



Indian Council
of World Affairs

UKRAINE CRISIS

A POINT OF INFLECTION FOR
THE EMERGING WORLD ORDER



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Indian Council of World Affairs
Sapru House, New Delhi

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■ FOREWORD

Russia-Ukraine conflict of February 2022 has exacerbated disruptions in the World Order. It is becoming increasingly clear that the evolving situation in Ukraine has implications beyond the European security architecture and the immediate stakeholders. The imposition of Ukraine related sanctions on Russia by the Western allies and countersanctions by the former have sharpened the East-West divide and weaponised interdependence. High energy and food prices have hit particularly hard given that economies across the world, especially in the Global South, had only recently begun the recovery process from Covid-19. The impact of Ukraine conflict is being felt far and wide including in the Indo Pacific which is experiencing rising tensions in the backdrop of intensifying US-China strategic rivalry and the growing Russia-China tandem.

The present ICWA publication comprises of four papers authored by former Ambassadors and eminent scholars who have sought to explore the proposition that, in the background of the current geopolitical shifts underway, the Ukraine crisis will prove to be an inflection point in the emerging world order. Amb. P. S. Raghavan provides a broad overview of the implications of the Ukraine crisis. He identifies the political and strategic perspectives of various stakeholders that led to the conflict and its potential impact on the post-Cold War order in the making. Amb. D.B. Venkatesh Varma delves on the economic dimensions of conflict. He notes that the Ukraine conflict has further deepened global divisions along East-West and North-South dimensions, eroding the ethic of mutual accommodation amongst the big powers, undercutting the basis of global trade and growth, exacerbating regional conflicts, weakening the UN, in particular the legitimacy of the UNSC, and making geopolitical instability the norm for the future. Prof. Swaran Singh's paper focuses on Ukraine crisis and US Indo-Pacific Strategy. He argues that Ukraine crisis is a trigger point in the move towards a new world order with Indo Pacific as its centre of gravity. Prof. Ummu Salma Bava's paper presents a European perspective of the crisis. She delves on the implications of the Ukraine Crisis for The European Union. She notes that the war in Ukraine also put a big spotlight on the EU-Russia relations that, having a long history of political, economic and energy ties, rapidly began to unravel as the intensity of the conflict increased.

As a responsible rising power, India has maintained a principled and independent approach to the ongoing crisis. India has called for cessation of hostilities, avoidance of civilian casualties and destruction of civilian infrastructure, security of nuclear installations, and keeping pathways for dialogue and diplomacy open. Prime Minister Shri Narendra Modi has emphasized that this is not an era of war on more than one occasion. India has consistently underlined that respect for principles of sovereignty and territorial integrity of States as stated in the UN Charter are essential pillars of the international order. India has also extended humanitarian assistance to Ukraine.

ICWA hopes that this publication will contribute to ongoing conversations on the Ukraine crisis and would be useful for scholars and practitioners with an interest in current trends in global geopolitics.

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AMB. P.S. RAGHAVAN

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The war in Ukraine has cast a long shadow over globalisation, multilateralism and the financial mechanisms that developed after the end of the Cold War. COVID-19 had already revealed fault lines in the post-Cold War political, economic and security partnerships and alliances. The Ukraine war accentuated these fault lines and opened up new divides across regions, continents, political systems and economic strategies.

The ethics, legality, political wisdom and military tactics of the war have all rightly attracted intense criticism. This analysis seeks to identify the political and strategic perspectives of various stakeholders that led to the war and its potential impact on the post-Cold War order in the making.

The fog of war and propaganda over recent months has totally obscured the fact that, just about a year ago, the dominant narrative was of a potential United States (US)-Russia engagement, and not mutual recrimination. There was a tacit acceptance then that something in Europe's security order needed fixing. To assert now— as is often done in the media, academia and in political discourses — that Russia's invasion of Ukraine disrupted a stable security order, is, therefore, an exaggeration. What it did was to highlight the existing and worsening disequilibrium in the post-Cold War security arrangements.

After the Cold War, the Soviet Union broke up and its politico-military alliance, the Warsaw Pact, dissolved. But the North Atlantic Treaty Organisation (NATO) alliance did not dissolve; it moved eastward and absorbed the Warsaw Pact countries and many of the erstwhile constituents of the Soviet Union. Russia saw it as a NATO thrust to contain and further weaken it. The democracy movements in the Caucasus and in Central Asia were also seen as part of the same Western thrust. Then, as most arms control agreements lapsed and restraints on deployments lifted, the Russia-NATO geographical interface became heavily weaponised, with sophisticated lethal weaponry being developed and deployed on both sides. As Russia gradually achieved a level of political stability, social cohesion and economic strength in the early 2000s, President Putin's articulation of Russia's grievances grew more vociferous: that NATO's expansion violated promises made prior to the breakup of the Soviet Union; that Ukraine's accession to NATO would cross Russia's red lines; and that NATO's strategic posture poses a continuing security threat to Russia.

NATO's expansion, after the breakup of the Soviet Union and dissolution of the Warsaw Pact, was a strategic initiative of the US — intended to temper European ambitions for strategic autonomy from the sole superpower and to address apprehensions

NATO's decision in 2008 to recognise Ukraine's membership aspirations and its subsequent encouragement for a change of Government in Kyiv in 2014 provoked the Russian annexation of Crimea.

The Cold War-like Russia-West standoff was exacerbated by mutual recriminations on their approaches to important international issues and military confrontations – directly or through proxies – across geographies, from the Caucasus to the Caspian and Mediterranean Seas and in Ukraine, Georgia, Syria, Iran and Afghanistan.

in parts of eastern and central Europe about Russia's resurgence. Over the years, Russia's efforts to augment its military power and to consolidate its regional and global influence came up against Western responses informed by experiences of the Cold War years – with predictable heightening of suspicions and tensions on both sides. NATO's decision in 2008 to recognise Ukraine's membership aspirations and its subsequent encouragement for a change of Government in Kyiv in 2014, provoked the Russian annexation of Crimea. The subsequent Russia-supported separatist movement in eastern Ukraine (Donbas) led to the Minsk accords of 2014-15, which provided for a special status for this region within Ukraine. Ukraine considered this an unfair outcome, undermining its territorial integrity, and sought – with US support – to interpret the accords to its advantage. Russia responded with angry accusations of renegeing on an agreement which had been endorsed by the UN Security Council. Some European countries – particularly France and Germany, which brokered these agreements – periodically tried to break the impasse, with little success in the face of opposition from Ukraine and many countries of eastern and central Europe. Meanwhile, Russia-West relations deteriorated rapidly, with a range of financial and sectoral sanctions on Russia

by the US and its allies being reciprocated by Russian sanctions. The Cold War-like Russia-West standoff was exacerbated by mutual recriminations on their approaches to important international issues and military confrontations – directly or through proxies – across geographies, from the Caucasus to the Caspian and Mediterranean Seas and in Ukraine, Georgia, Syria, Iran and Afghanistan.

These are facts, well-documented in western and Russian academic and political literature, though actions and motives have naturally been interpreted differently, according to the political perspectives and geographical location of the analysts.

It is ironical, however, that the present crisis grew from an apparent initiative for a Russia-NATO modus vivendi. US President Biden reached out to his Russian counterpart in June 2021, to commence a new phase of US-Russia dialogue. President Biden said he was looking for predictability in the relationship, where they could cooperate at least on those global issues, where their interests converged. The sub-text obviously was that the US wanted to focus its foreign policy energies on its principal strategic challenger, China, and not be encumbered by engagement in multiple conflicts in Europe and Asia. The US exit from Afghanistan, however chaotic,

signalled this core intention. Biden's press conference in Geneva and his subsequent diplomacy with his European partners, clearly articulated this perspective.

Mr Putin saw this as an opportunity to revive Russia's flagging economy and expand its freedom of political action globally. He signalled that Russia would cooperate in this geopolitical rebalancing if its security concerns are met – about Western moves to probe its territorial integrity and constrain its external influence, which is how Russia saw NATO's strategic posture and US policies.

The Presidential meeting in Geneva led to some forward movement in the dialogue on “strategic stability” (for arms control) and an exchange of draft agreements on mutual Russia-NATO security. Both sides acknowledged progress in discussions on cybersecurity. The ransomware attacks from Russia on US institutions decreased. The US and Russian defence chiefs met to discuss deconfliction in conflict theatres and cooperation on terrorism from Afghanistan. The CIA chief, William Burns, had discussions in Moscow with President Putin. There was some collaboration on drawing Iran back into the nuclear deal Joint Comprehensive Plan of Action (JCPOA) negotiations. Dialogue also progressed on the core issue of Ukraine. In discussions in Kyiv and Moscow, US Under Secretary of

State Victoria Nuland was reported to have promised US support to the Franco-German mediatory efforts for full implementation of the Minsk accords.

The atmosphere suddenly soured in the last couple of months of 2021, with the Russians complaining of Ukrainian troops on the border with the Donbas region, as well as NATO's missile ships and strategic bombers in and over the Black Sea, allegedly seeking to recapture the Donbas. Western media noted the relentless build-up of Russian troops along Ukraine's borders with Russia and Belarus. Additionally, the Russians took the message from a US-Ukraine declaration supporting Ukraine's “Euro-Atlantic institutions” and an impasse in a Normandy Group political advisors' meeting, that the US was either unwilling or unable to deliver on the Ukraine settlement that it was believed to have promised. Russia alleged, also, that western ‘intelligence’, about Russian preparations for false flag operations, were actually a cover for a planned Ukrainian assault. This was the provocation for the recognition of the two eastern “Republics” and the pre-emptive strike of February 24. This is Russia's side of the story.

On the other side, it was obvious that, when President Biden launched his initiative for a Russia détente, he found himself swimming against a powerful tide in the

On the other side, it was obvious that, when President Biden launched his initiative for a Russia détente, he found himself swimming against a powerful tide in the US political establishment.

The conflict has unleashed an unimaginable cycle of death, devastation and displacement in the heart of what has been a largely peaceful continent in the 75 years since the end of the World War. It has also revealed some surprising home truths about the geopolitical dynamics in the post-Cold War world.

US political establishment. Many in the Congress, intelligence agencies and the military-industrial complex saw President Putin as a malevolent leader, with whom the US should not revert to business as usual. In Europe too, there are sharp divisions on policies towards Russia. Poland, Romania and the Baltic Republics, strongly supported by the United Kingdom (UK), see their security and strategic interests best served by a hawkish NATO position on Russia. US Administrations from George W Bush onwards have consciously supported this strand of European opinion, to reinforce pressure on Russia. It was at US instigation that Poland and like-minded European countries pressurised Germany and others to incorporate Ukraine's NATO aspirations in the Bucharest NATO Summit Declaration in 2008.

The US and some European countries have made political, economic and military investments in Ukraine, particularly after 2014. They would have been impaired by a federalisation of Ukraine and increased European energy imports from Russia. In addition to these interest groups are Ukrainian ones, which have grown in influence in US political, business and strategic circles since 2014, and which lobbied against the course set by the Geneva summit.

Whether, and to what extent, these factors impacted on developments in that fateful eight-month period from June 2021 and February 2022 is yet to be revealed. One possibility is that the Biden Administration had never intended to go to the extent that Russia wanted, to "buy" peace with it. Another possibility, which has been widely touted after the invasion, is that Russia was never really interested in negotiations and that Putin was all along looking for an opportunity to invade Ukraine. This theory holds that he saw US weakness and NATO disarray after the chaotic withdrawal from Afghanistan, and took the opportunity to cash in.

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The narrative of democracy against autocracy, with which support was sought to be mobilised against Russia, did not find broad-based support. Former National Security Advisor Shivshankar Menon observed, in an article in the US journal *Foreign Affairs*, that many democracies did not see the war that way.

The G7 Summit in Germany hosted its now customary outreach meeting with leaders of the world's major democracies. In his press conference after the meeting, Germany's Chancellor Olaf Scholz acknowledged that all of them – India, Indonesia, Senegal, South Africa and Argentina – have different perspectives on the war from that of the G7.

For a number of different reasons, they did not condemn Russia or join the US-led sanctions on it. A large part of Asia and Africa did not support UN Resolutions condemning the invasion. Major South American countries were equally reticent; this was again demonstrated in early October, when Argentina, Bolivia, Brazil and Mexico opted out of a strong statement of the Organisation of American States (OAS), condemning Russia's military deployment in Ukraine and its annexation of four Ukrainian regions. The G7 Summit in Germany hosted its now customary outreach meeting with leaders of the world's major democracies. In his press conference after the meeting, Germany's Chancellor Olaf Scholz acknowledged that all of them – India, Indonesia, Senegal, South Africa and Argentina – have different perspectives on the war from that of the G7. Another fault line was highlighted by The Economist. Most rich nations in North America and Europe oppose Russia's action, accounting for over 70 per cent of the world's GDP, but only 36 per cent of its population. The remaining two-thirds of the world's people live in countries that are neutral or 'Russia-leaning'. The reluctance to take sides in this conflict is also illustrated by the fact that as many as 82 countries opposed or abstained on the

UNGA Resolution for expelling Russia from the UN Human Rights Council. Effectively, therefore, an international isolation of Russia proved to be elusive, despite its expulsion from the Human Rights Council. BRICS and SCO meetings continued to be held, Indonesia resisted pressures to exclude Russia from the G-20 Summit in November, and OPEC plus continued to involve Russia in its decision-making.

