

The Russian forces fighting in Ukraine are suffering significant losses, but these are concealed by the Russian side. Western intelligence estimates, as of mid-2024, indicated a total of 350,000 killed, wounded, missing or taken prisoner (according to US sources). Earlier, in the autumn of 2023, the number of fatalities alone was estimated at 70,000, including 20,000 former prisoners fighting in the ranks of the so-called Wagner Group (according to British sources). As part of a joint project by the BBC and Russia's independent Mediazona, by the end of August 2024, individual lists of approximately 66,500 killed soldiers had been compiled, with the total estimated at around 120,000 (approximately 145,000 including the so-called Donetsk and Luhansk People's Republics).<sup>11</sup>

<sup>10</sup> An example of such data is provided by the International Institute for Strategic Studies and independent Russian analyst Pavel Luzin, as cited by the *Financial Times*. See M. Seddon *et al*, 'How long can Russia keep fighting the war in Ukraine?', *Financial Times*, 21 February 2023, ft.com. More recent and comprehensive estimates based on official Russian data can be found in the report: M. Snegovaya, M. Bergmann, T. Dolbaia, N. Fenton, *Back in Stock? The State of Russia's Defense Industry after Two Years of the War*, CSIS, April 2024, csis.org, and also in the analysis: J. Watling, N. Reynolds, 'Russian Military Objectives and Capacity in Ukraine Through 2024', RUSI, 13 February 2024, rusi.org.

<sup>11</sup> See M. Menkiszak (ed.), *Russia after two years of full-scale war. Fragile stability and growing aggressiveness*, OSW, Warsaw 2024, osw.waw.pl/en; 'Russian losses in the war with Ukraine', Mediazona, en.zona.media.

On the other hand, Putin's decrees indicate that the official size of the Russian Armed Forces increased steadily between 2021 and 2024, from 1.013 million to 1.320 million. According to an official statement made by Putin in December 2023, 617,000 Russian soldiers were involved in the so-called special military operation, 244,000 of whom were mobilised in the autumn of 2022. According to then-Defence Minister Sergei Shoigu, around 540,000 individuals signed contracts to serve in the army in 2023, and Dmitry Medvedev, Deputy Chairman of the Russian Security Council, claimed that an additional 190,000 signed up in the first half of 2024 (though these questionable figures cannot be verified). Shoigu's plans, announced in December 2023, called for the size of the Russian Armed Forces to increase to 1.5 million soldiers. Moreover, Ukrainian military intelligence (HUR) claimed that the staffing of Russian forces fighting in Ukraine was high (over 87% of the planned amount), despite reports of rotation problems. In 2022–2023, four new operational command structures were formed (two armies and two corps), along with five new divisions, four combined-arms brigades and three artillery brigades.<sup>12</sup>

Russia is experiencing a demographic crisis (see below). In the long term, these trends will negatively impact the functioning of the state, including the economy, and will also be felt by the armed forces. However, in the coming years, they are unlikely to cause significant difficulties in replenishing and expanding the army's personnel. This is partly due to the fact that in the conscription-age generations (around 30 years old), each cohort includes 600,000–700,000 men.<sup>13</sup> Potential issues could arise from problems such as addiction and health problems. Corruption mechanisms that allow individuals to avoid military service may have a limited impact. On the other hand, conscription into the army negatively affects the labour market, exacerbating the already significant labour shortage in the Russian economy. Problems with recruiting “volunteers” for service can also be identified by the systematic increase in payments for signing contracts with the Armed Forces, which range from a minimum guaranteed amount of approximately \$4,650 to as much as \$22,350,

<sup>12</sup> See *Russia after two years of full-scale war...*, op. cit.; П. Аксенов, 'Путин назвал размер воюющей в Украине группировки. О чем говорят эти цифры?', BBC News Русская служба, 14 December 2023, [bbc.com/russian](https://bbc.com/russian); 'Шойгу заявил, что за 2023 год по контракту набрали 540 тыс. Военных', ТАСС, 20 February 2024, [tass.ru](https://tass.ru); 'Около 190 тыс. россиян заключили контракт с Минобороны с начала года', Интерфакс, 4 July 2024, [interfax.ru](https://interfax.ru).

<sup>13</sup> See K. Chawryło, 'Short-term stability and long-term problems. The demographic situation in Russia', *OSW Commentary*, no. 610, 3 July 2024, [osw.waw.pl/en](https://osw.waw.pl/en).

depending on the region.<sup>14</sup> This represents a growing financial burden on the regional budgets in Russia.

The issue of supplying weapons, military equipment, and ammunition is somewhat more complex. Available information strongly suggests that the economy has shifted to a wartime footing, including ensuring continuous (around-the-clock) production in arms factories and prioritising budgetary spending on military and state security needs.

The production of key categories of weaponry (tanks, armoured combat vehicles, artillery, aircraft, and combat helicopters) and artillery ammunition (approximately 2 million rounds annually) in Russia has at least doubled during the two years of the war, while the production of ballistic missiles and cruise missiles has more than tripled (estimated by HUR to be 115-130 per month). The Russians have also expanded the production of loitering munitions on a large scale and improved their electronic warfare (EW) systems.<sup>15</sup> According to official information from the Russian Ministry of Defence in December 2023, approximately 1,500 tanks, 2,200 armoured personnel carriers, 1,400 missiles and artillery units, and 22,000 drones were produced that year. These figures almost certainly include repaired and modernised equipment from reserves (with tanks, those categories are estimated at around 1,200 units).<sup>16</sup>

However, this does not mean that Moscow has no problems in this area. Russian forces have suffered significant losses in military equipment during the war in Ukraine. In fighting, they have largely relied on depreserved Soviet-era equipment and ammunition reserves, which are not an inexhaustible resource (some Western analysts suggest that, at the current rate, these reserves could be depleted within two to three years, but this claim cannot be verified based on available data). **Current production, despite the aforementioned significant increase, is not able to fully compensate for losses** (the substitution rate is estimated at about 10% in 2022 and around 30% in 2023) **while also equipping the intensively created new units.** This forces a continued reliance on depleting reserves. It is worth noting the changes in combat tactics aimed at reducing equipment losses. For example, in the first ten months of

<sup>14</sup> 'Russian Regions Hike Military Sign-Up Payments in Bid to Boost Manpower for Ukraine War', The Moscow Times, 30 July 2024, [themoscowtimes.com](https://themoscowtimes.com); 'Putin doubles signing bonuses for volunteers to fight in Ukraine', Reuters, 31 July 2024, [reuters.com](https://reuters.com). A person signing a contract for service in the Russian Armed Forces in Moscow can expect total payments equivalent to approximately \$58,000 in the first year.

<sup>15</sup> See *Russia after two years of full-scale war...*, *op. cit.*

<sup>16</sup> Source: M. Snegovaya, M. Bergmann, T. Dolbaia, N. Fenton, *Back in Stock?...*, *op. cit.*

fighting in 2022, Russian forces lost approximately 1,600 tanks (destroyed, damaged, etc.), the same number as in 18 months of 2023 and 2024 combined.

This situation forces Russia to seek sources of imported weapons and ammunition (see Appendix 3). Moscow first tapped into reserves stored in Belarus, reportedly importing around 130,000 tonnes of various types of ammunition (according to independent Belarusian sources). It is unclear how much of this was artillery ammunition. Based on publicly available information, two main countries have supplied weapons and ammunition to Russia. The first is Iran, from which Moscow began importing Shahed drones (used in combat in Ukraine since September 2022), and by autumn 2023, part of their production had been transferred to Russian territory. The second is North Korea, which Russia has imported large quantities of ammunition from (according to South Korean data, Pyongyang may have supplied Moscow with up to 6 million rounds from the summer of 2023 to August 2024, see Appendix 3), though this has not yet been used on the front (it is likely being used for training and/or replenishing stockpiles), and ballistic missiles (the first “test” use of these on Ukraine occurred at the end of December 2023). It may be expected that Russia, with an attractive arms and industrial offer for Tehran and Pyongyang, will strengthen its military cooperation with these countries. Iranian drones, due to their widespread use, continue to occasionally cause significant damage. There have also been reports of ammunition production for Russia in factories in Syria.

## 2. The economic situation

Despite the unprecedented scale of Western sanctions and visible signs of crisis in certain areas, the Russian economy performed significantly better in 2022 and especially in 2023 than initially forecasted.<sup>17</sup> Several factors contributed to this outcome.

<sup>17</sup> For more details, see I. Wiśniewska, ‘Russian economy in 2022. Adaptation and a growing budget gap’, OSW, 16 February 2023, [osw.waw.pl/en](https://osw.waw.pl/en); *Russia after two years of full-scale war...*, *op. cit.*

**Table 1.** Selected key economic indicators for Russia for 2021–2024

Indicator type	2021	2022	2023	1st half of 2024
GDP growth (y/y)	5.6%	-1.2%	3.6%	4.0%*
Growth in industrial production (y/y)	6.3%	0.7%	4.1%	5.0%
Growth/decline in export value (y/y) (according to the balance of payments)	45.8%	19.9%	-28.3%	0.3%*
Growth/decline in import value (y/y)	26.8%	-9.0%	11.7%	9.0%*
Oil and gas revenue for the budget** and its annual percentage increase/decrease	\$123 bn (73.0%)	\$169 bn (28.0%)	\$103 bn (-23.9%)	\$63 bn (68.5%)
Inflation (December to December)	8.4%	11.9%	7.4%	9.0%***
Federal budget surplus/deficit (as % of GDP)	0.4%	-2.3%	-1.9%	-0.5%

\* Estimates.

\*\* Oil and gas revenues converted to USD at the average annual exchange rate.

\*\*\* Annual inflation as of June.

**Sources:** Rosstat, Central Bank of Russia.

**Firstly**, Russia possessed a substantial financial cushion, particularly in the first half of the year, due to the high revenues from raw material exports in 2022; these form the backbone of its economy. This was linked to the energy crisis in Europe, actively fuelled by Moscow, and psychological factors. Moreover, although Russia is waging war against the entire Western community, the countries belonging to it (especially in the EU) remained the dominant recipients of these exports and the most important source of revenue for the Russian Federation for a long time.<sup>18</sup> Over the decades, these countries

<sup>18</sup> For example, between 2013 and 2020, twelve EU member states imported oil and oil products from Russia worth a total of over €800 billion (data from: Ru-Stat, ru-stat.su). Moscow's revenues from the total export of energy resources gradually declined - from a peak in March 2022 estimated at around €1.25 billion per month to around €640 million in July 2023. In the first months of 2024, these revenues stabilised at €700–750 million per month. From the beginning of the invasion of Ukraine

had financed Russia's capacity to pursue its aggressive anti-Western policies by expanding infrastructure and trade ties. Breaking away from this model quickly proved to be a serious challenge, both objectively and subjectively (see further details below).

**Secondly**, the significantly delayed implementation of key EU sanctions against Russia was a closely related factor, especially the partial embargo on Russian oil and oil product imports (on 5 December 2022, and 5 February 2023, respectively). Moreover, due to a lack of consensus, there were significant exemptions for some countries, which indicated that there was potential for significant economic damage. Western restrictions in the oil sector were also accompanied by concerns about their negative effects on the global supply-demand balance, and thus on commodity prices, which are economically significant and a sensitive topic in election campaigns in Western countries (especially the US). Similar motivations were behind the late introduction of the so-called price cap mechanism on Russian oil and the effective easing of some EU sanctions regarding its export to third countries.<sup>19</sup>

The dependence of some EU countries on Russian natural gas imports led to the fact that restrictions did not cover this sector of economic exchange with Russia. Ironically, it was Moscow's "counter-sanctions" that led to a significant, though gradual, reduction in the import of natural gas from Russia and forced some EU states to adopt an accelerated diversification of supply sources. The need to maintain payment mechanisms with Russia for the energy resources still being supplied also justified the decision not to include all key Russian banks in the EU financial sanctions (including exclusion from the SWIFT interbank payment system). Notably, Gazprombank was not targeted, allowing Russia to create partial mechanisms for circumventing sanctions. Six months passed after the invasion before the embargo on Russian coal imports to the EU took effect. Meanwhile, the lack of consensus prevented the inclusion of Russia's nuclear sector in European restrictions. Despite the gradual expansion of trade and technology sanctions affecting the decline in trade between Russia and the West, mutual exchange did not cease entirely, and not all Western companies left the Russian market.<sup>20</sup>

in February 2022 until early September 2024, Russia sold energy resources (oil, oil products, natural gas and coal) to EU countries worth a total of €201.5 billion, of which €108 billion was from oil and €90 billion from gas. Data from: 'Financing Putin's war: Fossil fuel imports from Russia during the invasion of Ukraine', Centre for Research on Energy and Clean Air (CREA), [energyandcleanair.org](http://energyandcleanair.org).

<sup>19</sup> See I. Wiśniewska, 'Further restrictions on Russian oil exports', OSW, 7 February 2023, [osw.waw.pl/en](http://osw.waw.pl/en).

<sup>20</sup> Between 2021 and 2023, exports from the EU to Russia dropped by 57% (from €89 billion to around €38 billion), while imports decreased by 69% (from €253 billion to €89 billion). Data from Eurostat as

**Thirdly**, Russia gradually adapted to the new conditions by creating mechanisms to circumvent restrictions. A key element of this process was the official introduction of so-called parallel imports in May 2022 (legalising the import of goods without the consent of trademark owners), and its scope was systematically expanded. As a result, the value of products delivered to Russia in this manner increased.<sup>21</sup> Various channels of “grey” imports were exploited, involving Russian companies and numerous intermediaries from countries not participating in Western sanctions (mainly from the post-Soviet region, East Asia and the Persian Gulf).

**Fourthly**, there was a process of diversification in Russia’s trade and economic ties, primarily towards Asia. The impressive increase in Russia’s trade with individual, mostly non-Western countries (especially India, China and Turkey) was partly due to the – difficult-to-estimate – re-export of goods through these countries to Russia. Although some Western countries (primarily the US) conducted individual political talks and exerted economic pressure on the states involved in these mechanisms, the results were delayed.<sup>22</sup>

**Fifthly**, some ad hoc actions by the Russian government and the Central Bank of Russia helped maintain the stability of the financial system and mitigate the severity of Western sanctions for citizens, especially those taken in the initial phase of the invasion of Ukraine. These included drastic restrictions on currency transactions, the temporary suspension of stock market trading, and discouraging foreign companies from leaving the market (by multiplying

cited in: S. Taran, ‘Cost of aggression: EU sanctions against Russia two years on’, European Policy Centre, 13 March 2024, [epc.eu](https://epc.eu). For more details, see: Z. Darvas, L.L. Moffat, C. Martins, C. McCaffrey, *Russian foreign trade tracker*, Bruegel, [bruegel.org](https://bruegel.org). According to the Kyiv School of Economics, only 25% of identified foreign companies ceased or exited their operations in Russia, approximately 30% limited their activity, while 45% continued without significant changes. In 2022, companies registered in the US, EU, UK, Switzerland and Japan paid a total of around \$1.8 billion in taxes on profits to the Russian budget. Data for 2023 is unavailable, but it was estimated that Western banks alone paid €857 million in taxes (with €464 million from Austria’s Raiffeisenbank), four times more than in 2021. See *Stop Doing Business with Russia*, [leave-russia.org](https://leave-russia.org); *The Business of Staying: a closer look at multinational revenues and taxes in Russia in 2022*, B4Ukraine & Kyiv School of Economics, [kse.ua](https://kse.ua); ‘Western banks in Russia paid €800mn in taxes to Kremlin last year’, Financial Times, 28 April 2024, [ft.com](https://ft.com).

<sup>21</sup> According to estimates from the Russian government, by the end of 2022, goods weighing a total of 2.4 million tonnes and valued at over \$20 billion were imported in this way. See *Платежный баланс Российской Федерации*, no. 4 (13), Q4 2022, Банк России, 26 January 2023, [cbr.ru](https://cbr.ru).

<sup>22</sup> For example, Russian exports to India increased by 674% between 2021 and 2023, to Turkey by 157%, and to China by 63%. Trade with Asian countries made up approximately 70% of Russia’s total trade in 2023 (with China alone making up one-third of that), which is double the share from 2021, while trade with Europe made up 23% (a fall by half). Under apparent pressure from the US, many banks in Turkey and Kazakhstan stopped processing Russian MIR payment cards, and as a result of an EU decision in March 2023, Turkey largely ceased re-exporting Western goods that were under sanctions.



obstacles and the de facto nationalisation of the property of companies that withdrew from Russia).

These factors do not imply that the economic situation in Russia is currently optimistic. The country faces serious economic problems and challenges.

### Major economic problems in Russia

**The rising financial costs of a war economy.** Between 2021 and 2024, nominal federal budget spending on “national defence” tripled, reaching 6% of GDP, and accounted for 33% of total budget expenditure (in reality, considering classified budget items and expenditure placed in other sectors, this figure exceeds 40%). Meanwhile, social spending (including education and healthcare) increased by only 16% overall – significantly below inflation levels.

**Uneven economic development.** While the defence sector and related industries – such as heavy industry (steel and other metals for armaments), light industry (uniforms and personal protective equipment), electronics (semiconductors and computers), and transportation (military trucks) – have benefited from the war, most other sectors have experienced a decline (e.g. the automotive industry) or stagnation. In late July 2024, Central Bank chief Elvira Nabiullina assessed that the economy was in a state of “severe overheating” and that production capacity and human resources were “exhausted”.<sup>23</sup>

**Decline in production and exports of energy resources.** The Russian gas sector is facing severe challenges. In 2023, Gazprom’s natural gas production fell by about 13% compared to 2022 and by as much as 30% compared to 2021. Its gas exports to so-called “far abroad” countries (i.e. excluding post-Soviet states) were 33% lower than the previous year (and 62% lower than in 2021). The state-owned company also noted a record financial loss of approximately \$7 billion in 2023.<sup>24</sup> Official data indicates that oil production fell by 0.8% in 2023 (though OPEC data suggests a 2.3% fall), and exports fell by 3.3%. Additionally, in the first four months of 2024, oil refining and exports decreased by about 10%, largely due to successful

<sup>23</sup> Заявление Председателя Банка России Эльвиры Набиуллиной по итогам заседания Совета директоров Банка России 26 июля 2024 года, Банк России, 26 July 2024, cbr.ru.

<sup>24</sup> See F. Rudnik, ‘Gazprom in 2023: financial losses hit a record high’, OSW, 14 June 2024, osw.waw.pl/en; ‘Россия в 2023 году снизила добычу нефти на 0,8%’, ТАСС, 6 February 2024, tass.ru.

Ukrainian drone strikes on Russian refineries.<sup>25</sup> Despite relatively high global oil prices, this led to a 39% year-on-year drop in Russia's budget revenue from energy exports (compared to 2022).

**Labour shortage.** Deteriorating demographic indicators, increased production, and military conscription are contributing to a growing labour shortage in sectors such as heavy industry, utilities, transportation and IT. According to a report prepared by experts from the Russian Academy of Sciences in late 2023 (based on Rosstat data from mid-2023), there were around 4.8 million vacancies (in a workforce population of 72 million), and approximately 90% of companies reported a demand for workers.<sup>26</sup>

**Inflation and worsening business conditions.** Despite efforts by the Central Bank and a temporary reduction in (high) inflation, it began rising again in mid-2023. In July 2024, Rosstat reported that inflation exceeded 9% year-on-year, while Romir, using data from real consumer purchases, reported it at 18.5% in May 2024. This has harmed business conditions in Russia, exacerbated by rising costs and falling access to credit. This is partly due to the Central Bank's forced increases in the key interest rate, from 7.5% in 2023 to 16%, and then to 18% in July 2024, and 19% by September.

**Problems with international payments and access to capital.** Due to Western sanctions and their cooling effect, Russia has faced difficulties with payments in foreign trade. The systematic transition to (non-convertible) national currencies in transactions with many non-Western countries (particularly Chinese yuan and Indian rupees) has not solved the issue. For example, in trade with India, this led to delays in payments for deliveries and an accumulation of excess Indian currency (equivalent to about \$39 billion). According to the Indian media, this forced Russia to convert part of these funds into both capital and direct investments in the Indian market.<sup>27</sup> In 2022, Russia experienced a record net capital outflow of \$243 billion (estimated at \$58 billion the following year).

<sup>25</sup> See F. Rudnik, 'Budanov's sanctions. The consequences of Ukrainian attacks on Russian refineries', *OSW Commentary*, no. 597, 21 May 2024, [osw.waw.pl/en](https://osw.waw.pl/en).

<sup>26</sup> Т. Батыров, 'Экономисты РАН оценили дефицит кадров в России почти в 5 млн человек', *Forbes*, 24 December 2023, [forbes.ru](https://forbes.ru).

<sup>27</sup> *Idem*, 'СМИ узнали о решении Россией проблемы застрявших в Индии «миллиардов рупий»', *Forbes*, 7 May 2024, [forbes.ru](https://forbes.ru).

**Growing dependence on China.** Moscow's confrontation with the West is systematically increasing Russia's dependence, particularly in economic terms, on China. In 2023, trade between the two countries reached \$240 billion (up 26% from 2022 and 69% from 2021), making China Russia's dominant economic partner (30.5% of Russian exports and 36% of imports). This has exacerbated the asymmetry in their economic relations, as Russia's share in China's trade rose to only 4%. A large part of the trade involves Russian oil exports (43% of Russia's total oil exports). More than one-third of Russia's foreign trade transactions are conducted in Chinese yuan (75% with China). In 2023, yuan accounted for 42% of Moscow stock exchange trading, and this figure rose to 99% after the imposition of US sanctions in June 2024. Russian banks extended loans to companies in yuan worth about \$46 billion. Moreover, 60% of Russia's National Welfare Fund is held in yuan. China is also the main supplier of microprocessor and IT technology, as well as transportation products (cars and trucks), to Russia. The estimated share of Chinese goods in the supply of machinery, industrial equipment, and spare parts rose to as much as 90% in 2023.<sup>28</sup>

**Production primitivisation.** Due to sanctions and corporate boycotts, the ambitious government programme for the development of 5G technology has not progressed as initially planned.<sup>29</sup> Russia suffers from a deficit of advanced industrial machinery (including precision machine tools) and is unable to replace Western imports of advanced products and IT technologies on a large scale; the same applies to certain consumer goods (e.g. cars with proper equipment). Imports from Asia (especially China) do not provide a sufficient alternative, often due to lower quality. Where Western products are imported despite sanctions through intermediary chains, purchase costs have risen.

<sup>28</sup> See A. Prokopenko, 'What Are the Limits to Russia's "Yuanization"?', Carnegie Russia Eurasia Center, 27 May 2024, [carnegieendowment.org](https://carnegieendowment.org); M. Snegovaya, M. Bergmann, T. Dolbaia, N. Fenton, *Back in Stock?...*, *op. cit.*

<sup>29</sup> According to the government's digital economy development strategy from 2017, Russia was supposed to establish a 5G network by 2021, covering ten cities with populations of over one million. This goal was not achieved, and the currently declared target date has been pushed back to 2028. Russia has also fallen in Bloomberg's Global Innovation Index rankings: in 2016, it ranked 12th in the world, but by 2022 it had dropped to 47th, and in the following year, it fell out of the top 50 altogether. In a similar index by WIPO (a UN agency), Russia ranked 51st in 2023, down four places from the previous year.

### 3. The political and social situation

Although the radical decision for a full-scale military aggression against Ukraine must have been planned and made months in advance, it appears that only a small circle within Russia's top political and military leadership was privy to the information. For the vast majority of the broader elite (not to mention the Russian public), what transpired seemed to come as a surprise and shock. In hindsight, it is clear that the Kremlin undertook several preparatory actions, notably tightening the already draconian repressive legislation and dismantling or neutralising the remaining structures of civil society and political opposition in Russia, including the last independent media outlets.<sup>30</sup>

Interestingly, this was accompanied by keeping the borders largely open. Russian activists were generally not prevented from leaving the country, even after the invasion began. When the so-called partial mobilisation was announced in late September 2022, the authorities effectively allowed tens of thousands of (mostly young) men to flee the country. It is estimated that about 800,000 Russian citizens left Russia permanently or for an extended period in 2022 for broadly defined political reasons (mainly to avoid military conscription). At least half of them are believed to have later returned to the country. While this had some negative socio-economic consequences, from the Kremlin's perspective, it acted as a stabilising factor. Those leaving were mostly "politically questionable" individuals, and their departure objectively reduced the potential for protest movements. Furthermore, the limited protests accompanying the mobilisation showed the authorities that they did not have to fear social resistance to their aggressive foreign policy.<sup>31</sup>

Public opinion surveys in a state with totalitarian characteristics, such as modern-day Russia, cannot reliably reflect the social mood. Therefore, the consistent (and even slightly increasing) support for the authorities and the "special military operation" in Ukraine (with about three-quarters of Russians

<sup>30</sup> See M. Domańska, 'Russia 2021: Consolidation of a dictatorship', *OSW Commentary*, no. 419, 8 December 2021; M. Domańska, K. Chawryło, 'War dictatorship: power and society in Russia', *OSW Commentary*, no. 433, 22 March 2022, [osw.waw.pl/en](https://osw.waw.pl/en). It appears that those involved in preparing the invasion included, besides Putin, Defense Minister Sergei Shoigu, Chief of the General Staff Valery Gerasimov, Secretary of the Security Council of the Russian Federation Nikolai Patrushev, and FSB head Aleksandr Bortnikov. The earlier stance and later reactions of the leadership of the Ministry of Foreign Affairs and economic ministries, however, indicated that they were not informed of the preparations for this operation. See also M. Domańska, 'Putin's neo-totalitarian project: the current political situation in Russia', *OSW Commentary*, no. 489, 17 February 2023, [osw.waw.pl/en](https://osw.waw.pl/en).

<sup>31</sup> See: K. Chawryło, I. Wiśniewska, 'Mobilisation in Russia: society's reactions and the economic consequences', *OSW Commentary*, no. 486, 20 January 2023, [osw.waw.pl/en](https://osw.waw.pl/en).

supporting it in surveys) should not be taken at face value.<sup>32</sup> Nevertheless, it is clear that the alleged annexation of four Ukrainian regions at the end of September 2022, meant to simulate a questionable “success” of the Russian operation, did not spark any public euphoria (unlike the annexation of Crimea in the spring of 2014, which was met with enthusiasm, although its positive political impact for the Kremlin only lasted a few years).

Some difficulty in managing public sentiment is also seen in the inconsistencies of the Kremlin’s official propaganda narrative. It oscillates between attempting to reassure citizens that the state is functioning relatively normally despite the “operation” – and even improving – and the goal of mobilising society to defend the country against an alleged Western aggression, comparable to the fight against Nazi Germany during the “Great Patriotic War” (1941–1945).

**Signs of public fatigue with the prolonged war and its consequences** are also emerging. This is demonstrated by incidents of protests by the families of forcibly mobilised individuals or those who voluntarily signed contracts for military service, as well as the inclusion of the social organisation Soldiers’ Mothers on the list of extremist organisations. This trend is further indicated by public opinion polls (despite their methodological limitations), which showed a significant increase in the number of supporters of a peace settlement with Ukraine by mid-2024.<sup>33</sup>

On the other hand, rising incomes, especially in Russia’s poorest regions, are linked to increased payments for those enlisting in the military and compensation for the families of the fallen. This has led, on the one hand, to a psychological normalisation of the wartime situation and, on the other, to a growing number of people viewing war as a means of material advancement.<sup>34</sup>

The key to political stability in Russia, however, is not the mood of the masses but the views and attitudes of the political and business elites. So far, the

<sup>32</sup> See: M. Domańska, ‘Putin’s neo-totalitarian project...’, *op. cit.*; *Russia after two years of full-scale war...*, *op. cit.*

<sup>33</sup> Their percentage rose to the highest recorded level of 58% in June 2024 but decreased to 49% in August following the incursion of Ukrainian forces into Russia’s Kursk region. Approximately 90% of Russians expressed concern about these recent events. See ‘Конфликт с Украиной: основные индикаторы, ответственность, поводы для беспокойства, угроза столкновения с НАТО и применения ядерного оружия’, Levada-Center, 4 July 2024; D. Volkov, ‘Привычная тревога: что думают россияне о наступлении ВСУ в Курской области’, Levada-Center, 3 September 2024, [levada.ru](http://levada.ru).

<sup>34</sup> See M. Eckel, ‘For Some In Russia’s Far-Flung Provinces, Ukraine War Is A Ticket To Prosperity’, RFE/RL, 11 June 2024, [rferl.org](http://rferl.org).

Kremlin has had little reason for serious concern in this area. The shock of the invasion and the subsequent (spring and autumn) defeats on the Ukrainian front in 2022 did not result in deep visible divisions within the Russian establishment. Although only a minority of officials, major businessmen, and artists demonstrate political loyalty and pro-war gestures, expressions of doubt (let alone active opposition to the war) are even rarer in these circles.<sup>35</sup> In 2022 and the first half of 2023, public tensions and disputes occurred within the broader security apparatus over responsibility for failures or limited successes, and there were personnel reshuffles within the military leadership. However, these conflicts typically concerned tactics and effective implementation rather than strategic policy objectives.

One particularly notable event was the so-called Prigozhin's mutiny in June 2023, when Yevgeny Prigozhin, the head of the "private military company" Wagner Group, which had been actively fighting on the Donbas front, openly opposed the leadership of the Russian Armed Forces (specifically then-Defence Minister Sergei Shoigu and Chief of the General Staff General Valery Gerasimov, whom he sharply criticised for their handling of operations in Ukraine). After several thousand loyal soldiers under Prigozhin's command seized the headquarters of the Southern Military District in Rostov-on-Don and began a "march on Moscow", the mutiny ended with a political compromise brokered by Belarusian dictator Alyaksandr Lukashenka.

This was the first such event in Russia in 30 years (since the armed clashes in Moscow in 1993). It shocked citizens, especially the broader elites. It also revealed the fragility of support for Putin's regime. Only Prigozhin's death two months later in a plane crash, likely the result of sabotage by Russian special services, restored a sense of relative stability and reinforced Putin's position. This stabilised the internal political situation, although the mutiny has not been forgotten and serves as a warning to the Kremlin, fuelling Putin and his close associates' political paranoia.<sup>36</sup>

It appears that the relative stability of Putin's regime is based on two main factors. First is the longstanding fear among Russians (likely heightened in wartime) of the personal security consequences of opposing the Kremlin. For ordinary citizens, this includes a range of repressive measures stemming from draconian laws and their enforcement (job loss, expulsion from

<sup>35</sup> *Ibid.*

<sup>36</sup> See *The calm after the storm. Russia following Prigozhin's mutiny*, OSW, Warsaw 2023, [osw.waw.pl/en](https://osw.waw.pl/en).

universities, fines, imprisonment, or even long-term detention). Disloyal members of the political-business elite risk not only losing their positions, financial benefits and a significant portion of their wealth and assets but, in extreme cases, also their lives and those of their loved ones. As long as this fear outweighs frustration over personal and collective losses, and the risk of taking active action against Putin and his associates is subjectively perceived as too high, it is unlikely that the current situation will change. Additionally, the ruling elite is obsessed with security, avoiding potentially risky activities (including limiting direct contacts) and likely monitoring all horizontal interactions within the wider elite.

The second key factor behind this status quo is the still-prevailing, though difficult to quantify, belief among at least part of the elite in the official propaganda's promise of a future "victory" for Russia in its confrontation with Ukraine and the West. These sentiments grew stronger after the Ukrainian counter-offensive failed in the fall of 2023 and were further reinforced by increasing signals of a favourable shift in attitude in several Western countries and within Ukraine itself. It seems that a growing portion of Russia's elite shares the belief that Ukraine's ability to resist and the West's willingness to provide long-term support are inevitably declining, and that there is a worsening crisis within the Western alliance and its member states. As long as this belief persists, along with entrenched Russian stereotypes about the West (especially Western Europe) being weak, risk-averse, and prone to intimidation and corruption, the Kremlin may be able to maintain this confidence, thus ensuring the survival of the regime.