In effect, therefore, much of the world views the conflict as a contestation over the European security order, rather than as a clash of opposing ideologies or as an existential threat to the global order. Their alignments are ideology-agnostic, perhaps even opportunistic: based on shared interests, rather than similar political systems.

Another revelation from the war is the weaponisation of sanctions and its mixed consequences. Under international law, sanctions are illegal, unless they are approved by the United Nations. This is almost irrelevant today, when sanctions have become the first weapon of choice in the diplomatic armoury of countries, emphasising the economic leverage of the strong over the weak. Secondary sanctions, when even third countries can be "punished" for dealing

with the sanctioned country, are the special privileges of the really strong.

The US and its NATO allies unleashed a barrage of sanctions against Russia, which other allies like Japan, Korea and Australia also joined. They included the now familiar travel bans and asset freezes on government ministers, officials and others described as “Putin’s cronies” – “oligarchs” or captains of industry in the public and private sectors. Many were covered by earlier sanctions, but this time the list went to the top of the pecking order – including President Putin, his National Security Advisor and the Russian Foreign and Defence Ministers. Russia achieved the dubious distinction of having the highest number of sanctioned individuals in the world – about 5500, according to one count, surpassing Iran with 3600 and Syria with 2600.

Financial sanctions went much further than ever before, severing American and allies’ banking links with most major Russian banks, through the financial “nuclear option” of disconnecting them from the SWIFT messaging system. Stringent export controls and technology denial regimes, already in place from 2014, were further tightened. Western companies across sectors – oil & gas, technology, logistics, shipping, aviation, consumer and others – terminated or suspended their Russian activities. Importers around

the world voluntarily suspended business with Russia – due to apprehensions of sanctions or moral pressure from their Governments or civil societies.

Though undoubtedly harsher in its sectoral and geographical reach than ever before, the gaps in the sanctions regime exposed its limitations. There were significant individual carve-outs. The US banned imports of Russian oil and gas, but not of uranium, which would have sharply increased domestic electricity prices. The US imports 38 percent of uranium for its power plants from Russia and Kazakhstan (whose mines are largely owned by Russia’s state-owned Rosatom). The US also exempted fertilizers from sanctions: Russia and Belarus produce 40 percent of the world’s potash, and a fertilizer import ban would have hurt US farm input prices. The European Union is dependent on Russia for about 60 percent of its energy imports – oil, gas and coal – and did not immediately ban their import. The tortuous negotiations within the European Union on phasing out energy imports from Russia have been fractious and divisive. The UK initially said it would phase out imports of Russian oil and gas, but the current status of this promise is unclear. Japan announced it would not withdraw from its investment in the Sakhalin II project, since it is important for its energy supplies.

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Even on the oligarchs, the US and Europe have trodden carefully. Initial reports were that four of Russia's five richest men (and about half of the top twenty) were not sanctioned in the US or Europe. In one case, the US Treasury overrode its own sanctions order on a steel and iron ore magnate, by explicitly licensing companies held by him to continue operations. The fact is that many of the oligarchs are major shareholders in publicly traded companies that produce critical raw materials for Western economies. There were lessons from 2018, when sanctions on the billionaire promoter of Russia's aluminium major, Rusal, burnt investors from the US to Europe to Australia and caused aluminium prices to spike. A face-saving way had to be found to withdraw the sanctions.

A significant hold-out on sanctions is Turkey, a NATO member, strategically located on the Black Sea and astride the Bosphorus Strait. It has facilitated trade to and from Russian Black Sea ports. UAE has not joined the sanctions regime either, making Abu Dhabi and Dubai major financial entrepôts for transactions

in and out of Russia. In fact, most West Asian countries have largely refrained from condemning the Russian action or participating in the sanctions regimes.

Russia's dominant role as a supplier of energy and raw material inputs critical for Western economies proved to be the Achilles heel of the sanctions. The exclusion of these elements from sanctions meant that all major Russian banks could not be cut off from SWIFT. Two of them remained in the SWIFT system to service the energy trade, which effectively meant they could also service other trade. A large number of smaller Russian banks remain connected to the SWIFT system and are not under sanctions. The result was that Russia raked in energy export revenues of over US\$ 65 billion (according to figures quoted by *The Economist*) in the first quarter of 2022 – an 80 percent year-on-year growth! In April 2022, even as the European Commission was trying to build a consensus on banning Russian oil, the US Treasury Secretary warned that a full European ban would mean an intolerable increase of gasoline prices for the American public. Indian, Chinese and other energy importers correctly interpreted this as a tacit acquiescence of their purchase of the cheap Russian oil on offer. A significant lesson from the sanctions, therefore, was that they are not quite as effective against a hugely resource-rich country, as against a less well-

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endowed country. Simply put, Russia was not Iran or Venezuela.

The second unpleasant lesson from the sanctions (for its imposers) was their failure to deliver a knock-out punch on Russia. The sledgehammer of freezing Russia's foreign exchange reserves and "de-SWIFTing" its major banks was meant to bring the Russian economy swiftly to its knees. The immediate impact was, indeed, dramatic, as the ruble crashed to about half its February 23 value against the dollar, and the Moscow stock exchange had to be hastily shut down. But, as western business media have regularly reported since, the Russian economy shrugged off the sanctions, with monetary interventions by its Central Bank and soaring energy export revenues. Russia's current account surplus in the first four months of 2022 nearly quadrupled over the same period in 2021, the ruble reclaimed its pre-invasion value and strengthened further, and Russia continued to honour its foreign-currency bond obligations. The Economist reported that Russians were spending "fairly freely" in cafés, bars and restaurants once again. Projections of Russia's GDP decline became progressively less pessimistic. Russia will almost certainly be negatively impacted over the medium- to long-term by the technology denial regimes, but in the immediate-term, the sanctions did not achieve the "smart" objective of

hitting Russia hard, while cushioning the impact on sanctions-imposing countries.

The third relevant point that the world, and particularly the developing world, noted from the sanctions is how they involved the weaponisation of virtually every institution and arrangement of globalisation – the free movement of goods, technologies, people and finances. The sanctions against Russia may eventually be withdrawn – perhaps gradually and incompletely – but they have revealed a comprehensive menu of coercive economic options available for the strong to wield against the weak. This will inevitably influence the economic behaviour of less powerful nations, in the direction of precautionary insurance against such measures: trying to develop platforms independent of Washington and Brussels, to bypass the current international financial arteries. The International Monetary Fund's Deputy Managing Director Gita Gopinath has commented that the financial sanctions could contribute to a fragmentation of the global financial system, spur the adoption of digital finance, from crypto currencies to stable coins and Central Bank digital currencies and, in the long run, dilute the global dominance of the US dollar. The dollar will, of course, remain the global reserve currency for the foreseeable future, but the door may have been opened slightly to countries and currencies seeking to

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make bilateral/plurilateral arrangements, bypassing the US dollar.

Multilateral decision-making, particularly on major global political or security issues, is as good as dead. The UN Security Council has split down the middle, rendering it impotent in dealing with all major matters of peace and security. Barriers to trade, movement and technologies threaten to erode the gains of globalisation. NATO Secretary General Jens Stoltenberg defined new political determinants of trade, when he declared at the World Economic Forum in Davos in May that “freedom is more important than free trade” and “protection of values is more important than profit”. In June, a group of developed countries (Australia, Canada, Finland, France, Germany, Japan, the Republic of Korea, Sweden, the UK, the US, and the European Commission) announced a Minerals Security Partnership (MSP) “to build robust, responsible critical mineral supply chains”. Such closed groupings for supply chain resilience can only accentuate the global North-South divide.

The Russian energy dilemma will stalk Europe even after the war (whenever and however it ends). In an accelerated effort to wean itself away from Russian fossil fuels, it has to fast track its programmes for alternative energy sources – at higher

cost and accepting interim shortfalls. Renewables’ output cannot be ramped up beyond a point, as European countries discovered even before the war started. Part of the reason for their current acute energy crisis is that Europe’s earlier projections of renewables’ output proved inaccurate – the sun did not shine long enough and the winds did not blow hard enough. Moreover, the transition pain will be differentially distributed – the more the volume of cheap Russian gas that a country buys today, the higher the increase in its energy costs from alternative sources, and therefore the greater the drag on its economic growth. This is the “security premium” that Europeans are being asked to pay for guaranteed alternative supplies. It remains to be seen if political leaders will remain committed to this economic sacrifice, after the emotions generated by the war start waning, and electoral compulsions loom.

US interests have been intimately interlinked with Europe’s energy security debate. For Germany, the Nordstream 2 (NS2) Russia-Germany gas pipeline is the cheapest source of gas for its industry. Others denounced it as a geopolitical project, increasing European dependence on Russian energy. This argument masked self-serving interests. For Ukraine, gas transit revenues were important, as also the leverage the transit gave it, with both Russia and Europe. The US’s “geopolitical” argument against NS2 dovetailed neatly with its commercial interest in exporting LNG to Europe, reinforced by US sanctions against companies building gas pipelines from Russia. Increasing LNG exports to

Europe is explicitly stated as a motivation for the sanctions. European countries that oppose NS2 are ramping up their LNG import infrastructure to increase imports from the US. The war may result in moving Europe's energy hub eastward, including by replacing north-south supply routes with east-west ones, in which US multinationals may have strong investments.

Europe's solid unity in the face of Russia's aggression on Ukraine has been understandably celebrated. But the political, military, economic and energy issues highlighted by the war could influence the configuration of political and economic forces in Europe over the medium-term. Even while emphasising the importance of a united front in the current situation, the leaders of France and Germany have reiterated the goal of a strategic autonomy for Europe, with the political and military space for it to pursue its interests, within and outside Europe. Europe's earlier attempt to forge a strategic autonomy for itself was in the late 1990s/early 2000s, when an ambitious Lisbon Agenda and an equally ambitious European Common Security and Defence Policy were unveiled. The challenges of EU expansion and US initiatives (NATO expansion and the Iraq war) grounded those ambitions. Franco-German articulations on strategic autonomy were revived during the

Trump Presidency in the US. As the Biden Administration laid out, in mid-2021, its strategy of focussing its external energies on the challenge from China, there was an implicit acknowledgement that Europe should develop the wherewithal to manage its periphery. This came through in the messages that President Biden conveyed during his extended tour of Europe for G7, NATO and EU meetings, where he talked about the convergence of the world's democracies on China and getting NATO to recognise the security challenges posed by it. The Ukraine war has put that thought on hold but Europe's inability to protect itself without extensive US support, may revive European introspection on its strategic direction. US support has been critical in standing up to Russia, but there are also voices questioning whether US perspectives in this war are totally congruent with those of the whole of Europe. The course of post-war reflections in the continent will reveal the direction of Europe's future course. At the same time, it needs to be recognised that the Europe of today is more diverse and more fractious – the search for a focussed continent-wide strategic compass may be problematic.

Allied to this is the future of NATO itself. Paradoxical as it may sound at this triumphal moment of NATO unity and

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Europe's inability to protect itself without extensive US support, may revive European introspection on its strategic direction.

expansion, its post-war future could again come under the scanner.

NATO countries today span a geography of uneven economic development and a diversity of political traditions and historical consciousness. The original glue that held NATO together – ideological solidarity (free world against communist expansion) and an existential military threat – dissolved with the collapse of communism and the Warsaw Pact. There is no ideology to oppose and threat perceptions vary, depending on geographical location and historical experience. This heterogeneity means a diversity of interests. American leadership has succeeded in papering over differences, but the growing ambitions of countries will make this increasingly difficult, particularly if the war ends with a palpable diminution of a military threat from Russia. European NATO members may need to examine its role and actions in the current conflict, its decision-making processes and the practical (rather than the declaratory) implications of Article V (collective self-defence), to decide whether this is an appropriate politico-military model for the post-Cold War world.

Europe will also be left with a major socioeconomic challenge from the war, whenever it ends. The reconstruction of Ukraine and rehabilitation of its displaced population will be a multi-year, multi-

billion dollar project, for which resources have to be found. Furthermore, re-orienting from Russian energy and meeting climate targets, which are receding rapidly, as the rush away from Russian energy sources takes European countries to more polluting fuels to fill the temporary gap. About 7 million Ukrainians have been displaced, according to a number of estimates. Countries like Poland have borne the brunt of immigration – some have taken in numbers exceeding 5 percent of their national populations. There are bound to be economic and societal consequences. These are problems, whose costs are mounting with every day of the war.

President Putin's invasion of Ukraine has generated a groundswell of outrage directed at him and his government. There is also a boycott of Russia itself, its people, its flag, its cultural institutions and sports personalities. Eventually, though, it is not an option to repudiate an entire nation, its people, history and culture, for acts of its political leadership. Even less so, if the country happens to be the world's largest, straddling a huge Eurasian landmass, stretching from China to Europe. Russia is among the top three exporters of natural gas, oil and coal in the world, controlling much of the world's uranium supplies. It supplies a tenth of the world's aluminium and copper, a fifth of battery-grade nickel and dominates the market for precious metals that have important applications in the automotive, electronics and defence industries. It is by far the world's largest exporter of wheat and fertilizers. If, therefore, the

endgame of this war is to be sustainable, it has to accommodate the world's largest country in an equitable security order, not only in Europe, but also in Asia.

In the context of the latter, the impact of the war on the China-Russia and US-China equations is important. At the commencement of the war, the popular wisdom was that the Russia-China strategic partnership had reached its pinnacle. The Putin-Xi joint statement of February 4 describes relations between the two countries as “superior to political and military alliances of the Cold War era”, declaring that “there are no ‘forbidden’ areas of cooperation”. Such hyperbole is common in Russia-China statements; an earlier statement in mid-2021 had not very dissimilar formulations. In fact, China has been rather circumspect in its public posture on the war: while making the right noises supporting Russia's right to indivisible security and voting with Russia (or abstaining) on various UN resolutions, it has not taken any major initiative to support Russia politically, economically or militarily.

The outbreak of hostilities between Russia and Ukraine interrupted the initiative that President Biden launched in June 2021. As outlined, the core of that initiative was for the US to work out a *modus vivendi* with Russia to enable it to engage less in the European theatre and more in the Indo-

Pacific, where it saw its major strategic challenge for the next decades. As President Biden hinted fairly transparently in public statements after his meeting with President Putin, the US effort would be to create space between Russia and China by offering a *détente* with Russia.

Throughout the ongoing war, US actions have signalled that its attention has not been diverted from the China challenge. However, the denouement of the war will determine whether the US will succeed in weakening the Russia-China bond, thus strengthening its hand vis a vis China, or will have to deal with a China that would dominate a weakened Russia – thereby having easier access to Russia's immense natural resources and military technologies. The latter would also mean a more dominant Chinese presence in Central Asia and the broader Eurasian landmass to India's north and west. The implications for India are obvious.

India's foreign policy withstood the pressure to condemn Russia and join the sanctions. Its actions flowed from its strategic and security interests, framed by its geography, historical experiences and defence requirements. The Ukraine war has complicated the already intricate interplay of forces on India's continental and maritime flanks, making its strategic challenges more formidable and its choices

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more complex. It has meant sustaining multiple partnerships in a manner compatible with the interests of each. That its partners have acknowledged the interests driving India's strategic autonomy is evident from the continued high-level bilateral and multilateral interactions that India has sustained throughout the conflict.

The graphic message from the Ukraine war, and responses to it, is that the world has changed dramatically since the end of the Cold War. In recent decades, the free movement of goods, people, ideas and technologies around the globe has empowered multiple state actors of varying political and economic weights. They seek to forge ideology-agnostic external partnerships to maximize space for their national aspirations. A new global order, or even a regional order, needs to recognise these realities; it cannot be built by extrapolating templates from the Cold War.

The US National Security Strategy, issued in the midst of what is effectively a Russia-NATO war, acknowledges these realities. It asserts that “the post-Cold War era is definitively over and a competition is underway between major powers to shape what comes next”. It envisages US cooperation with democracies, “even if they do not agree with us on all issues” and non-democracies, as long as they support a rules-based international system. It recognises that transborder challenges like climate change, food insecurity, communicable diseases, terrorism, energy shortages and inflation have to be tackled in an international context of heightening geopolitical competition, nationalism and populism. It identifies China as the only competitor with both the intent and the comprehensive power to reshape the international order. It also acknowledges the apprehensions of countries that US-China competition might lead to conflict, and commits to preventing a world of “rigid blocs”. The US strategy would incorporate the understanding that a more competitive world affects cooperation on transnational challenges and, equally, the imperative of cooperation affects competition. This is a pragmatic approach to keep conflict in check in the current world disorder, even if a post-Cold War order is still in the making.

The US National Security Strategy asserts that “the post-Cold War era is definitively over and a competition is underway between major powers to shape what comes next”.

UKRAINE CRISIS

ECONOMIC DIMENSIONS OF CONFLICT AND LESSONS FOR INDIA



AMB. D. B. VENKATESH VARMA

The prolonged war between Russia and Ukraine has been an unprecedented inflection point, creating instability and dislocation on a global scale.



The prolonged war between Russia and Ukraine has been an unprecedented inflection point, creating instability and dislocation on a global scale. Though it started in February 2022 as a military war between Russia and Ukraine, it has transformed into a broader conflict between Russia and the West. Apart from the military dimension, the conflict is being fought along economic, informational, and cyber dimensions. Its impact is no longer limited to the two warring countries. It has had a large humanitarian impact in Europe due to the influx of millions of Ukrainian refugees. More significantly, its global impact in terms of supply disruptions of energy, food, fertilizer, and commodities for many countries in the developing world has affected millions of people. The precarious economic situation resulting from the Covid Pandemic was made worse by the onset of the Ukraine conflict.

■ ONSET OF WAR

The Russian military intervention, officially called ‘special military operations,’ in February 2022 was preceded by more than 8 years of tense relations between Russia and Ukraine. Relations deteriorated sharply following the Maidan events and the violent overthrow of President Yanukovich in February 2014, who subsequently fled to Russia. There arose deep divisions in Ukraine -with the Russian speaking majority regions of Lugansk and Donetsk, part of the Donbass region, declaring themselves separate ‘Peoples Republics’ and

raising militias with support from Russia which led to near civil-war-like situation. After a referendum, Crimea formally joined Russia in 2014. The Minsk II Agreement of 2015, which envisaged preserving the sovereignty and territorial integrity of Ukraine while granting constitutionally mandated autonomy for the Donbass made little headway, as neither France nor Germany- the guarantors under the Normandy format were able to find common ground between Ukraine and Russia. With increased support from the United States (US) and the European Union (EU), the Ukrainian position progressively hardened against the Minsk Agreement. Russian minority rights were restricted. The conflict in Donbass between the armed forces of Ukraine and local militias resulted in over 14000 civilian casualties. Increased military assistance to Ukraine from the US, UK, and other European countries as well as from Turkey and the training of more than 80,000 Ukrainian troops to North Atlantic Treaty Organisation (NATO) standards was perceived in Russia as posing a direct threat to its security interests. Economic sanctions were imposed on Russia after 2014. Russia pursued a dual track policy of diplomatic engagement with the US and France and Germany as Normandy format countries but also conducted large scale military exercises during 2021. With no guarantees forthcoming on excluding Ukraine from future NATO membership, Russia decided to intervene militarily in Ukraine in February 2022, with the twin war aims of ‘denazification’ and ‘demilitarization’ of Ukraine. Prior to the military

intervention, both US and EU had warned Russia of severe economic sanctions.

■ PHASES OF WAR

So far, the Russia-Ukraine war has passed through four phases. The first phase which lasted about 10 weeks resulted in a stalemate- Ukraine lost territory in the south and eastern parts but was successful in holding ground in the North, forcing Russia to withdraw from Kyiv, Sumy and Kharkiv. The severe economic sanctions imposed by the US and EU on Russia failed to deter Russia from continuing military operations as prompt measures were taken to restore macroeconomic stability, including measures to strengthen the rouble. The second phase of the war saw Russia making gains in Lugansk, the Azov Sea area including Mariupol by August 2022. Thereafter, in the third phase, Ukrainian counterattacks led to regaining territories east and south of Kharkiv. In addition to stringent sanctions on Russia, large quantities of military assistance in the form of increasingly sophisticated armaments for the Ukrainian armed forces enabled a sort of a military stalemate wherein Russia was considered too weak to win and Ukraine too strong to lose. The fourth phase of the war began in September

with Russia announcing a mobilisation of 300,000 troops and the incorporation of four regions of Ukraine with Russian majority populations (Lugansk, Donetsk, Kherson and Zaporizhzhia) as regions of Russia. Following the Ukrainian attack on the Kerch bridge, Russia expanded drone attacks on civilian infrastructure in Ukraine. While there were some efforts at peace talks between Russia and Ukraine, facilitated by Turkey and UN, in the first phase, when Russia was prepared to accept a united, neutral, and non-nuclear Ukraine, it appears now that war aims of both sides have hardened making it more difficult than before to bring about a negotiated settlement to the conflict. While Russia has specific territorial objectives, Ukraine, and its supporters in the West, want to ensure that the war is a ‘strategic failure’ for Russia. In addition to supplying vast quantities of armaments to Ukraine, Russia has been subjected to unprecedented sanctions which have been increasing as the war has progressed.

■ ECONOMIC SANCTIONS

In the build up to the conflict, the US, EU, and other US allies such as Japan and Australia conducted intensive consultations to coordinate their positions and were

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prepared to impose severe sanctions on the outbreak of war. Unlike in previous instances of sanctions against Russia, or Iran or Venezuela, when the EU trailed behind the US in imposing sanctions, the US ensured that all its allies- in Europe and Asia imposed sanctions on par with those proposed by the US. While the US and EU imposed separate set of sanctions these were coordinated and were mutually reinforcing. US pressure ensured that those European states which were reluctant quickly fell in line. Just as the US used its dominating influence in Europe in the military sphere, in matters relating to NATO to impose its will, it used its influence in the economic sphere to ensure imposition of severe sanctions against Russia. EU countries accepted sanctions even though these entailed huge costs to their economic wellbeing.

There are now more than – 13000 different sanctions against Russia, imposed by U.S and E.U, some of them preceding the military intervention of February 2022. The common objective of these sanctions is to impose economic costs on Russia, restrict its international financial and trade activities, weakening its ability to finance the war and target key decision makers and individuals constituting the political, military, and economic leadership of Russia. The main sectors that were targeted include the financial, banking and trade sectors, defence, and energy industry as

well as restrictions on air transportation and shipping links, and the social isolation of noted Russian cultural and sports personalities. Russian Central Bank assets abroad were confiscated as well as personal assets of prominent Russian individuals. Visa restrictions have also been imposed by the West. Some restrictions on wheat and fertilizer exports were eased following an agreement brokered by Turkey and the United Nations. Though over 140 countries in the United Nations voted against Russia, not more than 50 countries have joined in imposing some form of sanctions against Russia, which is less than one third of the international community.

■ IMPACT OF SANCTIONS

The imposition of severe sanctions against Russia has failed to achieve its main objective- to change the calculus of decision- making in the Kremlin in the conduct of the war. With the help of a very competent Central Bank, Russia was able to stabilise the rouble, maintain a positive current account balance, keep inflation down to reasonable levels, retain healthy foreign exchange reserves and maintain robust earnings out of energy exports, despite restrictions on exports to US and EU. This was achieved through engaging with OPEC-plus to keep oil prices high, offer of price discounts to major importers like India and China, diversification of

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export routes and a calibrated squeeze on customers in Europe intended to split a common EU position. Increased social dissatisfaction, economic downturn and political instability in EU is expected to peak in the winter of 2022 which Russia hopes will weaken EU resolve and unity. The US has offered some alternatives to EU but at four times the cost of Russian supplies. The lack of viable alternatives for European energy security is expected to lead to its deindustrialisation in the coming years. The political economy of Europe will change dramatically in the long run.

While in the short-term Russia has been successful in weathering the sanctions storm, their medium- and long-term effects will inevitably weaken the Russian economy. Its GDP is expected to fall this year by around 5.5 to 6%, according to IMF and OECD estimates though Russian Trade Ministry expects a fall of only 2.9%. Russian Govt estimates that Russia will return to growth of 2.6% in 2024 and 2025. Russia has suffered a substantial fall in exports - about 17.2% and imports of about 25% in 2022, as compared to 2021. The slowdown in the economy is also expected to be impacted by return of high inflation of about 14% in 2023.

The withdrawal of over a thousand US and European companies from Russia and cut-off of technology partnerships especially in airlines, automobiles, precision machinery, automation, pharma, computers, telecom equipment and semiconductor devices are expected to negatively impact future economic growth. The existing demographic difficulties are expected to increase given the large numbers of young men being withdrawn from the work force due to the war mobilization and a fairly large number of young professionals who have emigrated to other countries.