Ongoing **demographic crisis** is having a negative impact on internal stability. For eight years, Russia has recorded a negative population growth rate (its official population - 146 million, including occupied Crimea - contracts by a rate between 0.5 and 1 million people annually), due to falling birth rates and rising mortality. In recent years, this negative trend has no longer been offset by positive migration balances. The Russian population is ageing steadily. At the beginning of 2023, the average age of men was 38.1 years, and for women, 43 years. Despite formal annexations of Ukrainian territories and the naturalisation of foreign nationals (between 1992 and 2022, around 12 million people were granted Russian citizenship), Russia's population is shrinking, and forecasts suggest this trend will continue for decades.<sup>37</sup>

<sup>37</sup> See K. Chawryło, 'Short-term stability and long-term problems...', *op. cit.*

**Tensions based on ethnic and religious grounds are also growing** in Russia, with increased hostility towards migrants (from the South Caucasus, Central Asia and other Asian countries). Terrorist attacks by Islamic radicals, whose growing activity is once again becoming a serious internal security issue (after a few years of relative calm), are contributing to this.<sup>38</sup>

All of these factors and trends suggest that **in the next few years** (at least until 2026) – if Ukrainian resistance and Western pressure remain at current levels – **Russia will likely retain the ability to wage a high-intensity war without the threat of internal destabilisation. However, the longer the conflict drags on, the more the costs and risks will accumulate for Russia**, especially if Western support for Ukraine increases and sanctions on Russia are tightened. This is why Moscow prefers a relatively quick resolution to the conflict with Ukraine in its favour. For this reason, the Western strategy should focus on preventing this outcome and continuing to weaken Russia.

<sup>38</sup> See M. Bartosiewicz, 'Increasing radicalisation: terrorist attacks in Dagestan', OSW, 25 June 2024, [osw.waw.pl/en](https://osw.waw.pl/en).



### III. STOP - WEAKEN - DEFEAT RUSSIA: THE STAGES OF A WEST'S STRATEGY

**Putin's aggressive Russia poses a direct and serious threat to the security of the Euro-Atlantic region, as well as a challenge to global security.** For Ukraine and the majority of Central, Eastern and Northern European states, especially those bordering the Russian Federation (as well as those in the South Caucasus and Central Asia), this threat is existential – it concerns their independence, territorial integrity, and even their existence itself. For other Western states, the danger lies in the negative consequences of Russia's ongoing aggressive policy, which could lead to the weakening or disintegration of key political, economic, and security structures (particularly NATO and the EU). Russia may also attempt to destabilise internal situations through political and economic subversion, acts of sabotage, cyberattacks and other hostile actions.

Globally, the Kremlin's policies increase the risk of regional crises, the proliferation of weapons of mass destruction, and the continued threat of energy, food and trade crises, as well as the further erosion of international law and the basic principles of state interaction. A world in which countries, believing themselves to be great powers and claiming spheres of influence that limit the sovereignty of others, use military force to change borders and overthrow democratic governments will be less safe for the vast majority of nations.

The root of these threats is the current Russian regime itself – its dictatorial, neo-totalitarian nature, the composition of the narrow ruling group, and its perception of reality, its political objectives, and methods of achieving them. As long as this regime exists, and Putin – the chief instigator of the war with Ukraine and the West – remains in power along with his closest collaborators, who share his views and are actively involved in planning and leading the war, this threat will persist. These individuals are responsible for mass war crimes and acts of state terrorism.

The Western community is both the primary target of Russia's aggressive policies and the organiser of resistance against it. Therefore, the main goal of the West and other countries that share its values and commitment to defending freedom should not merely be to halt Russia's ongoing aggression and minimise its damage. Of equal importance is the **creation of conditions that will lead to the removal of members of Putin's regime from power and enable a deep systemic change in the Russian Federation**, providing hope for a positive revision of its foreign policy (see further). Of course, this process

will not be a direct result of Western actions, as the West does not possess the tools to enact it. It will rather involve a series of political, economic, and informational measures designed to shape circumstances conducive to internal Russian actors (opposition activists, but primarily members of the broader elite) bringing about this change themselves. Achieving this goal will be very difficult, fraught with numerous risks, and will come at significant cost. However, the alternative – the continuation of the regime and its further pursuit of aggressive policies, likely with escalation – would be even worse for Western security and, more broadly, the international community.

## **The time perspective: three phases**

The West's strategy to maximise the chances of achieving the aforementioned goals should be implemented with consideration of **three time horizons: short-term (up to several months), medium-term (up to a few years) and long-term (spanning from a dozen years to several decades)**.

### **1. Short-term: stop Russia**

**In the short-term** (up to mid-2026), the primary objective of Western policy should be to concentrate and maximise political, economic, and military efforts, a strategy referred to as a “**surge**”. The goals of this surge should be: first, halting the current minor advances of Russian forces on the Ukrainian front; stabilising the front line; strengthening Ukraine's overall resilience, especially to survive the winter of 2024/2025; and, in the meantime, equipping Ukrainian forces to launch offensive operations between summer 2025 and spring 2026. The success of these offensive actions would create a favourable backdrop for diplomatic talks, aiming – by 2026 – for a ceasefire and a temporary freezing of the conflict.

At this stage, it would be crucial to provide maximum support to Ukraine through the supply of both offensive (particularly continued provision of long-range missiles such as ATACMS and Storm Shadow/SCALP, as well as fighter jets in numbers that would bear a significant impact on the battlefield) and defensive weaponry (especially air defence systems), artillery ammunition (through increased production in Western countries by 2025), tanks, infantry fighting vehicles, and emergency assistance in the energy sector (electricity, fuel, heating materials, generators, and other energy-related equipment). Another critical element of this policy would be **the removal of existing restrictions on the use of advanced Western weapons against military**

**and critical infrastructure targets (especially energy facilities) deep inside Russia.** It would also be essential to resist Moscow's pressure – using both threats of escalation and pseudo-offers of “peace” (on its terms) – to rush into negotiations that would weaken support for Ukraine and ease pressure on Russia.

The political goal of this phase would be to convince Russian elites that achieving the Kremlin's political objectives in Ukraine is impossible in the near future – whether by military or diplomatic means – and that the costs for Russia (in political, economic and security terms) are rising sharply, especially if large-scale fighting were to extend onto Russian territory. Ukraine's survival through the winter of 2024/2025 (despite significant damage – over half of the critical energy infrastructure) would demonstrate Russia's inability to cause a humanitarian catastrophe or a political crisis in Ukraine with the goal of breaking the will of its citizens to resist. If Ukraine could regain the tactical initiative on the Donbas front and/or in the Zaporizhzhia and Kherson oblasts, securing territorial gains that partially reverse Russia's earlier successes, it would have a considerable psychological and political impact.

In response, the Kremlin might resort to threats and limited escalation (increased attacks on Ukraine, including on civilian and symbolic targets, and intensified hybrid warfare against the Western states). Simultaneously, Moscow's political motivation to engage in talks to halt Ukraine's counteroffensive and limit the comprehensive (especially political and reputational) damage to the Putin regime would likely increase.

This could lead – perhaps in 2026 – to a **ceasefire agreement**, unlikely to result in a deeper political settlement. However, it is crucial that this agreement does not include three elements. **Firstly**, it should not formalise the territorial status quo (which remains unfavourable for Ukraine as it would reward Moscow for aggression) paving the way for its future revision, either politically or militarily, in circumstances advantageous for Russia. **Secondly**, it should not impose any restrictions on Ukrainian sovereignty (such as a commitment to abandon integration with Western structures, including NATO, or provisions allowing interference in Ukraine's internal affairs, such as so-called denazification), nor should it weaken Ukraine's ability to defend itself (e.g. through demilitarisation or imposing barriers to military cooperation). **Thirdly**, it should not entail a reduction or lifting of Western sanctions on Russia (at least not until Ukraine's territorial integrity has been fully restored and Moscow compensates Kyiv for war damages).

This scenario is not optimal and would require considerable determination from both Ukraine and the West. However, two other, more favourable scenarios are not realistic.

**The first scenario**, described in the 2023 publication *Winning the war with Russia. The West's counter-strategy towards Moscow*,<sup>39</sup> envisioned providing a level of military support to Ukraine and economic pressure on Russia that would result in a significant military-political success for Kyiv in the short term (by the end of 2024). However, this became unrealistic due to the lack of political will among key Western governments, their inconsistent policies, earlier mistakes by Ukraine, and the irreversible loss of the time required to implement the necessary actions.

**The second, also more advantageous scenario** for Ukraine and the West, would involve maintaining high levels of Western support for Ukraine, allowing it to continue high-intensity military operations for years, thereby depleting and weakening Russia's resources. However, two major obstacles and risks arise here. **Firstly**, the pace of increasing the defence production and military potential of the Western states in the long run cannot keep up with Ukraine's high demand and consumption of weapons and ammunition, alongside these countries' own defence needs. While production cooperation with Ukraine's defence sector and imports from third countries can only partially alleviate this problem, public sentiment in Western states and growing opposition to prolonged war make it increasingly difficult to view support for Kyiv as a priority. **Secondly**, the mounting human and material losses in Ukraine are an even more significant concern. The Ukrainian authorities are finding it increasingly difficult to mobilise reserves for the armed forces and ensure their timely training. Attempts to conscript members of the large Ukrainian diaspora and war refugees or volunteers from other countries will not solve this issue. The growing destruction of critical infrastructure, coupled with the insufficient pace of repair and external support, raises the risk of severe economic and humanitarian crises. This situation also hampers plans for Ukraine's comprehensive reconstruction and deters foreign capital from investing in a country at war. As such, the scenario of a prolonged war of attrition seems very difficult to realise and too costly for Ukraine.

The main challenge to implementing the scenario of a "surge" lies in political processes within key Western European countries and the US. Populist and

<sup>39</sup> See M. Menkiszak, *Winning the war with Russia...*, op. cit.

nationalist parties, sceptical or critical of continued financial and military support for Ukraine (at least at the current level), are gaining influence in Europe. These groups tend to have a favourable or “pragmatic” view of Putin’s Russia. In the US, isolationist forces are gaining traction, calling for reduced international engagement (including support for Ukraine) and a focus on domestic issues. These trends are amplified by social changes, war fatigue, sanctions fatigue and internal problems, leading to a decline in trust in traditional political elites and the media. In some cases, this leads to changes in governments and foreign policy adjustments. This makes it increasingly difficult to approve new financial aid packages for Ukraine (bilaterally and within the EU) and to expand sanctions against Russia or make them harsher. There are growing calls for Kyiv to negotiate with Moscow and for a swift freezing of the conflict, given Russia’s tactical advantage, raising the risk of the Kremlin achieving at least partial political success in Ukraine.

The most critical factor influencing the short-term outlook is the US presidential election on 5 November 2024 – especially if Republican candidate Donald Trump wins and takes office in January 2025. During his campaign, Trump repeatedly claimed he would quickly end the Russian-Ukrainian war and criticised the high level of US financial support for Kyiv. While it is difficult to predict how these promises would be fulfilled, a report prepared in April 2024 (the “Kellogg Plan” for Ukraine) by former senior officials from the previous Trump administration provides some insights. This plan envisions a swift ceasefire without imposing significant restrictions on Ukraine’s sovereignty, though its implementation would likely benefit Moscow, which would undoubtedly try to enforce some of its demands in the negotiations. Even more detrimental for Kyiv would be the peace terms suggested by Republican vice-presidential candidate J.D. Vance in an interview on 12 September 2024. According to Vance, Russia would retain the occupied Ukrainian territories, a demilitarised zone would be established along the line of separation, heavily fortified on the Ukrainian side to prevent another Russian aggression, Kyiv would abandon its NATO membership ambitions, and Ukraine would become a neutral state, which would serve as a political guarantee for Russia.<sup>40</sup>

<sup>40</sup> The content of the public version of the document can be found in: K. Kellogg, F. Fleitz, *America First, Russia, & Ukraine*, AFPI, 11 April 2024, [americafirstpolicy.com](https://americafirstpolicy.com). A summary of this document is included in an article published by Reuters: G. Slattery, S. Lewis, ‘[Trump handed plan to halt US military aid to Kyiv unless it talks peace with Moscow](https://www.reuters.com/world/ukraine/2024/06/25/trump-handled-plan-to-halt-us-military-aid-to-kyiv-unless-it-talks-peace-with-moscow/)’, 25 June 2024, [reuters.com](https://www.reuters.com). The most significant benefits Russia would gain include – besides retaining its territorial gains in Ukraine – a delay in Ukraine’s NATO membership for an extended period (potentially ten years), a partial lifting of sanctions and, in practice, it would discourage Western countries from increasing military support

## The “Kellogg Plan” for Ukraine

The proposal for resolving the Russian-Ukrainian conflict, authored by Keith Kellogg and Fred Fleitz, includes the following actions and negotiation framework:

1. Ending Russia’s political isolation, establishing diplomatic contact with Moscow, and ceasing the “demonisation” of Putin.
2. Applying pressure on both Moscow and Kyiv to implement a ceasefire and commence peace negotiations.
3. Incentives for Russia in the peace settlement would include:
  - The US and NATO delaying the issue of Ukraine’s NATO membership for a longer period (perhaps ten years),
  - Russia retains the currently occupied Ukrainian territories,
  - Partial lifting of sanctions against Russia,
  - The prospect of full sanctions relief and normalisation of relations with the US, contingent on Russia agreeing to a peace deal acceptable to Ukraine.
4. Pressure on Moscow would come from:
  - The US continuing to militarily support Ukraine, strengthening its defence capabilities,
  - Ukraine receiving long-term security guarantees (primarily bilateral).
5. Incentives for Ukraine in the peace settlement would include:
  - Ukraine would not have to formally recognise Russia’s annexations but would commit to not attempt to change the current status quo by force,
  - The plan does not impose other restrictions on Ukrainian sovereignty,
  - Kyiv continues to receive US military assistance (potentially in the form of interest-free loans) and vague security guarantees,
  - Tariffs would be placed on Russian energy exports, with the proceeds allocated for the reconstruction of Ukraine.

for Kyiv during the crucial next few months. For statements by J.D. Vance, see [Why Have a Government if it's Not Functioning?](#), Shawn Ryan Show, 12 September 2024, youtube.com.

6. Pressure on Kyiv would come from the possibility that the US may halt military aid to Ukraine if Kyiv refuses to engage in peace talks with Moscow.

### Commentary

- Despite its declared intentions, the proposal is not a “compromise”. Russia gains (though less than it desired), while Ukraine primarily loses.
- Although it claims to offer Kyiv negotiations “from a position of strength”, the pressure for a quick settlement favours Moscow, and it would exploit this to dictate terms.
- The plan calls for an end to efforts to isolate Russia and Putin, thereby reinforcing his domestic and international legitimacy and facilitating the continuation of aggressive policies.
- The gradual lifting of sanctions undermines the West’s previous policies towards Russia and allows it to more rapidly rebuild its aggressive capacity against the West.
- Unlike Ukraine’s losses, which are tangible and measurable, the promises made to it are vague and inconsistent with the text’s criticism of unending military support for Kyiv.
- There are no specific or credible penalties for Moscow in the event of a breach of the agreement, which is almost certain to occur sooner or later.
- The positive aspects of the proposal for Kyiv include the absence of references to Russia’s other demands of Ukraine and NATO (demilitarisation, “denazification”, recognition of annexations, revision of European security).

**Based on:** K. Kellogg, F. Fleitz, *America First, Russia, & Ukraine*, AFPI, 11 April 2024, [afpi.org](https://afpi.org).

The Kremlin is fully aware of the existing circumstances and believes that the political dynamics and public sentiment in the West increase the chances of it achieving at least some of its objectives regarding Ukraine in the short term.

Nevertheless, it is not in Moscow's interest for Kyiv to gain a strategic pause as a result of a ceasefire, which could help strengthen Ukraine and integrate it into Euro-Atlantic structures. Continuing the war, even in a limited form, is necessary for the Putin regime to maintain a sense of threat, an instrument of social control and disciplining the elites, while also justifying economic difficulties. It thus seems likely that Russia will aim to initiate "peace talks" without halting military actions, maintaining pressure on both Ukraine and the West, hoping that increasing war fatigue will improve its chances of negotiating the most favourable terms for a temporary freezing of the conflict. Simultaneously, we can expect the Kremlin to attempt to intimidate key Western states further and push them to accept Russian demands by escalating hybrid warfare against the West in a limited fashion.

## **2. Medium-term: weaken Russia**

It is important to understand that the ceasefire agreement outlined in the previous phase would not signify the end of the Russian-Ukrainian conflict, much less the hybrid war that Russia is waging against the West. It is highly probable that an agreement of this kind would not last more than a few years at most. Its inevitable consequences would include reducing the burdens and costs for Russia from intense military operations and increasing the efficiency of its preparations for a future armed confrontation, not only with Ukraine but also with NATO states. Moscow would likely succeed, albeit with delays, in implementing its ambitious plan to double its offensive military capability in the western theatre of operations. Furthermore, this would likely coincide with a similar process being undertaken by China, and by around 2030, both Russia and China would have developed the capability to launch significant offensive actions against the West in their respective theatres (Moscow in Europe and Beijing in East Asia). This would substantially increase the risk of either the opportunistic exploitation of one power's offensive by the other for its own strategic gains or even fully coordinated action by both states in a quasi-alliance. This, in turn, would weaken the ability to defend against Russian aggression, both for Ukraine and NATO's European members, by diverting American forces away from their commitments in Europe.

On the other hand, this would reduce Ukraine's substantial current costs of waging high-intensity warfare (including human and material losses), enabling the implementation of an ambitious economic recovery plan for Ukraine with Western support, while it would also make significant progress in its integration into Western structures (see below: *The issue of Ukraine's integration*



*with the European Union and NATO*). This would strengthen Ukraine's state, economy and military, giving it several years to build up its military potential in cooperation with the Western countries. In particular, the rebuilding and training of Ukrainian reserves and specialised personnel, as well as the creation of efficient logistics chains to support the armed forces, would be crucial. For the West, this scenario would also slightly reduce the current economic burdens and lower the internal political risks associated with an increasingly unpopular war. Most importantly, it would provide time for the development of its own industrial potential, including the defence sector (such as weapons and ammunition production both for internal needs and support for Ukraine), and the implementation of plans to enhance military capabilities.

While Western military support for Ukraine would be essential in the short-term phase, in the medium-term (up to around 2030), economic pressure on Russia would take on greater significance. The primary political goal during this period would be to weaken the Putin regime as much as possible by maximising Russia's socio-economic and political problems, and particularly by hindering the development of its military potential (for details on the tools needed to implement such a policy, see below).

At the same time, the aim would be to strengthen Ukraine and other countries threatened by Russia's neo-imperial policies (such as Moldova) to the point where, with Western support, they can effectively defend themselves. Other key objectives would include maximising the resilience of the West itself, skilfully managing the political challenges, boosting economic capacity and, above all, expanding defensive capabilities – particularly in European countries. The political goal of these actions would be to reach a sufficiently high level of deterrence to prevent Russia from resuming large-scale aggression against Ukraine or NATO member states. This would be served especially by the potential accession of Ukraine to NATO and the EU. While this issue is highly complex and beyond the scope of this analysis, it is important to highlight several key aspects.

### **The issue of Ukraine's integration with the European Union and NATO**

**Firstly**, membership in the European Union and NATO should not be seen as alternatives, but as complementary components of anchoring Ukraine in Western structures and the deep reform of the state in line with their standards. These memberships are fundamental to building a strong,

modern, democratic, and resilient Ukrainian state, which is in the interest not only of Ukrainians but also of the entire Western community, as well as regional and global stability.

**Secondly**, EU membership is crucial primarily for consolidating the rule of law and democratic mechanisms that can help counter hostile Russian penetration aimed at destabilising Ukraine internally, while also creating instruments to support Ukraine's intensive and stable economic development. In turn NATO membership would provide Kyiv with strong security guarantees, particularly from the United States, which are essential for deterring Russia from renewing its aggression. More importantly, this would deprive the Kremlin of any hope of subordinating Ukraine in the near future.

**Thirdly**, it is an illusion to believe that Ukraine's abandonment of NATO accession or the de facto blocking of this option would stabilise the situation while protecting a key interest of Moscow. On the contrary, it would encourage a recurrence of Russian aggression by reinforcing the Kremlin's belief that the West fears direct confrontation and is not determined to support Ukraine in its defence. Moreover, without security guarantees – which can only come from NATO membership or, alternatively, a bilateral alliance with the US – the reconstruction of Ukraine's economy would be significantly hampered, as it requires the inflow of Western private investors, who are guided by risk assessments.

**Fourthly**, political realities cannot be ignored. These include the ongoing deficits in Ukraine's implementation of European standards, as well as both objective and subjective obstacles in both accession processes. These stem from the need to reconcile the interests of existing member states (especially economic interests) with those of the candidate country. Harmonising these interests and implementing the necessary reforms will be a long and challenging process. In terms of NATO membership, there is concern among some of the current members about provoking further aggression from Moscow.

**Fifthly**, the optimal scenario would be for Ukraine to achieve NATO and EU membership by around 2030 (as part of a strategy to deter Russia). A sub-optimal alternative scenario would involve the intensification of Ukraine's cooperation with NATO countries and military reforms to reach full readiness for membership, coupled with a series of bilateral agreements with

key Alliance members (especially the US) providing security guarantees (direct military support in the event of external aggression) for Ukraine. Ideally, this would be tied to at least a limited NATO military presence in Ukraine. In practice, the necessary condition for this would be the freezing of the military phase of the Russian-Ukrainian conflict (an alternative, more desirable scenario involving pre-emptive decisions and actions by the US and NATO would entail the acceptance of the risk of direct military confrontation with Russia, which seems unrealistic). As for the EU, it is important for Kyiv to achieve the highest possible level of advancement in the accession process, making future membership practically certain, thus depriving the Kremlin of any hope of derailing it.

Although Ukraine's accession to NATO and the EU is crucial from the perspective of the West's policy objectives towards Russia, all the aforementioned assumptions are equally relevant for other countries bordering the Russian Federation that have already initiated the EU accession process (Moldova) or currently have an open perspective for membership in both structures. This applies not only to Moldova but also to Georgia, although in this case, it seems unlikely without a change in the current ruling elite.

### 3. Long-term: defeat Russia

Given the systemic nature of the conflict with the Russian Federation, the West must be prepared for a **prolonged and exhausting confrontation with Russia**, especially if the aforementioned strategy of a surge does not lead to a turning point. In this scenario, economic pressure tools, particularly **sanctions** and measures aimed at gradually isolating the Putin regime internationally, will become increasingly important. Simultaneously, a deeper consolidation and strengthening of the West's capacity and resilience will be necessary.

In this context, the **evolution of the global order** will play a significant role: the **reform of international institutions, changes in the nature of globalisation and, crucially, the revival of the West as a community open to external cooperation**. The scale and time frame of this policy should resemble the early Cold War period, particularly during the doctrine of containment, while recognising the different conditions under which this current conflict is unfolding.

**Table 2.** Cold War and “Cold War 2.0”: similarities and differences

Similarities	Differences
<p><b>Global reach and proxy conflicts:</b> The rivalry spans different regions of the world (though currently on a smaller scale), occasionally taking the form of supporting opposing sides in regional and local conflicts.</p>	<p><b>Lack of a coherent counter-ideology:</b> Russia does not promote a unified counter-ideology, though it references vague pseudo-conservative slogans and “Russian values”, and fights liberal ideas.</p>
<p><b>Avoidance of direct military confrontation:</b> Both sides seek to avoid direct military confrontation, which carries the risk of escalation.</p>	<p><b>Offensive nature:</b> While in the later Cold War period Moscow aimed to defend and maintain the political and territorial status quo, today its goal is a fundamental revision of that status quo.</p>
<p><b>Multidimensional nature:</b> The confrontation plays out on many fronts (political, informational, cyber, economic, energy-related, technological, military, etc.).</p>	<p><b>Lack of informal constraints, few formal ones:</b> On the one hand, Russia’s communicated “red lines” are vague, and crossing them has no serious consequences. On the other, Russia imposes no clear self-limitations on offensive actions, and most formal arms control restrictions no longer apply.</p>
<p><b>Domestic instrumentalisation:</b> The Russian side uses the confrontation to discipline its own elites and maintain its system of control and repression.</p>	<p><b>Less bloc discipline and reduced Western global influence:</b> The current international order is far more polycentric, and the influence and dominance of the “collective West” within it are significantly reduced.</p>
<p><b>Maintaining communication channels:</b> Both sides remain in contact, especially during crises, and continue to send public messages.</p>	<p><b>Lack of regular high-level contacts:</b> The sides communicate irregularly at lower levels (below the level of leadership), and there are no formal negotiation processes underway.</p>

**The long-term goal (over the next several decades) of Western policy towards Russia should be to deliver a strategic defeat to Russia** – understood primarily as the maximal weakening of its ability to conduct aggressive foreign policy and the prevention of the Kremlin’s ambitions to fundamentally revise or destroy the regional and global order.

**The optimal scenario would involve a profound political transformation in Russia:** the collapse of the (post-)Putin regime, de-imperialisation (the failure and discrediting of imperial policies and the restoration of a federal, decentralised structure to the state), and possibly the democratisation of the Russian Federation. Russia focused on internal modernisation and development, maintaining the rule of law, a country that conducts friendly policies towards its neighbours, respecting their sovereignty and territorial integrity, and constructively participates in pragmatic international cooperation aimed at solving global problems – this would be the best scenario both for the citizens of Russia and the international community.

However, the realisation of this scenario would likely require several significant factors to occur simultaneously, including a serious shock triggered by external circumstances (such as losing a war and/or a deep economic crisis) and the loss of system stability due to internal tensions. Although this situation is not impossible (it is difficult to predict), a more probable scenario at present seems to be **the gradual decay of the neo-totalitarian Putin system until it reaches a crisis or implosion** due to growing internal problems, largely driven by external pressures. This perspective is supported by the fact that many long-term trends are working against Russia.

### **Major long-term trends threatening Russia**

**Demographic crisis.** Russia is experiencing a long-term trend of declining birth rates and increasing mortality, an ageing population, decreased immigration, increased emigration, depopulation in certain regions, and changes in the social structure (including ethnic and religious composition), which may generate social tensions (see above).<sup>41</sup> Projections indicate that this trend will continue in the coming years and decades (according to Rosstat's medium scenario, the population will shrink by 7 million by 2045, and by approximately 15.5 million according to the low variant). All of this negatively impacts economic development and internal stability.

**Changes in global energy.** The ongoing technological revolution also encompasses the energy sector. The development of new (including “green”) energy sources and the gradual decline in the importance of hydrocarbons are striking at the core of Russia's key export and budget revenue sources. This is happening in a context where decades-long

<sup>41</sup> See: K. Chawryło, ‘Short-term stability and long-term problems...’, *op. cit.*

efforts to diversify the Russian economy (reducing the dependency on energy production and exports to increase the share of high-tech and value-added products) have so far failed, with no signs of change.

**Technological backwardness.** The depletion of the industrial and human resource base inherited from the USSR, the radical reduction in technological cooperation with the West, and the long-term impact of Western sanctions will deepen Russia's technological backwardness (except in niche sectors such as arms production). Increased cooperation with non-Western countries (particularly China) will only partially mitigate this problem.

**Loss of economic competitiveness.** The above phenomena will affect other sectors of the economy as well. Russia will systematically lose its competitive advantages, even in sectors where it has traditionally excelled (such as the nuclear sector). One factor contributing to this will be a poor investment climate, resulting from increased state control over the economy, the lack of the rule of law, the erosion of property rights and the sanctions regime, which blocks the inflow of foreign capital.

**Dependence on China.** The confrontation with the West, redirecting exports towards Asia, and increasing Chinese economic penetration in Russia – alongside growing political and military cooperation aimed at countering the West – will deepen Russia's already significant dependence on China (see above). Attempts to develop relations with other non-Western countries (India, Vietnam, the UAE, Saudi Arabia, Brazil, etc.) or Turkey will only slightly mitigate this process. This dependence will hinder domestic production growth and exacerbate internal political tensions (as dependence on China is unpopular among a significant portion of the Russian elite).

**Consequences of climate change.** Climate change, aside from a few positive effects for Russia (such as improved navigability of the so-called Northern Sea Route), will create numerous problems. For example, the thawing of permafrost threatens natural and technological disasters (a significant portion of Russia's energy infrastructure is located in permafrost areas, and methane emissions could lead to ecological disasters), while droughts and extreme weather events will negatively impact agriculture (which is becoming increasingly important for the Russian economy, including its export revenues).

Western policy only partially influences the trends mentioned above. In the long term, maintaining or – optimally – systematically increasing sanctions pressure on Russia, as well as Western countries refusing to return to pre-2022 trade and economic cooperation (especially in energy and technology), is of particular importance.

The greatest challenge to this policy is, on one hand, the direct and indirect costs borne by the West, which are causing growing resistance in some countries (see above), and on the other, the actual support Russia receives from non-Western states. From the perspective of the West, the most dangerous aspects are direct military cooperation (such as arms and ammunition exports to Russia or joint exercises) and the provision of military or dual-use technologies, which directly enhance the offensive capabilities of the Russian Armed Forces. It is therefore crucial to clearly define a “red line”, the crossing of which would result in sanctions against any third-party entities (including those in Western countries) that violate it. Furthermore, large-scale economic cooperation with Russia, especially in the energy sector (such as the import of Russian resources, transportation, and insurance), remains problematic. Dialogue and persuasion, including offering alternative cooperation projects, play a vital role in addressing this issue.

However, long-term efforts to limit Russia’s capacity for aggressive foreign policy will be difficult without systemic changes in the functioning of the global order. Actions are needed on three fronts:

**Reforming international institutions.** Current major political (such as the UN) and economic organisations (such as the IMF and World Bank) were shaped after World War II to reflect the power structures of that time, which were dominated by the Western countries. They do not fully account for the significant changes in the world since then, particularly the rise of non-Western states’ potential and ambitions. Without increasing these countries’ interest in the effective functioning of these institutions, it will be difficult to engage them in cooperation on strategic security issues (including countering Moscow’s aggressive policies). For example, expanding the geographic representation of the permanent members of the UN Security Council, potentially introducing semi-permanent members, and placing certain limits on the use of the veto power would address calls for greater democratisation and representativeness. However, it is crucial that the growing influence of non-Western states on international organisations does not lead to the paralysis of these organisations or their transformation into tools for scupper Western policies.

**Changing the nature of globalisation**, particularly concerning the offshoring of production and the internationalisation of supply chains. Until recently, this process was viewed as a way to reduce business costs, which was a priority. However, the rise of confrontational international relations and renewed great-power competition have rendered the old model of globalisation dysfunctional, or even dangerous. As critical resources, supply chains and the concentration of sensitive goods production have become the instruments of aggressive policies by some states – especially authoritarian and totalitarian regimes – the focus on cost minimisation is unsustainable. The security of supply of critical resources and products, maximising economic self-sufficiency, developing national industrial bases and building supply chains based on cooperation with allied and partner states have all become key priorities. The increased costs associated with them and a partial return to the broader use of market protection tools (primarily within economic blocs) are an inevitable consequence of these processes.