■ COUNTERMEASURES ■

Russia has responded to the economic sanctions by launching major programmes for import substitution and indigenisation, which may of course take some time to bear fruit. Diversification of its main trading partners from the West to the East is now a priority for Russian foreign policy. These countries include China, India, Iran, South Africa, ASEAN, Brazil, and Gulf countries. During 2022, Russia's trade relations with Turkey have increased over a 100%. Turkey has emerged as a vital partner for Russia in addressing Western sanctions. China's

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exports to Russia increased almost 40% while there was drop of 6.2% of imports from Russia. Russia stepped up its efforts to create a common market in the EAEU. It has promoted more vigorously an alternative financial messaging system to SWIFT called SPFS (sisteme peredachi finnasovykh Soobschenie). There is a MIR card - as an alternative to Visa and MasterCard. Russia has been an active supporter of de-dollarization of foreign exchange holdings and the use of national currencies for bilateral and multilateral trade in the context of BRICS and SCO. While Russia's partners, especially those that have not joined Western sanctions are keen to explore alternatives, issues such as reliability and transaction costs remain concerns, apart from their desire not to unduly antagonize the US, with whom they continue to have substantial trading relations.

■ ENERGY

Russian exports in the energy, commodities, food, and defence sectors will continue to face intense Western restrictions. With coal and gas exports to Europe severely restricted, including through the closure or damage to critical pipelines, the price cap on Russian oil exports to be introduced by the US and EU from early December 2022 are aimed to further restrict scope for Russian oil export earnings. This is due to the fact that a majority of the oil tanker fleet belong to countries that are participating in US sponsored sanctions against Russia. The aim of the price cap is not to exclude Russian oil from the

global market which will have the effect of raising prices but to restrict oil export revenues for Russia. For its part, Russia has said that it would refuse to sell oil to those countries that agree to the price cap.

In the context of OPEC plus in cooperating with Saudi Arabia and UAE, Russia has achieved considerable success in maintaining higher price levels. It has also stated that it would not export to countries which accept the US imposed price caps which indirectly weakens OPEC's role in pricing of global oil. The expected long-term closure of energy markets in the west for Russian exports will compel Russia to divert these exports to the East, even though this will take time as a substantial portion of its pipeline architecture has historically been in the west-ward direction. Over the past decade, China has benefitted from the operation of two major gas and oil pipelines from Russia. The pipeline infrastructure southwards – towards India is still weak though possibilities exist in terms of using energy hubs in Iran, Gulf or Turkey to bring Russian gas/LNG/oil to India. Due to western sanctions, Russia will have no option but to deepen its energy cooperation with new partners, which opens attractive openings for India.

■ INDIA'S APPROACH

Since the outbreak of hostilities in February 2022, India has taken a principled and consistent position, both nationally and at the UN. While it has not supported the UN resolutions of a condemnatory nature against Russia, India has called for cessation

PM Narendra Modi has spoken to both President Putin of Russia and President Zelensky of Ukraine stressing that 'this is not the era of war'. India has also offered to support peace efforts to end the war.

of hostilities, avoidance of civilian casualties and destruction of civilian infrastructure and keeping pathways for dialogue and diplomacy open, even while emphasising that war is not the solution. PM Narendra Modi has spoken to both President Putin of Russia and President Zelensky of Ukraine stressing that 'this is not the era of war'. India has also offered to support peace efforts to end the war. India has consistently underlined that the respect for principles of sovereignty and territorial integrity of states as stated in the UN charter are essential pillars of the international order. India has also extended humanitarian aid to Ukraine.

■ SANCTIONS: INDIA'S RESPONSE |

The imposition of Western sanctions on Russia have posed considerable challenges to India's security and economic interests. While these sanctions have not been adopted by the UNSC and hence do not have international legitimacy, India has had to balance its interests with respect to Russia even while limiting damage to its relations with the US and the EU. The guiding principle in this regard has been the protection of national interest and promotion of the welfare of its people. In

this regard India substantially increased import of Russia crude available at discounted rates, with total imports rising from around 1% in 2021 to about 18-20% of our imports this year. At the same time, India has kept dialogue open with other major energy suppliers, including those from the Gulf, US, and Canada. With respect to the price cap being proposed by the US, India has kept the door open for dialogue, indicating that it would make purchases from any supplier that would make the best commercial offer. India has shown interest in expanding its stake in Sakhalin I after Exxon Mobile exited the project. Indian companies have also shown interest in expanding their presence in the Russian market taking advantage of the space vacated by western companies. India has concluded agreements for long term supply of fertilizers and coking coal for its steel industry. Russian participation in the Kudankulam Nuclear Power Project has progressed on schedule.

Russia has been a long-standing defence partner for India's armed forces. While India continues its traditional defence ties, despite the difficulties posed by the ongoing Ukraine war, in terms of timely

The imposition of Western sanctions on Russia have posed considerable challenges to India's security and economic interests.

availability of spares and services, there is now greater emphasis on Make-In-India defence manufacture of equipment. India and Russia have reconfirmed their determination to take forward agreed projects in the defence field including the supply of S-400 missiles and the manufacture of AK-203 assault rifles in India. Through sustained engagement with the US on our defence requirements, India has also been able to convince the US not to make the Countering America's Adversaries through Sanctions Act (CAATSA) a new hurdle in our bilateral defence relations. Continuing western sanctions on Russia may hand over a geopolitical advantage to China, in particular enforcing a dependency relationship and enabling China to occupy the arms market amongst developing countries previously with Russia.

The disruption of normal banking and transportation channels has been a challenge for bilateral trade relations. While bilateral banking linkages have been strengthened, discussions are proceeding on increased use of national currencies and direct banking messaging systems. Payments through other non-dollar currencies are also being considered. There is increased interest in operationalising the International North-South Transport Corridor (INSTC) through Iran and the Chennai-Vladivostok Eastern Maritime to ease the transportation bottlenecks that have arisen due to Western sanctions against Russia. Despite all the difficulties arising from the Ukraine conflict, bilateral

trade in 2022 has arisen almost 120% as compared to 2021- amounting to – 18 billion USD.

At international fora, India has highlighted the negative consequences of the Ukraine conflict and the spill-over effects of sanctions on developing countries – increased energy and commodity prices, transaction costs, trade losses, and supply chain disruptions resulting in higher inflation and interest rates, increased debt, and rising risk of a global recession- all affecting the well being of millions of people in the Global South. As chair of the SCO and G20 during 2023, the Global South will look to India's leadership to address critical issues of food and energy security, debt sustainability and climate change-consequences of the unrestrained weaponisation of global interdependence.

■ CONCLUSION ■

The imposition of sanctions against Russia as an instrument of economic warfare in the Ukraine conflict has produced unintended and unprecedented outcomes. While the sanctions themselves have thus far failed in their primary objective of compelling Russia to change its war aims and scale back its military operations, the spill over effects on imposing sanctions on a large economy as that of Russia, which was deeply integrated in the world economy, especially in the fields of energy, commodities, defence and agricultural has created a disproportionately large negative impact on the global

The Ukraine conflict has further deepened global divisions along East-West and North-South dimensions, eroding the ethic of mutual accommodation amongst the big powers, undercutting the basis of global trade and growth, exacerbating regional conflicts, weakening the UN, in particular the legitimacy of the UNSC, and making geopolitical instability the norm for the future.

economy. The Ukraine conflict has further deepened global divisions along East-West and North-South dimensions, eroding the ethic of mutual accommodation amongst the big powers, undercutting the basis of global trade and growth, exacerbating regional conflicts, weakening the UN, in particular the legitimacy of the UNSC, and making geopolitical instability the norm for the future.

The weaponisation of global interdependence has overturned one of the key pillars of globalisation – the principle that the greater the interdependence between states, the lesser the chances that states can use coercive measures against each other. In fact, the imposition of western sanctions has revealed that globalisation is a cover for asymmetric growth with concentration of coercive power in a few states as compared to others. This is particularly evident in the financial, informational and energy markets. The US as the dominant player in the global financial and informational networks has

used its dominance in the Ukraine conflict to shape geostrategic outcomes. While Russia was the main target, it was an eyeopener for several other countries, with respect to the risks arising from a few countries weaponising global interdependence to their advantage. This would certainly lead to countries questioning the reliability of the dollar as the preferred international reserve currency, the sanctity of the petrodollar and would accelerate the search for diversified reserve currencies and alternate payment systems. This process will take time as none of the alternatives under consideration can replace the US dollar dominated system in the immediate future. As such, countries like India would have an interest in looking at alternatives but not at the cost of placing at risk their substantial trading relations with US and the EU. Hence, it is in India's interest that the Ukraine conflict is settled not through war but through dialogue and diplomacy so that the negative impact on the global economy is reversed in the shortest possible time.

These have been challenging times but India has passed the stress test with considerable success, reaffirming the importance of strategic autonomy as a key principle of our national security.

Since the outbreak of the Ukraine conflict Indian foreign policy has shown leadership in taking an independent position consistent with its national interests and maturity in standing firmly on the side of peace and resolution of the conflict through dialogue and diplomacy. The economic impact of sanctions on the Indian economy have been reduced considerably enabling India to register one of the highest growth rates amongst

major countries in the coming years. These have been challenging times but India has passed the stress test with considerable success, reaffirming the importance of strategic autonomy as a key principle of our national security. India's success is an essential pillar for the emergence of a multipolar world order, which can only come about not through use of force but through mutual accommodation amongst countries that constitute its multiple poles. ,

UKRAINE CRISIS AND US INDO-PACIFIC STRATEGY



PROF. SWARAN SINGH

It is commonplace that the Ukraine crisis of year 2022 presents a case of the greatest upheaval in European history since World War II.



It is commonplace that the Ukraine crisis of year 2022 presents a case of the greatest upheaval in European history since World War II.¹

The most glaring outcome of Ukraine crisis for United States' (US) Indo-Pacific strategy has been the growing proximity of Moscow and Beijing while US partners of the European Union (EU), North Atlantic Treaty Organisation (NATO), Group of Seven (G7) were seen betraying their disunity and varying perspectives. So much so that questions begin to be asked whether this has made centrality of Russia and North Atlantic theatre of 20th century vintage re-emerge as the most formidable challenge for Biden Administration?

Within first two months of the US response to Ukraine crisis, Biden Administration pledged \$4.5 billion in security assistance including thousands of pieces of military hardware and over 50 million round of ammunitions.² Does this imply diminishing of US engagement with the Indo-Pacific littoral and worse expanding China-Russian nexus becoming even stronger determinant of the future of this region?

Such scepticism becomes convincing in face of Ukraine crisis of 2022 being examined

in the backdrop of Russia's earlier military operations in Transnistria in Moldova (1992), Abkhazia and South Ossetia in Georgia (2008), and in Crimea and Donbas in Ukraine (2014), Russia's peacekeeping operations under the auspices of Collective Security Treaty Organisation (CSTO) and especially the personality of President Vladimir Putin who has been in power since May 2000.³ Biden Administration on the other hand has come to be increasingly seen becoming hostage to its pandemic driven domestic difficulties plus other complex legacies of President Donald Trump.⁴ If anything, Ukraine crisis has put Biden administration on the defensive to explain its commitment to its professed Indo-Pacific strategy and whether China still remains its most formidable challenge and how it plans to redress its negative implications.