**Reviving the West as an open community** due to shared interests in defending against external aggression and efforts to fundamentally revise the rule-based (democratic) global order. It is essential for Western countries – the US, Canada, the UK, the EU and EEA member states (including accession countries), as well as Australia, New Zealand, Japan, South Korea, and Taiwan – to intensify bilateral and multilateral cooperation in politics, economics, technology, and the military. This would improve the coordination of strategic policy directions, enhance the security of resource and technology supplies, and increase their defence potential and deterrence capabilities. Key concepts in this regard include friendshoring and de-risking. Furthermore, the dominant vertical relationship model between these countries and the US, in the role of the leader of the “collective West”, should be supplemented by developing horizontal relations among them. The openness of the Western community would mean that non-Western countries that do not engage in close cooperation with hostile states and ensure secure exchanges could benefit from attractive offers of cooperation, including in investment, trade and access to lucrative markets.



## IV. WESTERN POLICY TOOLS TOWARDS RUSSIA: THE FIVE “D’s”

Since the beginning of Russia’s full-scale aggression against Ukraine, a series of decisions have been made to maximise Ukraine’s success and secure Moscow’s strategic defeat.<sup>42</sup> Many of these ideas remain relevant today, so it is worth reiterating their justification and summarising the progress made so far.

### 1. Denying Russia a chance for victory

A key factor legitimising the Putin regime and maintaining the political loyalty of the broader elite to the Kremlin – apart from the fear of repression – is fostering the belief in a future victory (even if distant and achieved at great cost in lives and sacrifices). Depriving these elites of hope for Russia’s success in the war (optimally through delivering a spectacular defeat to Russian forces, humiliating Putin and his associates, and exposing their inefficiency and impotence), which would compound the rising costs of isolation and sanctions is essential and the only way to create strong incentives for internal conflicts within the Russian elite. Even if this does not immediately lead to a political crisis due to the Kremlin’s likely response of internal terror, it will contribute to weakening the regime which, engulfed in growing paranoia, will focus on the real and perceived internal threats. Over time, this will promote the regime’s erosion and its loss of control.

One alternative is to achieve a similar effect by intensifying long-term political, economic and security pressure on Russia, while continuing support for Ukraine. This will systematically increase the costs of Russian aggression, while simultaneously denying Moscow any hope of achieving its strategic objectives regarding Ukraine and the West.

In this context, it is important to address the controversial issue of regime change in Russia.

#### **The risks of regime change in Russia**

Arguments that have surfaced in the public debate suggesting that the collapse or a change of the regime in Russia is too risky – due to the potential

<sup>42</sup> The list of proposals aimed at this can be found in the text *Winning the war with Russia...*, written in the first half of 2023, *op. cit.*

emergence of an even more aggressive nationalist dictatorship, or the breakdown of state structures, chaos or even the disintegration of the Russian state – are based on partially flawed premises.

Firstly, they do not attach enough weight to the specific nature of the Putin regime, which has developed a vertical power structure dependent on a charismatic leader. As such, any change at the top will lead to a weakening of the regime’s cohesion and effectiveness. No figure aspiring to leadership will be able to exert the same level of control as the current leader. Each will also face internal opposition from rivals who will balance and temper their influence. Therefore, in the event of such a change at the top, Russia’s ability to pursue an aggressive foreign policy will decline.

Secondly, if the current political course visibly fails – due to its inefficacy and rising costs – the likelihood increases that any personnel or institutional changes will elevate the influence of those advocating for an alternative, more pragmatic approach, one that seeks a de-escalation of the conflict with the West.

Thirdly, the factors that hinder the disintegration of Russia are often underestimated. These include the economic dependency of the regions on central support, the horizontal ties between them, the weakness of local elites, and the lack of strong separatist movements (despite dissatisfaction with Moscow’s “neocolonial” policies). These and many other aspects make the de-imperialisation and decentralisation of Russia, along with the restoration of its federal character, far more likely than its disintegration. This will depend on the degree of weakening of the central authority and the scale of internal changes within it.

Fourthly, the main problem for the West is not the potential instability of Russia, but rather its excessive stability. The actions taken by the Russian government to suppress the non-system opposition and destroy the last independent institutions, which from the perspective of the Kremlin have stabilised the political situation, enabled Putin to make the decision to invade Ukraine and escalate the conflict with the West. Therefore, only the lack of this stability can change this situation.<sup>43</sup>

<sup>43</sup> For more on this topic, see M. Domańska, ‘The fetish of Russia’s stability: an intelligent weapon against the West’, *New Eastern Europe*, 24 March 2023, [neweasterneurope.eu](http://neweasterneurope.eu).

Preventing Ukraine’s defeat and, even more so, increasing the chances of a convincing victory, would require an increase in the already significant military, financial-economic, and political efforts of the Western community. A great deal of time has been lost in this regard, as key forms of Western military support for Ukraine were delayed (primarily due to decisions by the US authorities) out of an unjustified fear of a significant escalation by Russia. This was one of the factors behind the failure of Ukraine’s counteroffensive in the summer of 2023.

**Table 3.** Progress report on the implementation of proposals\*

What has been done	What needs to be done
<p><b>Removing existing limitations on types of weapons supplied to Ukraine and delivering more advanced weapons</b></p>	
<ul style="list-style-type: none"> <li>• Since late April 2022, a military support coordination group for Ukraine (the Ramstein group) has been in place with over 40 countries, led by the USA (in July 2024, at the NATO summit in Washington, NATO assumed coordination, including training programs, logistics, and potentially equipment repair). Ukraine has gradually received more advanced weaponry from the West, including:               <ul style="list-style-type: none"> <li>◦ Soviet-era S-300 air defence systems (from Slovakia, from May 2022);</li> <li>◦ Soviet-era T-72 tanks, infantry fighting vehicles, and artillery (from various countries, including Poland, since March 2022);</li> <li>◦ Soviet-era combat helicopters (since May 2022);</li> <li>◦ US HIMARS multiple launch rocket systems (since June 2022);</li> <li>◦ Western armoured vehicles (since July 2022);</li> <li>◦ US-Norwegian NASAMS air defence systems (since November 2022);</li> <li>◦ German Leopard tanks (from various countries, including Poland, since February 2023);</li> <li>◦ Soviet-era MiG-29 fighter jets (from various countries, including Poland, since March 2023);</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Deliver, by the end of 2024, to Ukraine a significant number of air defence batteries, modern tanks, and combat aircraft (including F-16s), as well as at least 2 million rounds of 155 mm and 122 mm ammunition, and in 2025, at least 2.5 million rounds.</li> <li>• Coordinate (in a clearing house mechanism, e.g. within the Ramstein group) bilateral agreements with Kyiv and multilateral initiatives, and create a medium-term support plan for Ukraine (until at least 2030) for weapons and ammunition deliveries.</li> </ul>

\* Key proposals from the publication *Winning the war with Russia...*, op. cit.

## What has been done

## What needs to be done

### Removing existing limitations on types of weapons supplied to Ukraine and delivering more advanced weapons, (cont.)

- US Patriot air defence systems and British Challenger tanks (since April 2023);
  - British Storm Shadow cruise missiles (since May 2023);
  - French SCALP cruise missiles (since autumn 2023);
  - US Abrams tanks (since September 2023);
  - US ATACMS ballistic missiles (since April 2024).
- Ukrainian soldiers are trained in the West primarily under three initiatives:
    - EU mission (EUMAM) with 24 member states (by March 2024 – 52,000 soldiers);
    - US-led multinational mission (JMTG-U, by March 2024 – 19,000 soldiers);
    - UK-led operations Orbital and Interflex (since 2015 – approx. 60,000 soldiers).
  - At the NATO summit in Washington in July 2024, the decision was made to establish a Joint NATO-Ukraine Analysis, Training, and Education Center (JATEC) based in Bydgoszcz, Poland.
  - In July 2023, the US agreed to future F-16 deliveries for Ukraine. In summer 2023, the first training began in Poland, followed by the US in October 2023 (completed in May 2024), the UK, Romania, Denmark and France. In August 2024, Ukraine received its first four F-16 jets.
  - Ukraine has received large quantities of artillery ammunition (155 mm and 122 mm) primarily from the US and non-European US allies (about 2 million rounds by mid-2023), the EU countries (of the 1 million rounds promised in 2024, 520,000 were delivered by March 2024), the UK (300,000 rounds), and third countries under the “Czech initiative” (800,000 rounds planned for 2024, with the first deliveries in June 2024).

## What has been done

## What needs to be done

### Removing existing limitations on types of weapons supplied to Ukraine and delivering more advanced weapons, (cont.)

- At the NATO summit in Washington in July 2024, a long-term security support pledge was adopted, including annual assistance of \$40 billion starting in 2025 (with \$20 billion from the US); the “Agreement for Ukraine” summarising bilateral medium-term agreements (signed with 26 countries and the EU by October 2024).

### Shifting the war’s impact deep into Russian territory

- The US position has evolved. In August 2022, US officials confirmed that occupied Crimea is a legitimate target for Ukrainian missile strikes.
- Between January and March 2024, Washington (especially representatives of the Department of Defense) confirmed that the US opposes Ukrainian drone attacks on critical energy infrastructure deep inside Russia and that Ukrainian aircraft should use weapons within Ukraine’s borders.
- By late May 2024, the US and its allies allowed missile and artillery strikes with Western weapons on Russia’s border territories (mainly the Belgorod region) in response to Russian shelling of Ukraine (mainly Kharkiv).
- Allow Ukraine to use Western and domestic weapons (including missile systems and combat aircraft) without restrictions on striking targets deep in Russian territory, including critical infrastructure. Optimally, supply Kyiv with medium-range missiles like the SM-6 or Tomahawk (although this is politically unlikely and limited in availability).

### Establishing legal and organisational mechanisms to facilitate military service recruitment (in Ukraine)

- Since spring 2024, Kyiv has discussed a proposal to support conscription among the Ukrainian diaspora and refugees in Western countries and link the right to stay in those countries for men of conscription age to register in Ukrainian databases.
- Create, train, and equip a Ukrainian Legion of volunteers from conscription-age men among the Ukrainian diaspora and refugees in Western countries.

## What has been done

## What needs to be done

### Establishing legal and organisational mechanisms to facilitate military service recruitment (in Ukraine), (cont.)

- The Poland-Ukraine security agreement includes assistance in training Ukrainian citizens living abroad, including in Poland.

### Increasing immediate technical assistance for repairing Ukraine's critical infrastructure

- Western countries, particularly Poland, are key suppliers of fuel for military and civilian use in Ukraine.
- Ukraine's electricity grid has been connected and synchronised with the European grid since mid-March 2022.
- Before each autumn-winter heating season, Ukraine receives generators, substations, and other equipment, as well as emergency repair assistance after Russian airstrikes.
- Polish PM Donald Tusk proposed supplying Ukraine with coal-generated electricity exempt from EU emissions charges.
- Deliver a large number of generators, substations, and other energy equipment, along with continuous and uninterrupted fuel supplies for generators.
- Stockpile strategic fuel reserves in EU/NATO countries neighbouring Ukraine for emergency deliveries.
- Accelerate the expansion of power interconnections between neighbouring EU countries and Ukraine to increase capacity and exempt energy for Ukraine from EU emissions charges.

### Providing financial aid guarantees over a longer (multi-year) horizon

- Since autumn 2023, bilateral medium-term financial and security assistance agreements have been signed with Ukraine by 26 countries. In July 2024, NATO members and partners signed the "Ukraine Compact".
- Discussions on using frozen Russian reserves (up to \$300 billion) to support Ukraine have faced resistance from some EU member states (including Germany), Switzerland, parts of the US administration and the UK government,
- Coordinate (within NATO and the EU) bilateral agreements and multilateral initiatives with Kyiv and create a medium-term financial aid plan for Ukraine (until at least 2030).
- Confiscate frozen Russian Central Bank reserves and establish a Ukraine support fund backed by these assets or provide loans (in annual tranches on preferential terms) without formal confiscation.

What has been done	What needs to be done
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<b>Providing financial aid guarantees over a longer (multi-year) horizon, (cont.)</b>	
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as well as IMF and World Bank leaders. Alternatives include using interest from frozen assets or issuing loans or bonds backed by the capital or interest on it.

- In April 2024, US Congress authorised the president to potentially confiscate these reserves with allied agreements.
- In May 2024, the EU established a mechanism allowing future interest from frozen assets to support Ukraine, securing some of the existing interest for claims. This decision will generate 2.5–3 billion euros annually. In June 2024, the G7 group agreed to launch a mechanism (ERA) providing \$50 billion to Ukraine by the end of 2024, using loans repaid from profits generated by frozen Russian assets in G7 countries. Talks on its implementation are ongoing.

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The proposal for conducting appropriate **strategic communication** directed at Russia by the West remains relevant. It is crucial to avoid statements that suggest a lack of confidence in the long-term resilience and effectiveness of Ukraine’s resistance or Western support for it, as well as any indication of serious concern about Russia’s capabilities, its willingness to escalate and the potential consequences. Furthermore, the West should avoid rhetoric that encourages self-restraint, particularly in military security. Declarations of unwillingness to seriously harm Russia, setting “red lines” for Western policy (rather than for Russia’s), or suggesting a time frame for the end or freezing of the conflict are politically and psychologically harmful.

Statements of this kind reinforce the Kremlin’s belief (and that of the broader Russian elite) that the West is not sufficiently determined to endure the current confrontation, especially in the long term, and thus can be “waited out” until a final success is achieved. This strengthens the belief in the future effectiveness of Russia’s aggressive policies and discourages any potential revision of these policies by the Kremlin. It also increases the temptation for further

escalation on Russia’s part and bolsters its image in the eyes of the domestic elite, thereby enhancing the cohesion of the regime.

**Table 4.** Examples of specific reception of selected Western communications in Russia

Western communication	Reception in Russia
We are not at war with Russia.	We are afraid of military confrontation with (strong) Russia.
We do not threaten Russia’s security.	We lack the capabilities or political will to threaten Russia.
We cannot allow the conflict to escalate.	We fear escalation by Russia and are willing to make concessions.
We cannot allow World War III to break out.	We are afraid of Russia’s nuclear potential and are ready to make concessions.
There is no alternative to a diplomatic/ political solution to the conflict.	We feel weak, lack the capability and/or political will for confrontation, and are ready for significant concessions.
We must not corner Russia/Putin.	We fear escalation by Russia and are willing to make concessions.
Putin needs an off-ramp.	The West is tired of confrontation and needs an excuse to make concessions.
We want to create conditions for (peace) talks between Ukraine and Russia.	We are tired of the conflict, do not want to continue prolonged support for Ukraine, and seek to freeze the conflict at the cost of concessions from Ukraine.
We must take the rising costs of sanctions into consideration.	Sanctions are too costly for us and we are looking for an excuse to ease them.
The most important thing is Western unity. We must take the positions of some of our allies/partners into consideration.	We are unable to agree on a common stance. We are looking for an excuse to reduce pressure on Russia.



From the perspective of Russian political culture, effective Western strategic communication should be the opposite of the communications presented above. It should emphasise confidence and a lack of hesitation or concern, convey calm determination, highlight the inevitability of fulfilling previous commitments, and focus on the negative consequences for Russia that result from the use of these measures. At the same time, Western communication should ignore Russian threats. These principles should form the foundation of the West’s approach in communicating with Moscow.

## 2. Denying the Putin regime political legitimacy

It is crucial to continue active diplomacy and efforts aimed at maximising Russia’s political isolation. It is important to remember that any high-level dialogue with Moscow, regardless of the stated intentions or content, is used by the Kremlin and Russian state propaganda to bolster Putin’s prestige and convince the Russian elites and society that Russia cannot be isolated. This dialogue also reinforces the belief that the West still fears Russia and is willing to make concessions to de-escalate the conflict, as it has grown tired of it. As a result, the inclination to continue aggressive policies increases, and the conviction that these policies will ultimately succeed becomes more entrenched.

**Table 5.** Progress report on the implementation of proposals\*

What has been done	What still needs to be done
<b>Avoiding political dialogue with Russia at the highest level</b>	
<ul style="list-style-type: none"> <li>The vast majority of Western countries have refrained from engaging with Vladimir Putin since Russia’s invasion of Ukraine (except for Hungary and, initially, Austria and France).</li> <li>Under pressure from Western countries, Putin no longer directly participates in G20 summits outside Russia, and his foreign trips have been restricted after the International Criminal Court (ICC) in The Hague issued a warrant for his arrest. He also does not attend meetings of UN bodies.</li> </ul>	<ul style="list-style-type: none"> <li>Efforts should be made to standardise and formalise the practice of preventing visits by Russian (and Belarusian) official delegations to Western community states (including the EU and NATO) as well as their participation in multilateral meetings (with the exception of the UN Security Council and UN General Assembly).</li> <li>Banned individuals and their family members should not be allowed to visit Western countries (both in official and private).</li> </ul>

\* Key proposals from the publication *Winning the war with Russia...*, *op. cit.*

## What has been done

## What still needs to be done

### Avoiding political dialogue with Russia at the highest level, (cont.)

- Some Western countries presiding over multilateral organisations that include Russia do not allow Russian delegations or individuals under sanctions to attend meetings held in Western countries.
- Putin should not be recognised (de jure or de facto) as the President of Russia (due to his illegal participation in the 2024 presidential elections). There should be no direct, online or phone contact with him. Participation in multilateral meetings involving Putin should be avoided. Pressure should be applied on signatories of the Rome Statute to take action to enforce the ICC arrest warrant for Putin.
- Permission should not be granted for the use of airspace for flights by any of the aforementioned individuals.

### Establishment of a special international tribunal to try Russia's war crimes in Ukraine and to indict members of the highest civilian and military leadership of the Russian Federation

- Since 2022, investigations against Russia and members of its political and military leadership have been ongoing in Ukraine, several EU countries and at the ICC, concerning responsibility for the crime of aggression and war crimes in Ukraine.
- In March 2023, the ICC issued an arrest warrant for Vladimir Putin and Maria Lvova-Belova (Children's Rights Commissioner) for the war crime of organising forced deportations of Ukrainian children from occupied territories to Russia.
- In June 2024, the ICC issued arrest warrants for Sergei Shoigu (Secretary of Russia's Security Council and former Defence Minister) and General Valery Gerasimov (Chief of the General Staff of the Russian Armed Forces and the Commander of Russian forces in Ukraine), charging them with responsibility for war crimes in Ukraine.
- Establish a special international tribunal to try Russia's war crimes in Ukraine and indict current and former members of the highest civilian and military leadership of the Russian Federation. Conduct trials and sentence the guilty in absentia.

## What has been done

## What still needs to be done

### Support for Russian civil society

- Most Western countries provide financial assistance to Russian civil society (both within Russia and in exile), and grant asylum to Russian and Belarusian citizens at risk of political persecution (several EU countries have issued humanitarian visas, covering a few thousand individuals).
  - Funds are provided by entities such as the US National Endowment for Democracy (NED) and the European Instrument for Democracy and Human Rights (EIDHR).
  - Support for Russian civil society is largely facilitated through Western international and national NGOs, including the Helsinki Foundation for Human Rights.
  - In December 2022 and November 2023, congresses on anti-war and humanitarian initiatives of Russian civil society were held in Berlin and Brussels, with support from the EU and the German government.
  - In June 2023, a forum involving representatives of the Russian political diaspora, the EU, and member states was held at the European Parliament in Brussels (the “Brussels Dialogue”).
  - In June 2024, three American organisations (NED, USIP, U.S. Russia Foundation), along with the Free Russia Foundation, organised a forum in Washington (the “Washington Dialogue”) with Russian activists, US politicians, officials and experts.
- Coordinate and possibly standardise the issuance of humanitarian visas by EU countries to Russian and Belarusian citizens who face or are at risk of political persecution.
  - Increase and coordinate financial support (from national Western states, the EU and NGOs) for independent Russian and Belarusian structures and initiatives, including the establishment of permanent platforms to enable dialogue and cooperation.
  - Prioritise support for independent media projects in exile, as well as regional and local outlets in Russia and Belarus (via intermediaries and secure channels). Prioritise support for minority (non-Russian) media initiatives, particularly in native languages. Expand Russian-language (and other languages from Russia and the former Soviet Union) editorial offices in the Western media.

## What has been done

## What still needs to be done

### Offering incentives to individual members of the Russian political and business elites in exchange for supporting Ukraine and/or actions against the Putin regime

- There is currently no formal mechanism for this (apart from lifting sanctions on businesses owned by individuals who sell off most of their shares). Discussions in independent Russian circles and among Western experts on the conditional removal of Russian oligarchs from sanctions lists are ongoing. This issue remains highly controversial. No public cases of sanctions being lifted or eased for political reasons are known (exceptions concern Russian oligarchs who achieved these outcomes through court rulings in the EU). There are speculations that the delayed imposition of sanctions by the EU and UK (and the absence of US sanctions) on oligarch Roman Abramovich were linked to his mediation in Russian-Ukrainian talks.
- Utilise the “crown witness” mechanism (in exchange for reduced sentences or conditional amnesty) for former or current members of the Russian and Belarusian elite who provide valuable testimony that serves as evidence in cases concerning the crime of aggression and Russian war crimes in Ukraine.
- Offer (discreetly, by government institutions, and partially openly, by private individuals and NGOs) large rewards for information on: war crimes in Ukraine and Russian and Belarusian aggression against Ukraine and the Western countries; incriminating members of the Russian and Belarusian ruling elite; justifying sanctions or assisting in combating their violations or circumvention.
- It could also be considered to agree on conditions with countries and institutions imposing restrictions for removing individuals from sanctions lists in exchange for financial assistance to Ukraine, the Russian opposition, independent structures, or other actions that significantly support the fight against the Putin and Lukashenka regimes.

### 3. Decoupling Russia from the West and economic pressure

In the economic sphere, it is crucial to pursue a rapid and complete decoupling from economic cooperation with Russia, particularly in importing energy resources and other strategic materials (e.g. rare earth metals, noble gases, etc.). This process is already underway but needs to be accelerated and made irreversible. This necessitates significant investments in diversifying both the sources and routes of raw material imports, including energy, and in securing

alternative energy sources. Additionally, it will be vital to further support the development of energy-saving technologies, renewable energy sources (RES), and nuclear energy. This effort also requires a shift in the economic model (especially in industry) in the EU and other Western countries towards being less energy-intensive and more technologically advanced, thereby enhancing competitive advantages in these areas.

**Western policy should not only focus on maintaining but also on increasing pressure on Russia, primarily through sanction mechanisms** (and this should equally apply to Belarus, as Lukashenka’s dictatorial regime is a co-participant in the aggression against Ukraine and lacks political independence). It is essential to prevent the Russian elite from perceiving that the West is growing weary of the costs of sanctions and might gradually withdraw from them under some pretext, even without concessions from Moscow.

Although the current Western sanctions have not caused a collapse of the Russian economy, they have condemned it to a prolonged crisis, gradual de-modernisation, a decline in living standards, and a weakening of its international position. However, to achieve the desired effect, long-term actions will be required. While current sanctions may not trigger immediate change in Russia, there remains significant room to tighten them further.

**Table 6.** Progress report on the implementation of proposals\*

What has been done	What still needs to be done
<b>Closing the European market to Russia</b>	
<ul style="list-style-type: none"> <li>• According to European Commission estimates, EU sanctions against Russia covered, by March 2024, 58% of the value of previous (year 2021) EU exports and 61% of relevant imports from Russia. Between Q1 2022 and Q2 2024, EU imports from Russia dropped by 87%.</li> <li>• In Q2 2024, Russia’s share in EU imports was: approx. 17.5% for fertilizers, 16.5% for nickel, 2% for natural gas, 7% for iron and steel, and 1% for crude oil.</li> </ul>	<ul style="list-style-type: none"> <li>• Gradually introduce a total trade embargo (prohibition on the import and export of all goods and services) on Russia and Belarus by the European Union, the United Kingdom and EEA countries.</li> <li>• In case of an absence of consensus on this within the EU: gradually expand sectoral sanctions (see below).</li> </ul>

\* Key proposals from the publication *Winning the war with Russia...*, op. cit.

## What has been done

## What still needs to be done

### Closing the European market to Russia, (cont.)

- So far, EU countries have failed to implement unified regulations for penalising sanctions violations (in some, this legislation has not been introduced at all). In April 2024, the EU adopted a directive recognising sanctions evasion against Russia as a crime, penalising these activities. EU member states are required to implement these provisions into national law within 12 months.
- If no consensus is reached within the EU: impose national decisions, optimally coordinated (under national security protection laws), for a complete land border closure of Russia and Belarus with neighbouring EU/NATO member states, and ban Russian and Belarusian citizens (except those with humanitarian visas) from using maritime and air border crossings.

### Lowering the price cap on Russian oil exports and blocking violators from accessing Western insurance services

- The G7 countries (confirmed by the EU) set a price cap on Russian oil at \$60 per barrel in December 2022. Discussions ranged from \$30 to \$70 per barrel, with the greatest opposition to stricter limits from Greece, Cyprus and Malta, where a significant portion of tankers handling Russian oil exports were registered. The cap was to be reviewed every two months, but it has remained unchanged, and the EU relaxed restrictions imposed in June 2022 on handling Russian oil shipments to non-EU countries. Provisions for banning services related to transporting Russian oil and petroleum products above this cap were introduced, though enforcement has been inconsistent.
- In June 2023, the EU banned access to its ports and locks for tankers violating the oil embargo or price cap, and in December 2023, the EU tightened enforcement, requiring more detailed reporting and verification.
- In December 2023, the EU tightened the rules for implementing the price cap mechanism (extending the information and verification obligation, and a ban on selling tankers to entities from the Russian Federation).
- Lower the price cap on Russian oil to \$30 per barrel.
- Expand monitoring systems for price cap violations, including by the so-called shadow fleet, and penalise European entities involved in violations. Extend sanctions to all identified entities participating in these activities.

## What has been done

## What still needs to be done

### Lowering the price cap on Russian oil exports and blocking violators from accessing Western insurance services, (cont.)

- The US has imposed sanctions on individual ships violating these rules since 2023, and the EU began doing so in June 2024, targeting 27 tankers.

### Complete disconnection of Russian banks from Western financial markets and the SWIFT system

- Ten of Russia's largest banks have been disconnected from Western financial markets and the SWIFT system.
- In June 2024, the EU banned companies from using Russia's alternative payment system (SPFS).
- Disconnect all Russian banks, especially Gazprombank, from the SWIFT system.
- Impose sanctions on Russian alternative payment systems (mainly SPFS) across all Western countries and prohibit the use of China's CIPS system, which is also used by Russia, in transactions with Russian and Belarusian companies.
- Increase monitoring by Western banks of their third-country partners' involvement with Russian sanctioned entities, possibly leading to secondary sanctions.

### Banning Western companies from conducting business in Russia

- Various selected forms of financial and economic cooperation with Russia are subject to Western sanctions. However, there is no formal ban on operating in Russia. The withdrawal of Western companies from the Russian market has mostly been due to reputational reasons or informal pressure from Western governments and Ukraine.
- Gradually implement a ban on Western companies operating in Russia and Belarus, starting with sectors like banking, energy, extraction, and transportation, as well as others that indirectly support the defence and security sector, with short-term transition periods and possible conditional, partial compensation.

## What has been done

## What still needs to be done

### Creating mechanisms to prevent sanctions circumvention through third countries

- Since autumn 2022, the US has imposed targeted sanctions on entities from third countries (including Iran, China, Turkey and the UAE) that support Russia in the arms, energy, advanced goods and dual-use technologies sectors or help circumvent sanctions. Since autumn 2023, these efforts have intensified, and in late 2023, the US tightened this policy.
- The EU began imposing similar sanctions from February 2023, targeting entities (mainly from Iran) supporting Russia's defence sector.
- In June 2023, the European Commission published two lists: one of economically critical goods, and another of high-priority dual-use items. In September 2023, the European Commission issued guidelines to help companies prevent sanctions violations.
- In December 2023, the EU introduced a requirement for EU exporters of sensitive goods to include a clause prohibiting re-exports to Russia in their contracts.
- In June 2024, the EU mandated companies to prevent sanctions violations, including monitoring foreign subsidiaries. Initially, the projects of stricter regulations were watered down under pressure from Germany.
- Significantly increase funding and expand the national and collective structures (within the EU) responsible for financial monitoring, especially tracking violations and circumvention of sanctions by Russian, Belarusian, Western and third-country entities.
- Provide grants to Western and partner NGOs, academic institutions, analysts, and media for supporting sanctions monitoring.
- Fully implement current regulations (including those adopted by the EU) penalising sanctions violations and circumventions, and enforce them through law enforcement and the judicial authorities.
- Expand corporate responsibility for verifying subsidiaries and partners for sanctions violations and circumvention, requiring reporting on implemented measures with penalties for non-compliance.

### Applying persuasion, offers, threats of sanctions and actual sanctions to third-country entities cooperating in sanctions circumvention

- Since 2022, the EU and the US have engaged in extensive dialogue with third countries to tighten export controls and prevent sanctions circumvention. In December 2022, the EU established the position of International Special Representative for the Implementation of EU Sanctions, appointing David O'Sullivan
- Intensify dialogue between Western countries and structures with third countries and companies from those nations to discourage them from circumventing Western restrictions and trading sensitive goods (arms, microprocessors, dual-use items) with Russia.



## What has been done

## What still needs to be done

### Applying persuasion, offers, threats of sanctions and actual sanctions to third-country entities cooperating in sanctions circumvention, (cont.)

in January 2023. In the US, a similar role was partially filled by the Office of Sanctions Coordination in the Department of State, led by James O'Brien from April 2022 to October 2023.

- In June 2023, the EU introduced the option to limit trade with third countries that systematically help Russia circumvent EU sanctions.
- The most effective measures against third-country firms have been letters from the U.S. Department of the Treasury to business associations and individual companies (mainly in Turkey and India), warning of secondary sanctions, as well as talks between both the U.S. Department of State leaders and the EU Special Envoy with the third countries.

- Broaden the use of transactional approaches in relations with non-Western states. Establish transparent “red lines” (covering arms and ammunition and transparent export controls), threatening immediate sanctions and conditioning access to Western markets and investments.
- One condition for the effectiveness of this policy is consistency, i.e. penalising Western companies, including domestic ones, for violating or circumventing sanctions.
- Tighten existing Western (US, EU, UK, etc.) sanctions against states supplying weapons and ammunition to Russia, particularly Iran and North Korea.

### Reforming EU decision-making processes to prevent single-country blockades of sanctions

- Since 2023, informal discussions on reforming EU decision-making processes have been ongoing. Some countries have called for extending qualified majority voting (QMV) in Common Foreign and Security Policy (CFSP) based on existing provisions in EU treaties.
- Consider introducing constructive abstention and applying the bridging clause with unanimous European Council consent in selected CFSP areas, such as sanctions policy.

### Expanding the scope of economic sanctions on Russia and Belarus (beyond those mentioned above)

- As of July 2024, EU sanctions against Russia covered about 2,200 entities (individuals and legal entities), the UK sanctioned around 2,000, the US over 5,200, Japan over 1,700, and Australia around 1,400.
- Introduce an embargo on Russian LNG imports to Western countries, followed by a pipeline gas embargo (in the case of the EU). Fully sanction Russian gas companies (mainly Gazprom, Novatek, and Rosneftgaz) and gas extraction projects not yet under restrictions.