■ CRUMBLING EDIFICE ■

Other than its immediate backdrop of pandemic and Trump's disruptive four years of global disengagement and disenchantment with allies, the impact of Ukraine crisis on US Indo-Pacific strategy has also been examined in the context of

1 Nisha Gaiand et al., "Seven ways the war in Ukraine is changing global science", *Nature*, 20 July 2022, <https://www.nature.com/articles/d41586-022-01960-0>; Jeffrey Mankoff, "Russia's War in Ukraine: Identity, History, and Conflict", Centre for Strategic & International Studies, (April 2022), https://csis-website-prod.s3.amazonaws.com/s3fs-public/publication/220422_Mankoff_RussiaWar_Ukraine.pdf?tGhbFT.eyo9DdEsYZPaTWbTZUtGz9o2_; Sven Smit et al., "War in Ukraine: Lives and Livelihoods, lost and disrupted", McKinsey & Company, March 17, 2022, <https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/war-in-ukraine-lives-and-livelihoods-lost-and-disrupted>

2 C. Todd Lopez, "U.S. Commitment to Indo-Pacific Not Limited by Security Assistance to Ukraine", *DoD News*, May 19, 2022, <https://www.defense.gov/News/News-Stories/Article/Article/3037989/us-commitment-to-indo-pacific-region-not-limited-by-security-assistance-to-ukra/>

3 Benjamin Dodman, "Moldova, then Georgia, now Ukraine: How Russia built 'bridgeheads into post-Soviet space'", *France 24*, 22 February 2022, <https://www.france24.com/en/europe/20220222-moldova-then-georgia-now-ukraine-how-russia-built-bridgeheads-into-post-soviet-space>; Alexander Cooley, "Kazakhstan called for assistance. Why did Russia dispatch troops so quickly?", *The Washington Post*, January 9, 2022, <https://www.washingtonpost.com/politics/2022/01/09/kazakhstan-called-assistance-why-did-russia-dispatch-troops-so-quickly/>

4 Rick Scott, "To honor Shinzo Abe, we must continue his vision for East Asia", *The Hill*, July 21, 2022, <https://thehill.com/opinion/congress-blog/3569180-to-honor-shinzo-abe-we-must-continue-his-vision-for-east-asia/>; Mark S. Cogan and Paul D. Scott, "Democracy Promotion in the Indo-Pacific: Prelude to a 'Biden Doctrine'?", *The Diplomat*, December 02, 2021, <https://thediplomat.com/2021/12/democracy-promotion-in-the-indo-pacific-prelude-to-a-biden-doctrine/>; Elise Labott, "when the White House Changed Hands, It Changed Tone but Not Policies", *Foreign Policy*, September 22, 2022, <https://foreignpolicy.com/2021/09/22/biden-us-policy-trump-legacy-foreign-policy-aucus/>

Other than its immediate backdrop of pandemic and Trump's disruptive four years of global disengagement and disenchantment with allies, the impact of Ukraine crisis on US Indo-Pacific strategy has also been examined in the context of ongoing debates about the relative decline of the US global leadership.

ongoing debates about the relative decline of the US global leadership.⁵ This has clearly multiplied doomsday prophecies present perspectives on Ukraine crisis that throw up a whole range of multifaceted challenges for the US leadership in the Indo-Pacific region. Questions are raised on whether post-World War II norms, conventions and institutions that constitute the global liberal order have not become dated requiring thorough transformation? To begin with, the European security architecture has come under question from amongst its members and stakeholders alike.⁶

Ukraine crisis has betrayed vulnerabilities of expanded EU's internal unity as also internal disjunction of the expanded NATO.

Experts hold eastward expansion of these two organisations as responsible for the Ukraine crisis.⁷ These are the two European platforms that still undergird the US global leadership. Questions have been raised about the future of US-led liberal world order, about the efficacy of NATO's eastward expansion and on the logic of its 'out-of-area' operations. Even expansion of G7 to G20 has witnessed similar fissures. The April 2022 G7 Summit for instance had seen India's participation creating difficulties for the West as India refuses to denounce Russia.⁸ As the epicentre of global politics shifts from north Atlantic to the Asia-Pacific — or the Indo-Pacific — US-led NATO is seeking to strengthen its partnerships with its Asian friends.⁹ In their June 2022

Ukraine crisis has betrayed vulnerabilities of expanded EU's internal unity as also internal disjunction of the expanded NATO.

5 William R. Thompson, *American Global Pre-eminence: The Development and Erosion of Systemic Leadership*, (Oxford: Oxford University Press, 2022); pp.117-119; Mira Rapp-Hooper, *Shields of the Republic: The Trump and Peril of America's Alliances*, (Cambridge, Mass: Harvard University Press, 2020), pp. 234-236; Yan Xuetong, *Leadership and the Rise of Great Powers*, (Princeton: Princeton University Press, 2020), pp. 23-24.

6 Peter Viggo Jakobsen, "New threats to European Security", David J. Galbreath, Jocelyn Mawdsley and Laura Chappell (eds.), *Contemporary European Security*, (London: Taylor & Francis, 2019), p. 132; Charles Krupnick, "Not What They Wanted: American Policy and the European Security and Defence Identity", in Alexander Moens and Christopher Anstis (eds.), *Disconcerted Europe: The Search for a New Security Architecture*, (New York: Routledge, 2018) p. 81.

7 Alex Kingsbury, "NATO Expansion, Compliments of Mr. Putin", *The New York Times*, June 29, 2022, <https://www.nytimes.com/2022/06/29/opinion/nato-expansion-putin.html>; Ted Galen Carpenter, "Many predicted Nato expansion would lead to war. Those warnings were ignored", *The Guardian* (London), 28 February 2022, <https://www.theguardian.com/commentisfree/2022/feb/28/nato-expansion-war-russia-ukraine>; Simon Sweeney, "Has NATO and EU expansion provoked the conflict in Ukraine?", *UK in a Changing Europe*, 2 March 2022, <https://ukandeu.ac.uk/has-nato-and-eu-expansion-provoked-the-conflict-in-ukraine/>

8 Alberto Nardelli and Michael Nienaber, "Germany Weighs Snubbing India as G-7 Guest Over Russia Stance", *Bloomberg*, 12 April 2022, <https://www.bloomberg.com/news/articles/2022-04-12/germany-may-snob-india-as-g-7-guest-over-russia-stance#xj4y7vzkg>; CFR.org.Editors, "Where Is the G7 Headed?" (New York: Council for Foreign Relations), June 28, 2022, <https://www.cfr.org/backgrounder/where-g7-headed>

9 Ankit Panda and Catherine Putz, "NATO's Madrid Summit and the Interlinkages Between European and Asian Security", *The Diplomat*, June 29, 2022, <https://thediplomat.com/2022/06/natos-madrid-summit-and-the-interlinkages-between-european-and-asian-security/>

Ukraine crisis has pushed Russia and China closer together thereby sharpening both intra-EU as also US-EU divide in their Indo-Pacific visions.

Madrid Summit, NATO was seen reassuring its Asian allies that Ukraine crisis has not impacted on their internal unity and their focus on the Indo-Pacific region.¹⁰ However, Ukraine crisis has not just impacted their outlook on European security architecture but also affected the US' equations with its European allies many of which have begun to issue their own Indo-Pacific strategies underlining their variations from the US engagement with this region.

The most glaring example of this shift can be seen in Europe's increasing assertion of its autonomy and disconnect from the US leadership. Instead of endorsing, parroting or towing the US led Indo-Pacific strategy, the emerging narratives on Indo-Pacific of either EU or individual nations of Europe have already begun to underline their disconnect with the US. Second, the US Indo-Pacific strategy has increasingly sought to rely exclusively on their Asian allies thereby excluding its European partners in their Indo-Pacific initiatives. President Biden's Indo-Pacific Economic Forum (IPEF) provides its most recent and most apt example of this drift.¹¹ Third, Ukraine crisis has pushed Russia and China closer together thereby sharpening

both intra-EU as also US-EU divide in their Indo-Pacific visions.¹² Comparisons are being made today between Ukraine and Taiwan to examine what lessons has Beijing drawn from Russia's fate in the Ukraine crisis? Is this going to further push US-China brinkmanship which remains the driver of American Indo-Pacific strategy? A comment from Democratic Congressman Raja Krishnamoorthi, standing next to Nancy Pelosi in her press conference in Washington DC, following her August 2-3 visit to Taiwan, reveals this thinking as he said: "We want to make sure what happened in Ukraine does not happen in the Southeast Asian region, and especially Taiwan".¹³ To the least Ukraine crisis has both stretched Biden Administration out of its focus on the Indo-Pacific but also put it on the defensive making it reiterate its commitment towards its Asian allies and their shared concerns about Beijing in particular.

The release of Biden Administration's Indo-Pacific Strategy in February 2022 — within one year of taking office — and its five online conversations between President Biden and President Xi Jinping within first 18 months in office and their much anticipated first face-to-face Summit in November

10 Mirna Galic, "Despite Ukraine Focus, Asia-Pacific to Play Prominent Role at NATO Summit", *United States Institute of Peace*, June 27, 2022, <https://www.usip.org/publications/2022/06/despite-ukraine-focus-asia-pacific-play-prominent-role-nato-summit>

11 Swaran Singh, "Can US-led IPEF outshine RCEP or CPTPP?", *Asia Times* (Hong Kong), May 27, 2022, <https://asiatimes.com/2022/05/can-us-led-ipef-outshine-rcep-or-cptpp/>

12 Ishaan Tharoor, "Russia becomes China's 'junior partner'", *The Washington Post*, August 12, 2022, <https://www.washingtonpost.com/world/2022/08/12/china-russia-power-imbalance-putin-xi-junior-partner/>

13 Amanda Connolly, "China will not be allowed to 'isolate' Taiwan, Pelosi says", *Global News*, August 10, 2022, <https://globalnews.ca/news/9050553/china-taiwan-isolation-nancy-pelosi/>

Ukraine crisis has both stretched Biden Administration out of its focus on the Indo-Pacific but also put it on the defensive making it reiterate its commitment towards its Asian allies and their shared concerns about Beijing in particular.

2022 reflect US compulsions of credibility. To recall Joe Biden was the Vice President when President Obama had heralded a new phase of US 'pivot' to Asia-pacific. He was then responsible for "reassuring allies" who were sceptical that "America's heart is not in the rebalance" to Asia-pacific region.¹⁴ Even today experts continue to highlight how Biden Administration's approach to the Indo-Pacific "has so far lacked focus and urgency," suggesting urgent need for course correction as a prerequisite to "reinforce its role as an indispensable resident economic power" of this region.¹⁵ This calls for a brief look at the DNA of the US strategic thinking to assess its baggage about the genesis and evolution of its Pacific strategy of the yore.

■ LEGACIES OF PACIFIC STRATEGY |

Briefly, the post-World War II American narratives on the Pacific were largely woven around their imaginations of this being an 'American Lake' where they sought to build security by replicating NATO-like alliances across Asia. This saw the US setting up South East Treaty Organisation (SEATO), Baghdad Pact or Central Treaty

Organisation (CENTO) and Australia, New Zealand, United States (ANZUS) pact as US-led military alliances. But unlike in the north Atlantic and the south Pacific, extreme diversity of Asian landmass was soon to make SEATO and CENTO dysfunctional forcing the US to reinvent these as its 'hub-and-spokes' strategy around bilateral military alliances with Japan, South Korea, the Philippines, Singapore etc. From 1960s, US also innovated new strategies of soft-balancing spread of Soviet and Chinese style of communism in this region by promoting ASEAN and over years placed it in the driver seat of all regional initiatives. Thus without having NATO-like military alliances in Asia, US "identifies ASEAN as a pillar of American defence policy in the pacific."¹⁶ It was from the early 1980s, following the rapid economic rise of Japan, followed by rise of tiger economies of South Korea, Hong Kong, Singapore and Taiwan that the US became awake to the term 'Asia-Pacific' or Pacific Asia region. This led to the creation of the Asia Pacific Economic Cooperation (APEC) as first regional forum with US as its leading player.¹⁷

14 William T. Tow, "Rebalancing and order building: strategy or illusion?", in William T. Tow and Douglas Stuart (eds.), *The New US Strategy towards Asia: Adapting to the American pivot*, (New York: Routledge, 2015), p.39.

15 Ashley Townshend, Susannah Patton, Tom Corben and Toby Warden, *Correcting the Course: How the Biden administration should compete for influence in the Indo-Pacific*, (United States Studies Centre, University of Sydney, August 2021), p. 3.

16 MuthiahAlagappa, "U.S.-ASEAN Security Relations: Challenges and Prospects", *Contemporary Southeast Asia*, (Singapore), Vol.11, No. 1 (June 1989), pp.1, 35.

17 Kuniko Ashizawa, *Japan, the US, and Regional Institution-Building in the New Asia*, (New York: Palgrave Macmillan, 2013), See chapter 4: "The United States and the Creation of APEC: Global Hegemon and Regional Cooperation, 198801989", pp. 81-83.

This US-China ratcheting up was taking place in the backdrop of larger drifts from continental to maritime and from geo-strategic to geo-economics making Indo-Pacific centre of gravity driven primarily by its expanding energy flows and later by China's Belt and Road Initiative.