## What has been done

## What still needs to be done

### Expanding the scope of economic sanctions on Russia and Belarus (beyond those mentioned above), (cont.)

- The European Union has imposed the following sanctions on Russia, among others: a ban on transactions with Russian government bonds; exclusion from the EU market for major Russian banks and key state-owned companies; a ban on financing refinery modernisation projects; an export embargo on aircraft and spare parts for Russian aviation and advanced technologies (including semiconductors); a ban on transactions with Russia's Central Bank; a ban on Russian aircraft in EU airspace (including overflights); a ban on operations of Russian media propaganda outlets in the EU; a ban on Russian (and Belarusian) entities' transactions in cryptocurrencies; a ban on new investments in Russia's energy sector and exports of equipment, technology and services to that sector; a ban on imports of certain iron and steel products; an export ban on luxury goods to Russia; an embargo on Russian coal imports to the EU (since August 2022); a ban on Russian ships entering EU ports (with exceptions for food, energy, and humanitarian supplies); a ban on Russian (and Belarusian) road vehicles entering EU countries (including for transit); a ban on exports of aviation fuel and transport equipment to Russia; a ban on imports from Russia of cement, timber, seafood, and alcohol; an embargo on Russian oil imports to the EU by sea (since December 2022, with an exemption for Bulgaria); an embargo on Russian oil product imports (since February 2023); a ban on the transit of goods and technologies through Russia that could be used by its defence-industrial complex; a ban on oil deliveries from Russia to Poland and Germany via the northern Druzhba pipeline; a ban on importing, purchasing or transferring natural and synthetic diamonds (including jewellery) from Russia into the EU (starting January/September 2024); a ban on importing Russian LPG into the EU (starting December 2024).
- Impose an embargo on Russian oil and oil product imports to Western countries (including the EU, covering all pipelines). Fully sanction Russian oil companies (including Rosneft, Lukoil, Bashneft, Surgutneftegaz, Gazpromneft) and Russian oil extraction projects, Russian and Belarusian refineries, and Russia's oil transport network and Transneft.
- Gradually introduce an embargo on Russian uranium fuel imports, services for uranium enrichment, and cooperation in building and operating nuclear power plants in Western countries (including the EU), as well as other forms of cooperation in the nuclear sector. Gradually impose sanctions on the Rosatom corporation and its subsidiaries.
- Impose an embargo on electricity imports from Russia and its export to Russia, cooperation with Russian energy companies (including Inter RAO UES), and support for developing new energy technologies, including the renewable energy sector in Russia. Impose an embargo on imports of hydrogen from Russia and Belarus in all its forms. Sanction Inter RAO UES and its subsidiaries.
- Impose an embargo on Russian and Belarusian agricultural and food products, fertilisers, and their components.

## What has been done

## What still needs to be done

### Expanding the scope of economic sanctions on Russia and Belarus (beyond those mentioned above), (cont.)

- Most of the above sanctions have also been imposed by the UK and the US, which additionally: introduced (since March 2022) an embargo on imports of Russian oil, natural gas and coal. In April 2024, the US Congress passed a law imposing an embargo on imports of low-enriched uranium from Russia to the US starting in August 2024 (with the possibility of temporary exemptions).
- The US has sanctioned, among others: Russian gas companies (Gazprom, Novatek) and some extraction projects (e.g. Arctic LNG 2), oil companies (Rosneft, Lukoil, Bashneft, Surgutneftegaz), pipeline operator Transneft, as well as Russian Post, investment holding AFK Sistema, and the St. Petersburg and Moscow stock exchanges.
- Canada, Switzerland, Australia, and Japan have also joined some of these sanctions.

### Introducing national and collective compensation mechanisms for companies and citizens affected by sanctions

- In March 2022, the European Commission announced that companies from EU countries affected by sanctions against Russia could receive up to €400,000 in state aid and compensation for up to 30% of energy costs under relaxed EU state aid rules.
- In June 2023, the EU introduced exceptions in financial transaction bans with Russian entities to facilitate the withdrawal of Western companies from the Russian market.
- Consider introducing partial compensation mechanisms for Western companies expropriated in Russia, forced to sell assets at reduced prices, and incurring losses when leaving the Russian market.
- A portion of confiscated Russian assets could be used for this purpose. Consider a compensation mechanism for costs incurred by companies in establishing verification mechanisms to prevent sanctions violations and circumventions.

#### 4. Deterrence and defence

There is no indication that Putin’s Russia has abandoned its aggressive strategic objectives, not only towards Ukraine but also against the Western community. Therefore, it is crucial to deprive the Kremlin of any hope of achieving these goals in the foreseeable future and to deter Russia from further escalation of aggression against Ukraine and NATO member states.

Maintaining and enhancing Western military capabilities, especially NATO’s collective defence, is essential to prevent any miscalculation by Moscow. Strengthening defensive and deterrent measures through robust military deployments, strategic planning, and effective coordination among Western allies must continue to be a central priority. Additionally, ensuring long-term support for Ukraine to bolster its defensive capabilities remains critical to countering Russia’s expansionist agenda.

**Table 7.** Progress report on the implementation of proposals\*

What has been done	What still needs to be done
<p><b>Dismantling NATO’s (self-)restrictions on not deploying significant Allied forces permanently in the so-called new member states and continuing these deployments, increasing the stockpiling of arms and military equipment in the region</b></p>	
<ul style="list-style-type: none"> <li>NATO has not formally revoked or suspended the 1997 NATO-Russia Founding Act but has recognised that Moscow has violated it and has made decisions that go beyond its provisions in the area of conventional forces.</li> <li>Directly before and after Russia’s invasion of Ukraine, the US increased its military presence in Europe (primarily on the eastern flank) by about 20,000 troops. Other allies increased these forces by at least 2,000 soldiers. Their presence is predominantly rotational rather than permanent (the latter applies to command units).</li> </ul>	<ul style="list-style-type: none"> <li>NATO should formally revoke the 1997 NATO-Russia Founding Act (which includes political declarations limiting the deployment of Allied forces in the so-called new member states). There should be efforts to strengthen the Allied forward presence of ground forces on NATO’s eastern flank, ultimately with permanently stationed brigade-size forces supplemented by air defence, armoured forces, and long-range artillery capabilities. Key actions include the full assignment of high, lower, and lowest readiness forces to regional defence plans, full implementation of NATO’s new force model, reforms of the Alliance’s command structure, and regular</li> </ul>

\* Key proposals from the publication *Winning the war with Russia...*, op. cit.

## What has been done

## What still needs to be done

### **Dismantling NATO's (self-)restrictions on not deploying significant Allied forces permanently in the so-called new member states and continuing these deployments, increasing the stockpiling of arms and military equipment in the region, (cont.)**

- At the Madrid Summit in July 2022, NATO recognised Russia as the most significant direct threat to the Alliance's security. It decided to strengthen existing NATO battle groups in eastern flank states by assigning them high-readiness forces capable of rapid redeployment (totalling brigade size), increasing the ability to move forces, expanding infrastructure, intensifying training and exercises, stockpiling ammunition and military equipment, strengthening NATO's command structure and forces, speeding up decision-making, and continuing work on defence plans. As part of the new force model being prepared, NATO will increase the number of high-readiness forces from the current 40,000 within the NATO Response Force (NRF) to over 300,000.
  - At the NATO Summit in Vilnius in July 2023, three regional defence plans for the treaty area (for Northern Europe, Central Europe, and Southern Europe) were adopted. Germany and Canada announced plans to gradually increase their military presence in the Baltic states to brigade-size forces.
  - At the NATO Summit in Washington in July 2024, it was decided, among other things, to implement NATO's new force model and activate its new rapid response forces (ARF); the establishment of a multinational corps headquarters in Finland and the deployment of forward forces was also agreed; the inclusion of the US base in Redzikowo in NATO's Ballistic Missile Defense System (BMD) was confirmed.
- military exercises and training based on adopted defence plans. Investments in military mobility and infrastructure, as well as the stockpiling of arms, military equipment and ammunition in the northeastern flank NATO states are necessary.
- Expanding SACEUR's mandate (so-called pre-authorisation) to make immediate decisions regarding defensive actions.

What has been done	What still needs to be done
<b>Inclusion of other NATO member states, including Poland, into the nuclear sharing programme</b>	

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|---|--|
| <ul style="list-style-type: none"> <li>At the Vilnius Summit in July 2023, NATO declared the modernisation of the Alliance’s nuclear capabilities, the updating of planning and ensuring the broadest possible participation of Allies in the nuclear sharing programme.</li> </ul> | <ul style="list-style-type: none"> <li>Certification of F-35 aircraft from northeastern NATO flank countries for carrying US tactical nuclear weapons under the nuclear sharing programme.</li> <li>Optionally: full inclusion of willing countries from the northeastern NATO flank (Poland, Romania, Finland) in the nuclear sharing programme by deploying US tactical nuclear weapons on their territory.</li> <li>Conduct regular visits and exercises with the participation of Allied (especially US) aircraft and ships equipped with nuclear weapons in the northeastern NATO flank countries.</li> </ul> |
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<b>Prioritising military spending, including raising the minimum threshold to 3% of GDP</b>	
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| <ul style="list-style-type: none"> <li>At the Madrid Summit in July 2022, NATO confirmed the commitment to spending at least 2% of GDP annually on defence, including 20% on weapons and military equipment. By mid-2024, 23 NATO member states (out of 32) had achieved this level.</li> </ul> | <ul style="list-style-type: none"> <li>Establish 3% of GDP as the minimum threshold for defence spending by NATO member states.</li> <li>Use NATO’s defence planning process, the Action Plan, and agreed EU directives to increase arms production capacity in European countries.</li> <li>Increase EU funds for expanding the defence industry, arms and ammunition production and the partial financing of imports from third countries to support Ukraine.</li> </ul> |
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## What has been done

## What still needs to be done

### Significantly increasing the production capacity of defence companies

- At the Madrid NATO Summit in July 2023, the “Defence Production Action Plan” was approved, aiming to accelerate joint orders, increase interoperability, and generate investments and production capacity.
- In July 2023, the EU adopted the ASAP (Act to Support Ammunition Production) directive, allocating €500 million for actions aimed at supporting industrial plants in increasing their capacity to produce ammunition, securing supply chains for raw materials and components, shortening delivery times, and alleviating production bottlenecks by 2025.
- In October 2023, the EU adopted the EDIRPA (European Defence Industry Reinforcement through Common Procurement Act), allocating €300 million to support defence cooperation within the EU.
- Plans are being discussed to increase budgetary funds within the European Defence Fund (EDF) and other programmes supporting research and development (in the current financial perspective – the European Defense Industry Program, EDIP, aimed at increasing production capacity, with a budget of €1.5 billion).
- Between early 2022 and mid-June 2024, production of 155 mm artillery ammunition in Europe increased to approximately 1 million rounds (quadrupled), and in the US to nearly 1 million rounds (almost sixfold).
- Adoption and coordination of national plans for the development of arms production and strengthening of civil defence infrastructure within NATO and the EU. Concluding medium- and long-term contracts for arms production with state-owned and private companies, significant intensification of production to near-war levels (expansion and construction of plants, three-shift operation).
- Adoption of plans for joint debt to support the European defence industry and/or funding it from other sources (e.g. Russian assets).

## What has been done

## What still needs to be done

### Abandoning dialogue with Russia on nuclear and conventional disarmament

- In response to Russia's withdrawal from the CFE Treaty on the limitation of conventional forces in Europe, NATO member states suspended its implementation in November 2023.
- Russia suspended its participation in the New START (strategic nuclear weapons reduction) treaty in February 2023 and withdrew its ratification of the Comprehensive Nuclear-Test-Ban Treaty (CTBT) in November 2023. In response, the US only suspended Russian inspections and part of the information exchange under the New START in June 2023. Russia rejected US proposals to resume nuclear arms control talks presented in March 2024.
- Regular US-Russia talks on strategic stability (including nuclear arms issues) have been suspended since Russia's invasion of Ukraine, although there were ad hoc contacts as part of efforts to de-escalate the conflict.
- In response to Russia's violation of the INF Treaty, in July 2024 the US and Germany announced the start of temporary deployments of American medium- and intermediate-range missiles (with SM-6, Tomahawk, and hypersonic missiles) in Germany starting in 2026. The defence ministers of Poland, France, Germany and Italy also signed a letter of intent to develop European medium- and intermediate-range missile systems (the ELSA initiative).
- The sole purpose of contacts with Russia on conventional and nuclear arms control should be to exchange and receive basic information and messages (including warnings). Since Moscow treats a lack of transparency and its own armament efforts (violating previously existing regimes) as tools of pressure and blackmail, it should not be appeased. The appropriate response would be to intensify conventional and nuclear armament programmes in NATO countries (especially the US), eliminate any existing sectoral asymmetries in Russia's favour, and potentially conduct future arms control talks with Moscow from a position of economic, technological and military superiority.



## What has been done

## What still needs to be done

### Retaliation for hostile actions by Moscow, particularly cyberattacks and the sabotage of critical infrastructure

- There is no official information on Western retaliatory moves in this regard, but unofficial reports suggest that some Western countries conducted very limited retaliatory cyberattacks on Russia and supported similar Ukrainian actions.
- A passive-defensive stance in the face of escalating Russian cyberattacks and the sabotage of critical infrastructure in Western countries is very dangerous. In Russian strategic culture, this creates a sense of impunity and encourages further escalation. The most effective way to respond is a counterattack (not necessarily symmetric) that inflicts noticeable damage on Russia. This should be done covertly (although the effects may be visible) and can be carried out through third-party actors (including by supporting Ukraine's capabilities in this area).
- Additionally, strategic signalling should be directed at Moscow, vaguely suggesting a readiness for retaliation against its aggressive actions.

### Horizontal escalation by the West against Russian forces and assets in other countries and regions

- There is no information on Western support for attacks on Russian forces outside Russia after the Russian invasion of Ukraine. However, Ukrainian special forces (under its military intelligence, HUR) have carried out individual attacks against Russian mercenaries from the so-called Wagner Group and the African Corps in Sudan, and likely supported such attacks in Syria.
- Western and partner countries (including Ukraine) should aim to create and utilise tools to weaken, destabilise, and eliminate Russian (especially military) assets in other countries and regions (outside the West and Russia). This can take the form of hindering the activities of Russian companies, diplomatic efforts, countering disinformation, and targeting Russian soldiers and mercenaries. These actions (especially the latter) can be carried out through intermediaries, such as foreign paramilitary structures, and armed groups, private military companies or entities from partner countries (including Ukraine).

## What has been done

## What still needs to be done

### Horizontal escalation by the West against Russian forces and assets in other countries and regions, (cont.)

This is justified because Russia is increasingly using these methods against Western countries (especially in the Middle East and Africa).

### Creating compensation mechanisms for defense spending and related social costs

- As part of the review of the EU's financial policy rules in April 2024, it was decided that the European Commission may take into account increased defence spending as a mitigating circumstance when public finance deficits thresholds are exceeded. In June 2024, an exception of this kind (as part of the activation of the excessive deficit procedure) was applied to Estonia, but not to Poland.
- The ideas discussed in the EU to co-finance military spending in EU countries from extra-budgetary funds supported by loans or special bonds have been met with opposition from some countries (including Germany and the Netherlands).
- The creation of compensatory mechanisms at the national and collective level (EU, NATO; including budget and extra-budgetary funds, deductions and reliefs) for financially and socially costly actions taken by individual countries in order to expand their defence potential should be considered. This could take the form of e.g.: an extra-budgetary EU Defence Fund (based on credit sources); the non-inclusion (at least in part) of defence and security expenditure in the calculation within the EU's excessive deficit procedure; co-financing projects from NATO agency funds and voluntary funds within the framework of coalitions of the willing (trust funds).

### Taking action to build social resilience to Russian propaganda and political subversion

#### Proper strategic communication towards the societies of Western and partner countries

- There are a number of international units and institutions that are dedicated to analysing and/or countering Russian information warfare, operating within or under the auspices of the EU and NATO, or through cooperation between member states: the Eastern StratCom Task Force (ESCTF) within the European External Action Service in Brussels;
- Adopting and coordinating national programmes for building resilience, including against Russian disinformation and propaganda. Implementing them, among others, through school education and training for the population in the field of digital literacy, online safety, critical analysis of information etc.