In the post-Cold War process of realignments and following the collapse of Soviet Union and its eastern bloc, especially in the wake of unprecedented economic rise of China and US search for new regional allies leading to the post-2005 Indo-US proximity that the narratives grew this new frame of 'Indo-Pacific' geopolitics which was already being propagated by leaders like Shinzo Abe of Japan.¹⁸ In the year 2017, this coinage was formally enunciated in President Donald Trump's National Security Strategy.¹⁹ President Trump's proactive engagement with the Indo-Pacific was, of course, undergirded by decade long gradual drift taking place in the US operational naval reorientation in the region as well. The year 2010 had seen Australia agreeing to host 200 Rotational US troops at Darwin — a number that was to expand to 2,500 by 2019 and US has since built new naval

facilities northeast of Darwin at Glyde Point which is big enough to accommodate visiting forward deployed amphibious warships and aircraft carriers.²⁰ In year 2012, speaking at the annual Shangri La Dialogue in Singapore, General Leon Panetta was quoted saying that by year 2020, 60 per cent of US naval fleet will be deployed in the Asia-Pacific calling it "top priority" of US security policy for this region.²¹

Trump Presidency was to especially see US reinforce its hyperactive interest in the Indo-Pacific region and Trump's legacies have so far continued to be overcast on the Biden Administration.²² Barely three days into office in January 2017, President Donald Trump had announced US withdrawal from the President Barrack Obama's signature Trans-Pacific Partnership followed by renaming US Pacific Command as US Indo-

Increasing proximity of Russia and China makes their growing nexus the most formidable outcome of Ukraine crisis that clearly complicates US Indo-Pacific strategy.

18 Rupakjyoti Borah, *The Strategic Relations Between India, the United States and Japan in the Indo-Pacific*, (Singapore: World Scientific, 2022), pp.3-4.

19 The White House, *National Security Strategy of the United States*, December 2017, <https://trumpwhitehouse.archives.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf>, pp.45-46.

20 David Scott, "US strategic re-positioning to the "Indo-Pacific", in Ash Rossiter and Brendon J. Cannon (eds.), *Conflict and Cooperation in the Indo-Pacific: New Geopolitical Realities*, (New York: Routledge, 2020), p. 81.

21 BBC, "Leon Panetta: US to deploy 60% of navy fleet to Pacific", *BBC News*, 2 June 2012, <https://www.bbc.com/news/world-us-canada-18305750>

22 Marcin Grabowski, "Joe Biden's Strategy in Indo-Pacific Region: Change or Continuity, A Comparative Analysis", *Polish Political Science Yearbook*, Vol. 50 (2021), p. 87.

Pacific Command in 2018 and heralding a new era of trade and technology wars with Beijing while convening two Summit meetings with North Korea's Kim Jong-un.²³ This US-China ratcheting up was taking place in the backdrop of larger drifts from continental to maritime and from geo-strategic to geo-economics making Indo-Pacific centre of gravity driven primarily by its expanding energy flows and later by China's Belt and Road Initiative.

This US-China rivalry was to be further exacerbated by the pandemic which has since seen most industrialised economies facing disruption and deceleration while China has claimed its economy showing substantive growth reaching \$16 trillion for 2020-2021.²⁴ China's Global Times claimed it to reach \$18.11 trillion for financial year Jan-Dec 2021.²⁵ This marked the backdrop of Ukraine crisis where China has stood with Moscow by not just refusing to denounce Russia's 'special military operations' but by providing it political support by increasing its imports from Russia. This increasing proximity of Russia and China makes their growing nexus the most formidable outcome of Ukraine crisis that clearly complicates US Indo-Pacific

strategy. There are indeed multiple ways to examine the impact of Ukraine crisis on US Indo-Pacific strategy. The following section examines some of the major variables and implications that Ukraine crisis have shown for the evolution of the US engagement with the Indo-Pacific region as also for the overall trajectories of regional realignments amongst its major stakeholders.

UKRAINE CRISIS: THE JIGSAW PUZZLE

Most western analysts, until the very eve of Russia's "special military operations" into Ukraine, were firm that Russia's cost/benefit analysis do not allow it to actually invade Ukraine and, even in worst case scenario, Russia would confine its intervention to protecting ethnic Russian minorities in the Donbas region in eastern Ukraine.²⁶ This meant that none of these nations were prepared to face Russian onslaught which rattled the already simmering fissures of western alliance arrangements. The most visible weakness of much hyped US-led sanctions campaign against Russia was that its close European allies could not stop, even reduce, buying Russian gas which was funding Putin's military operations.²⁷ If anything, Russia was soon brandishing

23 Harsh V Pant and Kashish Parplani, *America and the Indo-Pacific: Trump and Beyond*, (New York: Routledge, 2021), p.4.

24 Stella Qui and Ryan Woo, "Factbox: Has China's \$16 trillion economy fully recovered?", Reuters, April 16, 2021, <https://www.reuters.com/world/china/chinas-16-trillion-economy-fully-recovered-2021-04-16/>

25 Liu Dingding, "China to be 'stabilizer' of global economy in 2022", *Global Times* (Beijing), March 6, 2022, <https://www.globaltimes.cn/page/202203/1254130.shtml>

26 Frank Gardner, "Ukraine crisis: Five reasons why Putin might not invade", *BBC News*, 21 February 2022, <https://www.bbc.com/news/world-europe-60468264>; Harlan Ullman, "Why Putin won't invade Ukraine", *New Atlanticist* (Atlantic Council, Washington DC), February 16, 2022, <https://www.atlanticcouncil.org/blogs/new-atlanticist/why-putin-wont-invade-ukraine/>; Rachel Pannett, Robyn Dixon, Brittany Shammass and Maria Luisa Paul, "Putin orders troops to separatist regions of Ukraine, Kremlin attacked at U.N. meeting", *The Washington Post*, February 21, 2022, <https://www.washingtonpost.com/world/2022/02/21/russia-ukraine-updates/>

27 Eva Krukowska and Alberto Brambilla, "European energy giants set to keep buying Russian gas", *Al Jazeera*, 17 May 2022, <https://www.aljazeera.com/economy/2022/5/17/european-energy-giants-set-to-keep-buying-russian-gas>; Henry Ridgwell, "Despite Sanctions, Europe Continues to Bankroll Russia for Gas, Oil", *Voice of America*, March 1, 2022, <https://www.voanews.com/a/despite-sanctions-europe-continues-to-bankroll-russia-for-gas-oil/6465223.html>

threats to cut off European gas supplies creating panic in several European nations' winter storage plans as winter of 2022 approached.²⁸ This was to reinvigorate an ongoing debate about NATO's internal division.²⁹ The same was the case with G7. So, amid the Ukraine crisis, the July 2022 NATO Summit at Brussels was seen reorienting itself to the Indo-Pacific concerns. For the first time, this Summit was attended by leaders from four Indo-Pacific countries namely, Australia, Japan, New Zealand and South Korea. As a result, while calling Russia as their "most significant and direct threat" NATO announced that China was their "systemic challenge" indicating a coordinated and yet a parallel NATO engagement of Indo-Pacific region.³⁰ As a direct outcome of Ukraine crisis, therefore, these complicating disjunctions between the US and its European allies presented a serious challenge to US Indo-Pacific strategy.

I) EUROPEAN ALLIES

It is not to deny that Ukraine crisis has seen the US and its European and Asian allies standing in unison on several issues which makes this crisis a catalyst for reinforcing their shared stakes in redressing their shared security challenges. The most cohesive was, for example, the G7 group cutting Russia's access from both SWIFT and International financing through the IMF and World Bank and it also saw calls for revocation of Russia's 'Most Favoured Nation' status at the World Trade Organisation and even to suspend it from United Nations Security Council.³¹ The voting in the UN General Assembly indeed led to the suspension of Russia from UN Human Rights Council.³²

But this only saw Russia reinvigorating its exports and engagement with the Indo-Pacific littoral, especially China and India as also participate in multiple multilateral forums like Shanghai Cooperation Organization or BRICS (Brazil, Russia, India, China, South Africa) group and

Ukraine crisis, therefore, also propelled shifting alignments bringing to light enduring internal divisions within the EU, NATO and G7 groupings that presented new challenges to the US global leadership including its engagement with the Indo-Pacific region.

28 Reuters, "Russia will once again shut off Europe's gas via Nord Stream pipeline", *CNN Business*, August 19, 2022, <https://www.cnn.com/2022/08/19/energy/nord-stream-1-shutdown-gazprom/index.html>; Eloise Barry, "Europe Relies on Russian Gas. A Tough Winter Lies Ahead Amid Fears of a Cut-off", *Time*, July 26, 2022, <https://time.com/6200523/europe-russia-gas-future/>

29 Andrew A. Michta, "NATO Is an Alliance Divided", *Wall Street Journal*, July 6, 2022, <https://www.wsj.com/articles/nato-is-an-alliance-divided-11625608606>; Alberto Nardelli, Michael Nienaber, and Samy Adghirni, "NATO Allies Are Split on Whether They Should Talk to Putin", *Bloomberg*, 28 March 2022, <https://www.bloomberg.com/news/articles/2022-03-28/nato-allies-are-split-on-whether-they-should-talk-to-putin>

30 Dominique Fraser, "An Alignment with Limits: NaTO and its Partners in the Indo-Pacific", *Asia Society* (Melbourne), July 7, 2022, <https://asiasociety.org/australia/alignment-limits-nato-and-its-partners-indo-pacific>

31 White House, "Joint Statement by the G7 Announcing Further Economic Costs on Russia", March 11, 2022, <https://www.whitehouse.gov/briefing-room/statements-releases/2022/03/11/joint-statement-by-the-g7-announcing-further-economic-costs-on-russia/>; Andrew MacLeod, "Ukraine invasion: should Russia lose its seat on the UN Security Council?", (London: King's College London), 25 February 2022, <https://www.kcl.ac.uk/ukraine-invasion-should-russia-lose-its-seat-on-the-un-security-council>

32 Chris Jewers, "United Nations votes to suspend Russia from human rights council - but China and Syria vote against the motion, with India abstaining", *Daily Mail* (London), 7 April 2022, <https://www.dailymail.co.uk/news/article-10695827/G7-calls-Russia-suspended-UNs-human-rights-body-atrocities-Ukraine.html>

A pro-Russia problematic NATO member, Turkey, has since come to be the most effective interlocutor in resolving issues of the Ukraine crisis.

even hold its Vostok military exercises involving forces from India, China, Belarus, Mongolia, Tajikistan and so on.³³ Ukraine crisis, therefore, also propelled shifting alignments bringing to light enduring internal divisions within the EU, NATO and G7 groupings that presented new challenges to the US global leadership including its engagement with the Indo-Pacific region. To the discomfiture of US policy makers, responses to both Ukraine crisis and the Indo-Pacific narratives from its European and Asian allies have varied substantially from those of the US, thereby creating some more complications.

To begin with the US' closest ally, the United Kingdom (UK) — where 2021 *Integrated Review* and its new perspective of 'Global Britain' expected London to be "deeply engaged in the Indo-Pacific as the European partner with the broadest, most integrated presence" — Ukraine crisis was seen revealing its growing inefficacies.³⁴ No doubt, creation of AUKUS in September 2021 brings Indo-Pacific credentials to this non-Pacific nation and a China hawk Liz Truss was expected to stay closely

aligned with the Biden Administration yet continuing domestic instability, post-Brexit recalibration and above all the prolonged Ukraine crisis make experts sceptical about "U.K.'s ability to deliver on its commitments [to Indo-Pacific], especially given the demands arising from Russia's invasion of Ukraine."³⁵ By comparison France and Germany — as shown in Chancellor Olaf Scholz and President Emmanuel Macrons shuttle diplomacy between Moscow and Kyiv — have always held a certain distance from the US policies including on the Indo-Pacific.³⁶ France has historically been votary of European autonomy and "has not needed NATO as a motive for Indo-Pacific involvement" given that it has territories in both the Pacific and Indian Oceans which are home to 1.6 million of its citizens plus 7,000 permanently deployed personnel, 20 maritime vessels and 4 aircraft carriers protecting its 9 million kilometres of EEZ.³⁷ But amongst its European allies, if any country, then a pro-Russia problematic NATO member, Turkey, has since come to be the most effective interlocutor in resolving issues of the Ukraine crisis.³⁸ This has clearly

33 Reuters, "China to send troops to Russia for joint military exercises", Al Jazeera, 18 August 2022, <https://www.aljazeera.com/news/2022/8/18/china-to-send-troops-to-russia-for-joint-military-exercises>

34 UK Parliament, "Integrated Review of Security, Defence, Development and Foreign Policy", (London: House of Lords Library, 16 April 2021), <https://lordslibrary.parliament.uk/integrated-review-of-security-defence-development-and-foreign-policy/>

35 Ko Hirano and William Hollingworth, "Ukraine crisis to slow U.K. engagement in Indo-Pacific", *The Japan Times* (Tokyo), August 16, 2022, <https://www.japantimes.co.jp/news/2022/08/16/world/politics-diplomacy-world/ukraine-crisis-uk-indo-pacific-pm/>

36 Thomas Wieder and Philippe Ricard, "France and Germany mark clear difference with the US over war in Ukraine", *Le Monde* (Paris), May 10, 2022, https://www.lemonde.fr/en/international/article/2022/05/10/france-and-germany-mark-clear-differences-with-us-over-war-in-ukraine_5983016_4.html

37 William R. Hawkins, "NATO Navies Send Strategic Signals in the Indo-Pacific", *Proceedings*, Vol. 148 No.8 (U.S. Naval Institute, August 2022), <https://www.usni.org/magazines/proceedings/2022/august/nato-navies-send-strategic-signals-indo-pacific>

38 Eugene Chausovsky, "Turkey Is Biggest Swing Player in the Russia-Ukraine War", *Foreign Policy*, August 11, 2022, <https://foreignpolicy.com/2022/08/11/turkey-russia-ukraine-war-swing-player/>; Jared Malsin, "Turkey's Erdogan Capitalizes on Ukraine Crisis as Grip at Home Wavers", *Wall Street Journal*, June 6, 2022, <https://www.wsj.com/articles/turkeys-erdogan-capitalizes-on-ukraine-crisis-as-grip-at-home-wavers-11654511811>

circumscribed manoeuvring space for Biden Administration in Ukraine crisis with implications for its credibility in the Indo-Pacific region.

Outside the European continent, Canada the only other NATO or G7 member from North America is known for its 'special relations' with successive US leaders till the Trump Presidency — as part of its 'America First' distancing from most of its allies — had introduced some discordant notes in it that President Biden, facing pandemic driven domestic challenges at home, has so far failed to fully resolve. However, differences between Canada and the US have existed prior to the Trump Presidency as well. Canada, for instance, had refused to join the US led 1991 war on Iraq and stayed put in it when President Trump walked out of Trans-Pacific Partnership. Likewise, first thing Biden Presidency did on taking office was to cancel the permit to build the Keystone XL pipeline and later kept Canada out of its Indo-Pacific Economic Forum.³⁹ Nevertheless, the two have maintained close cooperation on most issues including in responding to the Ukraine crisis though the size of Canada's intervention remains relatively much smaller. But their enduring respect

for each other's sovereign independence is expected to face bigger challenges when Russia becomes increasingly dependent on China which is bound to embolden Beijing's posturing in the Indo-Pacific region. Especially, as Ottawa puts final touches to its long-awaited Indo-Pacific strategy, the "increasingly global China presents a challenge to the partnership model that for decades has defined Canada-U.S. relations."⁴⁰ This could reveal the gap between the US and Canadian outlook to the Indo-Pacific with implications for all other stakeholders.

II) INDO-PACIFIC ALLIES

Looking amongst the US' allies across the Indo-Pacific littoral, Japan has not just been the oldest proponent of Indo-Pacific paradigm but also most influential as also a close alliance partner of the US. When it comes to its response to the Ukraine crisis and its reflections for the US leadership in the Indo-Pacific region, instead of using bilateral channels, Japan has opted to aligning with the G7 position on condemning Russian actions, imposing sanctions and providing \$300 million financial and humanitarian assistance packages with Prime Minister Fumio Kishida pronouncing how "Ukraine may be

Prime Minister Fumio Kishida pronounced that "Ukraine may be tomorrow's East Asia..Russia's aggression is not an issue only for Europe. The international order encompassing the Indo-Pacific is at stake."

39 Darren Touch, "A Shift in Canada-U.S. Relations Shaped by China", *On the Northern Frontier* (Wilson Centre: Washington DC, July 13, 2021), <https://www.wilsoncenter.org/article/shift-canada-us-relations-shaped-global-china>

40 Darren Touch, "A Shift in Canada-U.S. Relations Shaped by China", *On the Northern Frontier* (Wilson Centre: Washington DC, July 13, 2021), <https://www.wilsoncenter.org/article/shift-canada-us-relations-shaped-global-china>

Now, in middle of Ukraine crisis, the “troubling new strategic convergence” between China and Russia has only reinforced security concerns in Canberra.

tomorrow’s East Asia..Russia’s aggression is not an issue only for Europe. The international order encompassing the Indo-Pacific is at stake.”⁴¹ But Japan’s perspectives on Indo-Pacific remain circumscribed by its physical proximity to North Korea’s expanding nuclear and missiles arsenals and its need to ensure a nuanced approach to its most formidable neighbour and economic powerhouse- China. With over 30,000 Japanese companies working in China and their bilateral trade for 2021 standing at a 10-year high at \$391.4 billion shows how Tokyo’s policy choices remain complicated.⁴²

Australia is another US ally which has been most active in building US-led Indo-Pacific narratives and lately at loggerheads with China. Australia has been the strongest US ally since the formation of ANZUS in 1951 but, like most other Indo-Pacific nations, Canberra had also gradually drifted to engaging Beijing. Now, in middle of Ukraine crisis, the “troubling new strategic convergence” between China and Russia

has only reinforced security concerns in Canberra.⁴³ This has seen Australia provide Ukraine its moral, political, financial support and military supplies together amounting to \$390 million by end June 2022.⁴⁴ But again Trump Presidency had seen Canberra raising their perennial question whether the US could be relied upon as an ally of Australia?⁴⁵ With the creation of AUKUS in 2021 — apparently reinforcing US-Australia security cooperation — the old debate has revived questions on the efficacy of ANZUS.⁴⁶ This has seen New Zealand reinforcing its presence. This country, that has never imposed sanctions outside the United Nations, passed a historic legislation empowering Government to impose travel ban on 400 Russians and also contributed towards providing non-lethal military assistance to support Ukraine. Furthermore, the country also dispatched troops to the UK to provide training to Ukrainian troops.⁴⁷ However, unlike Australia, New Zealand has kept its military assistance to

41 Finbarr Bermingham, “EU and Japan to forge united front against China and Russia at summit”, *South China Morning Post* (Hong Kong), 9 May 2022, <https://www.scmp.com/news/china/diplomacy/article/3177096/eu-and-japan-forge-united-front-against-china-and-russia>

42 Rum Aoyama, “China-Japan ties twisted and tested by Indo-Pacific Framework”, *Asia Times* (Hong Kong), July 21, 2022, <https://asiatimes.com/2022/07/china-japan-ties-twisted-and-tested-by-indo-pacific-framework/>

43 Reuters, “Russia, China in ‘strategic convergence’ — Australian intelligence”, *Asia Pacific*, March 9, 2022, <https://www.reuters.com/world/asia-pacific/russia-attacks-ukraine-china-eyes-indo-pacific-australia-intelligence-boss-2022-03-09/>

44 Tiffanie Turnbull, “Ukraine war: Australian PM visits Kyiv, pledges more military aid”, *BBC News*, 4 July 2022, <https://www.bbc.com/news/world-australia-61991110>

45 Daniel Flitton, “Australia: Is th United States Still a Reliable Ally?”, Council on Foreign Relations (New York), May 11, 2020, <https://www.cfr.org/blog/australia-united-states-still-reliable-ally>

46 Stephan Fruehling, “AUKUS could help fill the gaps in ANZUS”, *The Strategist*, 6 October 2021, <https://www.aspistrategist.org.au/aukus-could-help-fill-the-gaps-in-anzus/>

47 Lucy Craymer, “New Zealand to deploy 120 troops to Britain to train Ukrainian troops”, Reuters, 14 August 2022, <https://www.reuters.com/world/nz-deploy-120-troops-britain-train-ukrainian-troops-2022-08-15/>

New Delhi also has compulsions of not ditching Moscow to push it all the more into Beijing's lure which may have dangerous implications for India's security interests.

non-lethal level and had initially refused to send any weapons.⁴⁸

South Korea is another important Indo-Pacific ally of the US that imposed sanctions on Russian banks and invoked some export controls. However, the country's response has largely remained muted as it has supported only limited humanitarian and non-lethal military supplies. Indeed, impact of China was clearly visible when President Yoon Suk-Young became the only Asian leader to miss meeting US House Speaker Nancy Pelosi during her August 2022 Asia tour even when they both were in the same city of Seoul.⁴⁹

India has been the other newfound friend of US' Indo-Pacific engagement but Ukraine conflict has revealed the limitations of this engagement with New Delhi avoiding to denounce Moscow and indeed expanding its imports of oil from Russia. New Delhi has its own compulsions of enormous dependence of imported oil and therefore does not want to miss opportunities to obtain cost-effective supplies from its time-tested friend Russia. But New Delhi also has compulsions of not ditching Moscow to push it all the more into Beijing's lure which may have dangerous implications for India's security interests. Therefore, India has consistently

urged both sides for immediate cessation of violence and dialogue while providing humanitarian assistance to Ukraine. In policy terms, India also made a clear distinction insisting that Ukrainian crisis is a European issue and interactions meant for the Indo-Pacific — like Quadrilateral Security Dialogue meetings — should focus on its own regional challenges while maintaining that it can address its China challenge by itself without seeking any third party intervention thereby closing opportunities for the US to co-opt India into its countering China policy that undergirds its Indo-Pacific strategy.

■ CHINA-RUSSIA AXIS

The most formidable challenge emerging from Ukraine crisis for the US' Indo-Pacific strategy has been the growing proximity between Moscow and Beijing or between President Vladimir Putin and President Xi Jinping. So, other than his much-hyped sanctions campaign along with his European allies, when in the wake of Russian 'special military operations' in Ukraine on 24th February 2022, early March saw President Joe Biden convene an online Summit of its Quadrilateral Security Dialogue — Australia, Japan, and India

48 Ben McKay, "Pacifist New Zealand refuses to send weapons to help Ukraine repel Russian invaders and will only send 'humanitarian' aid". *Daily Mail* (Canberra), 2 March 2022, <https://www.dailymail.co.uk/news/article-10567795/New-Zealand-refuses-send-weapons-help-Ukraine-repel-Russian-invaders.html>

49 Swaran Singh, "Decoding China's 'new normal' Taiwan policy", *Asia Times* (Hong Kong), August 12, 2022, <https://asiatimes.com/2022/08/decoding-chinas-new-normal-taiwan-policy/>

While the initial stages of Ukraine crisis saw Beijing largely echoing the Russian line and defending Moscow’s “legitimate security interests” and blaming US-led NATO and refusing to condemn Russia, China has since become more nuanced about protecting its own core interests while also continuing to project its close ties with Moscow.

— underlining the gravity of this tectonic drift pushing two of the United States most important adversaries. But all that this online Quad Leaders Summit could agree was to set up a humanitarian assistance group while declaring to work together to counter territorial aggression in the Indo-Pacific and there was no joint statement but only readouts from member countries.⁵⁰ The same was the outcome of their May 2022 offline Summit in Tokyo where their final joint statement did not even mention words Russia or Ukraine.⁵¹ This showed that other members of the Quad were not willing to bracket together Moscow and Beijing. Especially thanks to India’s historic and military-supplies reasons, as also perhaps caution on part of other interlocutors, the Quad has clearly refrained from collectively diverting its energies to taking punitive action against Russia and only called both sides to halt violence and return to negotiations which increasingly appears nothing more than lip service.

Meanwhile, Ukraine crisis continues to push Russia further closer to China. With

the advantage of hindsight experts today insinuate motives to President Vladimir Putin’s visits to India and China in the middle of a raging pandemic, during December 2021 and February 2022 respectively. The latter visit had indeed resulted in an inordinately detailed and historic Joint Statement asserting that “Friendship between the two States has no limits” and that “there are no “forbidden” areas of cooperation.”⁵² But over time, unforeseen prolonged nature of the Ukraine crisis has also made China much cautious and nuanced in its support to Russia. While the initial stages of Ukraine crisis saw Beijing largely echoing the Russian line and defending Moscow’s “legitimate security interests” and blaming US-led NATO and refusing to condemn Russia, China has since become more nuanced about protecting its own core interests while also continuing to project its close ties with Moscow. Such subtle and calibrated drift in China’s support to Russia has clear implications for the US engagement with the Indo-Pacific.

50 Media Centre, “Quad Leaders’ Virtual Meeting on 3 March 2022”, Ministry of External Affairs, Government of India, March 3, 2022, https://www.mea.gov.in/press-releases.htm?dtl/34924/Quad_Leaders_Virtual_meeting_on_3March_2022

51 The White House, Fact Sheet: Quad Leaders’ Tokyo Summit 2022”, May 23, 2022, <https://www.whitehouse.gov/briefing-room/statements-releases/2022/05/23/fact-sheet-quad-leaders-tokyo-summit-2022/>; The White House, “Quad Leaders’ Statement”, May 24, 2022, <https://www.whitehouse.gov/briefing-room/statements-releases/2022/05/24/quad-joint-leaders-statement/>

52 President of Russia, “Joint Statement of the Russian Federation and the People’s Republic of China on the International Relations Entering a New Era and the Global Sustainable Development”, February 4, 2022, <http://en.kremlin.ru/supplement/5770>; Eva Dou, “What is — and isn’t — in the joint statement from Putin and Xi”, *The Washington Post*, February 4, 2022, <https://www.washingtonpost.com/world/2022/02/04/russia-china-xi-putin-summit-statement-beijing/>

Such attempts by China to keep Russia close while at the same time wean Europe away from the US has not been without results.