**What has been done****What still needs to be done****Taking action to build social resilience to Russian propaganda and political subversion, (cont.)****Proper strategic communication towards the societies of Western and partner countries, (cont.)**

the European Centre of Excellence for Countering Hybrid Threats in Helsinki; and the NATO Centre of Excellence for Strategic Communications in Riga. Most Western countries have state and/or non-governmental institutions dealing with these issues. Individual countries also adopt strategies or guidelines to counter disinformation.

- Expanding the blocking in the territories of Western countries of information transmission by Russian information warfare outlets (including the so-called media) and active moderation of social networks in terms of disclosing deliberate disinformation campaigns.
- Extending the mandate of EU and NATO units and institutions dealing primarily with the analysis of disinformation and other hybrid activities to include the right to prepare specific recommendations for countermeasures.
- Increase in the budget and mandate of the European Endowment for Democracy.
- Establishment of a special EU fund to support the fight against disinformation. Active strategic communication to the societies of Western and partner countries plays an extremely important role, because in democratic countries it builds social and political consensus on the appropriate policy, including towards Russia and Ukraine. Both government administrations and expert communities have a special informational and educational role to play in this regard. The aim of this communication should be, on the one hand, to raise awareness of the scale of threats and what is at stake in the ongoing conflict, and on the other, to prevent the sensation of discouragement, defeatism and panic.

The above summaries clearly indicate that Western countries are not suffering from a lack of knowledge or ideas regarding policies that would lead to Russia's strategic defeat and on what concrete steps are necessary to achieve this. There are no miracle solutions in this area. What is often missing, however, is the political will to make the necessary decisions, especially at the right time. Particular challenges also arise in agreeing on and coordinating actions, which are hindered by the short-term interests of individual states and domestic (mainly business) lobbies.

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Ukraine is today the place where not only its own fate and that of Eastern Europe, the European continent, Russia and the so-called post-Soviet space are being determined. The ongoing war will largely decide the future of the West as a political community based on shared or converging values, interests and institutions and, ultimately, the global balance of power and the principles of the international order. Whether Western countries rise to the occasion, take actions commensurate with the scale of the threat from Russia, effectively help Ukrainians achieve victory in a just defensive war, and create conditions conducive to the collapse of the Putin regime will, in large part, determine their (and most of the world's) future peace, security and prosperity. There is still reason to believe that we can pass this test.

## APPENDICES

### Appendix 1. The Russian demands on Ukraine put forward during negotiations in spring 2022

#### **Russia's demands regarding Ukraine in the military and security spheres:**

- Permanent neutrality of Ukraine, guaranteed constitutionally and by the guarantor states [Russia, the USA, China, the United Kingdom, France, possibly Belarus, Turkey], within borders reflecting the “new territorial status quo”.
- Ukraine's commitment not to enter into agreements and alliances contrary to the principle of neutrality, especially military ones, and to withdraw from those already signed.
- Ukraine's commitment to non-aggression, non-participation in armed conflicts with other countries, and non-use of force or threat of force in violation of the United Nations Charter.
- Prohibition of the presence (even temporary) of any foreign troops and soldiers on Ukrainian territory.
- Prohibition of establishing foreign military bases on Ukrainian territory or allowing its infrastructure to be used for military purposes by other states or groups of states.
- Prohibition of deploying foreign weapons, including missile systems, on Ukrainian territory.
- Prohibition of organising military exercises involving foreign troops on Ukrainian land, sea or airspace.
- Prohibition on accepting citizens of other countries into the Armed Forces or other security structures of Ukraine.
- Prohibition on using or allowing the use of Ukrainian territory to conduct actions harmful to the sovereignty, independence and integrity of other states.

- Prohibition on deploying nuclear weapons, related infrastructure, delivery systems and any engagement with nuclear weapons on Ukrainian territory.
- Prohibition of any foreign and harmful military biological activity on Ukrainian territory.
- Establishment of limits on the Ukrainian Armed Forces and permitted weaponry (e.g. Armed Forces – 85,000, National Guard – 15,000; 370 tanks, 1,190 infantry fighting vehicles, 74 combat aircraft, 31 combat helicopters, 4 warships, maximum artillery and missile range – 40 km).

### **Russia's demands regarding Western countries in the military and security spheres:**

- Prohibition for participating countries on entering military alliances or agreements with Ukraine.
- Prohibition on interfering in Ukraine's internal affairs, using force against Ukraine, violating its neutrality, introducing troops, deploying bases, conducting exercises or other military activities, deploying nuclear weapons, delivery systems, infrastructure, or using Ukrainian territory for nuclear weapons purposes.
- A requirement for participating countries to withdraw from all agreements violating the above.
- Support for Ukraine's adherence to conventions on the prohibition of chemical and biological weapons.
- A requirement for participant states to act according to the principles of indivisible security, peaceful dispute resolution, international law, restraint and transparency in military activities.
- Mutual non-recognition as adversaries and implementation of mechanisms for peaceful dispute resolution.

- Ukraine has the right to be a member of the EU and participate in UN and OSCE peacekeeping operations but cannot participate in EU military cooperation agreements or any EU regulations, decisions or actions aimed against Russia and its interests.
- Participating states will regularly consult on security issues and current problems, including through “hotlines”.
- In the event of aggression against Ukraine, the guarantor states will hold urgent consultations, inform the UN Security Council, and provide military assistance to Ukraine with mutual agreement.

### **Russia’s demands regarding Ukraine and Western countries in the political-economic sphere:**

- Ukraine will annul all sanctions imposed against Russia and its legal and natural persons since 2014 and will call on other countries to lift them.
- The guarantor states and participants will lift all sanctions, restrictions, and limitations against Russia and its legal and natural persons, imposed by them and the organisations they belong to, and will not impose new ones; in response, Russia will lift its restrictions against them.
- Ukraine will withdraw all claims, complaints and proceedings against Russia in international courts related to the “events” since 2014 and commit not to bring new ones.
- Ukraine will withdraw all claims against Russia, including against legal and natural persons, in Ukrainian and foreign courts. In response, Russia will withdraw its claims.
- Ukraine will withdraw its recognition of the International Criminal Court’s jurisdiction over “alleged crimes” by Russia since 2013.
- All proceedings against Russia in international courts based on Ukraine’s claims since 2014 will be halted and not resumed. In response, Russia will withdraw its claims against Ukraine.

- Ukraine will recognise Crimea and Sevastopol as integral parts of Russia, amend its laws accordingly, ensure the free movement of people and goods to and from Crimea and guarantee an uninterrupted water supply and related infrastructure operations.
- Ukraine will recognise the independence of the so-called Donetsk People's Republic (DPR) and the so-called Luhansk People's Republic (LPR) within their oblast borders, amend its laws, and restore the infrastructure destroyed since 2014 in those areas.
- The free movement of people, rail, air and water communications between Ukraine and Russia will be restored.
- Ukraine will guarantee the rights of ethnic, religious and linguistic minorities and their activities and will prevent any attempts at assimilation.
- Ukraine will lift all restrictions and limitations against the Ukrainian Orthodox Church [Moscow Patriarchate] and restore all its rights, including property rights.
- The EU will commit to considering minority rights in its policies and programmes.
- The Russian language will receive the status of a state language on a par with Ukrainian, and Ukraine will lift all restrictions on its use.
- Ukraine will condemn all propaganda and organisations based on racist, Nazi and aggressive nationalist ideologies, as well as acts of violence associated with those ideologies; it will also ban the organisations promoting them and forbid their activities; it will repeal all legislation favouring the glorification of fascism, Nazism and neo-Nazism and their related symbols, names, etc. and introduce penalties for these; it will also lift all restrictions on victory symbols over Nazism.
- Ukraine will ban the participation in public life of persons and organisations representing and justifying the fight against the anti-Hitler coalition, including OUN and UPA.



### **Procedural and other issues:**

- From the moment the agreement temporarily enters into force, a ceasefire will begin, and there will be no attempts to change the status quo; Ukraine's Armed Forces and National Guard will return to their permanent locations or those agreed-upon with Russia, and Ukrainian ships will return to their bases.
- The ceasefire will be supervised by a joint commission of Russia, Ukraine and – with their consent – the UN Secretary-General.
- Until the agreement is implemented, Russian forces will remain on [occupied] Ukrainian territories.
- Through the International Committee of the Red Cross, there will be an exchange of prisoners and the bodies of the fallen.
- All interpretative disputes regarding the agreement will be resolved amicably by a commission of representatives of the interested parties; the parties will refrain from violating the agreement.
- The parties will call on the UN Security Council to accept the agreement and will submit a resolution supporting it.
- No reservations may be made to the agreement.
- The agreement will be temporarily applied once signed by Ukraine and the guarantor states and will enter into force after ratification by Ukraine, and in the case of the other parties – after their acceptance or ratification.
- Accession to the agreement will be open to all states.

**Source:** own compilation based on draft documents.

## Appendix 2. Examples of hostile Russian actions against Western and partner states

Examples of countries targeted	Description of actions
<b>Cyberattacks on critical infrastructure</b>	
Estonia (2007)	Cyberattacks on the banking system and government institutions
Georgia (2008)	Cyberattacks on the banking system and government institutions
Ukraine (2015, 2016)	Cyberattacks on power plants and energy grids
France / Italy / outer space (2017)	Attempt to intercept satellite communication
USA (2020, 2021)	Cyberattacks on government systems, pipelines, and food distribution networks
Ukraine (2022)	Cyberattacks on government institutions, communication systems, and energy infrastructure
Czech Republic (2024)	Cyberattacks on the railway network
<b>Other major cyberattacks</b>	
Germany (2015, 2021, 2023, 2024)	Cyberattacks on parliament and political parties
Netherlands (2017)	Cyberattack on institutions conducting legal proceedings regarding the downing of a passenger plane (Flight MH17)
Netherlands (2018)	Attempted cyberattack on the headquarters of the Organisation for the Prohibition of Chemical Weapons
Switzerland (2018)	Attempted cyberattack on the headquarters of the World Anti-Doping Agency

Examples of countries targeted	Description of actions
<b>Political sabotage</b>	
Georgia, Ukraine, Moldova (since 2003)	Operations by secret services to combat pro-Western political forces and governments, strengthen pro-Russian forces; supporting separatism; organising demonstrations, riots, etc.
Norway (2015), Finland (2015-2016)	Creating an artificial migration crisis on the border with Norway and Finland
Germany (2016)	Attempt to incite ethnic tensions and riots
Montenegro (2016)	Alleged coup attempt using secret services and armed militias
USA (2016)	Using cyberattacks to influence the outcome of the presidential elections
United Kingdom (2016)	Organising a campaign supporting Brexit
Spain (2017)	Organising a campaign supporting the independence/ separatist movement in Catalonia
France (2017)	Using cyberattacks to influence the outcome of the presidential elections
Greece / North Macedonia (2018)	Organising campaigns and demonstrations against the Greece–North Macedonia agreement
Poland, Lithuania (2021)	Supporting the regime in Belarus, which triggered an artificial migration crisis on the border with Poland and Lithuania
Poland (since 2021)	Attempt to use cyberattacks on politicians and officials to influence the political situation
Finland (since 2023)	Creating an artificial migration crisis on the border with Finland

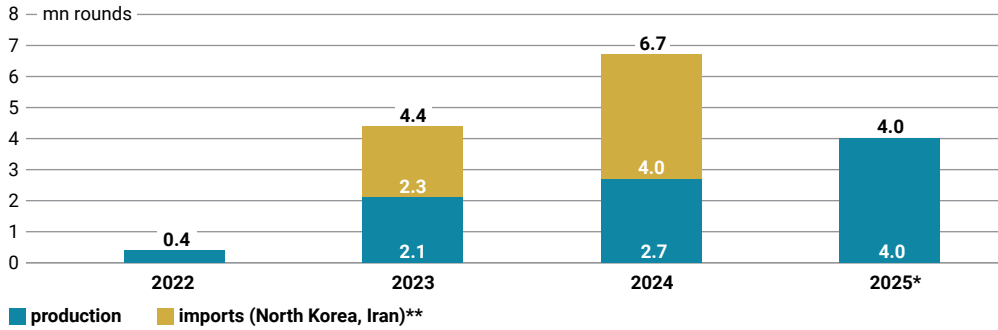
<b>Examples of countries targeted</b>	<b>Description of actions</b>
<b>Sabotage</b>	
Czech Republic (2014)	Organising explosions in two weapons depots
Bulgaria (2011, 2015, 2020)	Organising explosions in four weapons depots
Denmark/Sweden (2022)	Likely sabotage causing explosions and damage in four sections of three Nord Stream gas pipeline lines under the Baltic Sea
Norway (2022)	Damage to an underwater power cable
Germany (2022)	Damage to railway network control systems
Germany (2023)	Damage to a gas pipeline in northern Germany, paralysing the nearby LNG terminal
Estonia/Finland (2023)	Damage to the Balticconnector underwater gas pipeline connecting Finland and Estonia in the Gulf of Finland, and two branches of an underwater power cable
Poland, Lithuania, Latvia, United Kingdom, Germany, Czech Republic (2024)	Organising arson in production and retail facilities
France (2024)	Attempt to paralyse high-speed rail networks during the opening of the Paris Olympics by damaging traffic control systems
<b>Chemical weapons attacks</b>	
United Kingdom (2006)	Assassination, using radioactive polonium, of former Russian agent and dissident Alexander Litvinenko
Bulgaria (2015)	Attempted assassination using a Novichok-type nerve agent on businessman Emilian Gebrev
United Kingdom (2018)	Attempted assassination using a Novichok-type nerve agent on former Russian agent Sergei Skripal and his daughter; one British citizen died, and several others suffered severe poisoning

Examples of countries targeted	Description of actions
<b>Political assassinations / attempts</b>	
Turkey (2008–2021)	Assassinations of ten Chechen opposition leaders and activists, and an attempt to assassinate two others
United Kingdom (2012–2017)	Alleged assassinations of 14 Russian businessmen, former diplomats and activists (including former oligarch Boris Berezovsky in 2013)
Germany (2019)	Assassination of Chechen opposition leader Zelimkhan Khangoshvili
France (2022)	Attempted assassination of a Russian activist
<b>Armed clashes</b>	
USA (2018)	Clashes between Russian so-called private military companies and US forces in eastern Syria
Turkey (2020)	Clashes between Russian and Turkish forces in Syria’s Idlib province
USA (2023, 2024)	Attacks on US reconnaissance drones over the Black Sea
<b>Military aggression on state territory</b>	
Georgia (2008)	Military aggression, temporary occupation of part of the territory, illegal recognition of the independence of two local parastates (Abkhazia and South Ossetia)
Ukraine (since 2014)	Military aggression, occupation of part of the territory, illegal annexation of several regions (Crimea, Donetsk, Luhansk, Zaporizhzhia and Kherson)

**Source:** own elaboration based on data from open information sources.<sup>44</sup>

<sup>44</sup> To this far from complete list, we should also add violations of the airspace/territorial waters of Estonia, Lithuania, Finland, Sweden and Turkey; GPS signal interference in Norway; as well as numerous instances of economic and energy blackmail, including against Ukraine, Moldova, Georgia, Lithuania, Latvia, Estonia, Bulgaria, Poland, Slovakia, the Czech Republic and Germany. Additionally, the downing of the Malaysian passenger plane (Flight MH17) over Ukraine should be mentioned.

### Appendix 3. The dynamics of artillery ammunition production and procurement by Russia



\* Planned.

\*\* It is assumed that during 2023, Russia received 300,000 rounds from Iran, about 2 million rounds delivered in the summer and fall of 2023 from North Korea, and also in 2024 (according to uncertain estimates by South Korean intelligence); in February 2024, Ukrainian military intelligence estimated total deliveries from North Korea at 1.5 million rounds. So far, there are no confirmed foreign supply plans for the end of 2024 and 2025. It is also unclear how much Russia received from reserves in Belarus (in 2022, over 130,000 tonnes of ammunition were transferred) and from factories in Syria (since April 2023). Shortages in ammunition are being supplemented from reserves.

**Source:** own compilation based on data from open information sources.