For instance, after waiting for an earlier closure of Ukraine crisis, President Xi Jinping not only spoke to President Volodymyr Zelensky — who has since emerged as a star speaker in most other Western forums — but also urged President Putin — who Xi had spoken on the second day of Russia’s special military operations and several times since — to explore talks with Ukraine.⁵³ As early as on March 7, Chinese Foreign Minister Wang Yi had marked the first change in his six-point initiative while at the same time casting a wedge between the US and its European allies. Announcing China’s humanitarian aid to Ukraine he underlined that “the Security of Europe should be kept in the hands of Europeans themselves”, that must cater to the “legitimate security concerns of all the parties involved.”⁵⁴ On March 8, 2022, President Xi Jinping himself, in a conversation with leaders of France and Germany, expressed how he was “deeply grieved by the outbreak of war again in the European continent” carefully moving beyond the language of special military operations.⁵⁵ In mid-March, China’s

Ambassador in Ukraine, Fan Xianrong, went a step further and praised “the great unity of the Ukrainian people”⁵⁶ Such attempts by China to keep Russia close while at the same time wean Europe away from the US has not been without results. Even before the Ukraine crisis began, a 2021 opinion poll by European Council for Foreign Relations, showed that majority of Europeans wanted their country to stay neutral in any conflict between China and the US with 66 per cent Germans being highest to hold that view.⁵⁷

This perhaps explains President Joe Biden holding five online Summits with President Xi Jinping in his first 18 months in office and holding similar four (two online plus two offline) Quad Leaders Summits in 14 months in office. Such hyperactive connect reminds of the peak period of the Cold War when, following Cuban missile crisis, US and USSR had established hotlines for direct communications to address unforeseen exigencies. A similar first hotline between US and China was activated during President Bill Clinton’s visit in 1998. Cold war was then to move

53 China News, “Xi Jinping Speaks with Ukrainian President Volodymyr Zelensky on the Phone”, Embassy of the People’s Republic of China in the United States of America, 13 July 2022, <https://www.mfa.gov.cn/ce/ceus/eng/zgyw/t1891990.htm>

54 Ministry of Foreign Affairs of the People’s Republic of China, “State Councilor and Foreign Minister Wang Yi Meets the Press”, 7 July 2022, https://www.fmprc.gov.cn/eng/zxxx_662805/202203/t20220308_10649559.html

55 Ministry of Foreign Affairs of the People’s Republic of China, “President Xi Jinping Holds a Virtual Summit with Leaders of France and Germany”, 8 March 2022, https://www.fmprc.gov.cn/eng/zxxx_662805/202203/t20220308_10649839.html; Liu Zhen, “Xi tells Scholz that Europe’s security ‘should be kept in the hands of Europeans’”, South China Morning Post (Hongkong), 10 May 2022, <https://www.scmp.com/news/china/diplomacy/article/3177099/xi-tells-scholz-europes-security-should-be-kept-hands>

56 John Feng, “China Praises Ukraine Resistance, Pledges Economic Support”, *Newsweek*, 16 March 2022, <https://www.newsweek.com/china-praises-ukraine-resistance-pledges-economic-support-1688608>

57 John Xie, “China Drives Wedges in Europe to Break Up US Proposed Alliance”, *Voice of America*, February 18, 2021, https://www.voanews.com/a/east-asia-pacific_voa-news-china_china-drives-wedges-europe-break-us-proposed-alliance/6202236.html

North Korea has emerged as the most immediate challenge in the US' Indo-Pacific strategy while China remains its most enduring challenge.

into detente and that trend was reflected in how China was co-opted by the US in 2003 when President George Bush Jr had anointed Beijing as convener for Six Party Talks to seek denuclearisation of North Korea. The fact that Beijing used this to imperceptibly allow Pyongyang emerge as a nuclear weapon state has revived China-US brinkmanship which seems similar to 1979 Soviet intervention in Afghanistan launching a second Cold War precipice. Meanwhile, North Korea has emerged as the most immediate challenge in the US' Indo-Pacific strategy while China remains its most enduring challenge. With the next nuclear test of North Korea expected anytime, this has continued to haunt the US' Indo-Pacific strategy.

TRUMPIAN LEGACIES AND THE PANDEMIC

It was in the 2017 US *National Security Strategy* report that Trump Presidency had enunciated its assessment that “China seeks to displace the US in the Indo-Pacific region” and formulated this in terms of “geopolitical competition between free and repressive visions of world order is taking place in the Indo-Pacific” where the US interests “extends back to the earliest days of our

Republic.”⁵⁸ This 2017 report had mentioned North Korea 16 times making President Trump to try his most audacious initiatives of travelling to Asia twice to hold face-to-face Summits with Kim Jong-un only to be frustrated later as these yielded no outcome.. The second Summit indeed was suspended midstream. Likewise, President Trump was to unleash trade and technology wars with China thereby leaving some of his most complicated legacies for President Joe Biden's Indo-Pacific strategy. Soon, the pandemic and the Ukraine crisis were to further complicate President Biden's policy choices. President Joe Biden's February 2022 Indo-Pacific Strategy of the US, therefore, remained the same and yet has become more complicated:

From the economic coercion of Australia to the conflict along the Line of Actual Control with India to the growing pressure on Taiwan and bullying of neighbours in the East and South China Seas, our allies and partners in the region bear much of the cost of the PRC's harmful behaviour. In the process, the PRC is also undermining human rights and international law, including freedom of navigation, as well as other

58 The White House, *National Security Strategy of the United States*, December 2017, <https://trumpwhitehouse.archives.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf>, pp. 45-46.

principles that have brought stability and prosperity to the Indo-Pacific.”⁵⁹

Especially, the fact that Ukraine crisis was preceded by two years of pandemic and resultant major disruptions in overall developmental and especially healthcare sectors and followed by nasty exit of the US forces from Afghanistan which marked the backdrop where President Biden’s ratcheting up a sanctions campaign against Russia’s ‘special military operations’ in Ukraine in February 2022 was bound to be read, at least partially, as an ideal alibi for Biden Administration seeking to deflect public attention from its failures in domestic and foreign policy. Likewise, personal politics was again labelled as another alibi in August 2022 when in face of an unending stalemate in Ukraine, the US House Speaker Nancy Pelosi’s Taiwan visit briefly shifted the media focus to Taiwan Strait.⁶⁰ As for the Indo-Pacific, this visit of course produced ripple effects through increased Chinese power projections and led to Beijing halting negotiations in a range of issues including climate change. All this has only further sharpened their

brinkmanship and reinforced the centrality of the People’s Republic of China in the US Indo-Pacific strategy.

In short, in face of increasingly interconnected world, which makes managing inter-state relations a highly complex exercise, managing World Order based on post-World War theologies, norms, conventions, institutions and alignments is not only complicated but also of limited relevance and remit. So the first thing is that the new Cold War, if any, is not likely to be anywhere close to ideologically driven 20th century contestations of Moscow and Washington DC. Today, both China and the US remain deeply intertwined both between themselves as also with rest of the international community. Domestically, President Biden has to deal with falling ratings, mid-term elections and the prospects of Donald Trump returning to White House in 2025. Likewise in China, President Xi had more immediate domestic challenges as he continuous his third term in office. The US maintaining strong military presence in the Asia-Pacific had occupied prominence in the post World

Uncertainties in strategic equations between China and the US as also their domestic churning and vulnerabilities remain integral to this tectonic transformation where the Ukraine crisis will be remembered as an inflection point accelerating both centrifugal and centripetal impulses of this global churning with Indo-Pacific forming its centre point.

59 The White House, *Indo-Pacific Strategy of the United States*, February 2022, <https://www.whitehouse.gov/wp-content/uploads/2022/02/U.S.-Indo-Pacific-Strategy.pdf>, p. 5.

60 Swaran Singh and Yves Tiberghien, “Pelosi’s visit could derail US-China compromise over Taiwan”, *East Asia Forum*, (Canberra), 8 August 2022, <https://www.eastasiaforum.org/2022/08/08/pelosis-visit-could-derail-us-china-compromise-over-taiwan/>

War II US-led world order which has since diminished and a new order yet awaits to fully emerge. At this juncture, uncertainties in strategic equations between China and the US as also their domestic churning and vulnerabilities remain integral to this tectonic transformation where the Ukraine crisis will be remembered as an inflection point accelerating both centrifugal and centripetal impulses of this global churning with Indo-Pacific forming its centre point.

■ CONCLUSION

Without doubt, the Indo-Pacific has emerged as the 21st century's centre-point of global geopolitics and the US remains its well-recognised most powerful resident Asia-Pacific or now 'Indo-Pacific' power as also its leading player in building novel narratives and initiatives. At its core, however, the US' lead is supported both by its territorial possessions across the Pacific and Indian Oceans as also by its alliance partners plus its military bases and naval outreach across these oceans especially its eastern littoral comprising of California, Oregon, Washington and Alaska (including the Aleutian chain) with San Diego being the resident homeport of its Indo-Pacific

fleet comprising of over 50 ships, including permanent aircraft carrier with over 20,000 personnel.⁶¹ At the centre of this expansive Pacific Ocean, the Hawaii islands — headquarters of US Indo-Pacific Command — remain its 'gateway' to the Indo-Pacific region. Besides, US also has Diego Garcia, Guam and Tinian military facilities that have become critical with rise of Asian powers like China asserting their influence and the resultant global geopolitical shift from the Atlantic to the Pacific littoral. The US Navy today forms an integral part of both the Western Pacific Naval Symposium as well as the Indian Ocean Naval Symposium.

But the indices of national power have evolved to provide greater weightage to economic leverages which have coincided with this unprecedented economic rise of China. So as the axis of global geopolitics shifts from geo-strategic to geo-economics, this presents Indo-Pacific littoral as the growth engine of global economy and therefore centre of global attention and engagement of major powers. Amongst these Indo-Pacific littoral state, China has been the locomotive of regional as well as global growth and is not just the world's largest trading nation but accounts for

In this fast changing geopolitical backdrop, the Ukraine crisis presents as a wakeup call of the increasing coexisting countercurrents and therefore complexities of sustaining the post-world War II liberal World Order.

61 David Scott, "US strategic re-positioning to the "Indo-Pacific", in Ash Rossiter and Brendon J. Cannon (eds.), *Conflict and Cooperation in the Indo-Pacific: New Geopolitical Realities*, (New York: Routledge, 2020), p. 81.

nearly one-third of global manufacturing which carries global implications. It is from this vantage point that China also presents a new potential challenge to the US global leadership especially so in the Indo-Pacific region. But past remains the guide and anchor and experts continue to explore explanations for the current insecurity and instability in the Indo-Pacific in the economic and political legacies of Cold War.⁶² This partly explains why China — the sole driver of economic integration of the Pacific and Indian Ocean littoral — continues to be an outlier in the US-led Indo-Pacific narratives and initiatives.

In this fast changing geopolitical backdrop, the Ukraine crisis presents as a wakeup call of the increasing coexisting countercurrents and therefore complexities of sustaining the post-world War II liberal World Order. As Ukraine crisis sees Russia moving further closer to China, unsettling the European security architecture, making Russia the front and centre in the US threat perceptions, it also underlines how the enduring and broader geopolitical rivalry between Beijing and Washington in the Indo-Pacific remains the fulcrum on which the emerging new World Order pivots. 

62 Timothy Doyle and Dennis Rumley, *The Rise and Return of the Indo-Pacific*, (New York: Oxford University Press, 2019), p.2.

IMPLICATIONS OF THE UKRAINE CRISIS FOR THE EUROPEAN UNION

RE-NEGOTIATING SECURITY
IN AN INTERDEPENDENT WORLD



PROF. UMMU SALMA BAVA

The targeted economic sanctions and the diplomatic initiatives by the EU and the Member States after the annexation of Crimea by Russia did not fundamentally alter the relations between both sides.



The Russian military offensive against Ukraine that started on 24 February 2022 has totally transformed the geopolitical, geoeconomic and security landscape in Europe while also having a similar profound impact at the global level. The war in Ukraine also put a big spotlight on the EU-Russia relations that, having a long history of political, economic and energy ties, rapidly began to unravel as the intensity of the conflict increased. Eight years after the annexation of Crimea in 2014, the war in Ukraine was a grim reminder of missed opportunities and failure at multiple levels in the EU to effectively engage and manage relations with Russia. The targeted economic sanctions and the diplomatic initiatives by the EU and the Member States after the annexation of Crimea by Russia did not fundamentally alter the relations between both sides. Despite the grave violation of international law, the EU continued with its bilateral relations with Russia covering trade and energy supplies and hardly any steps were taken to decouple its energy security. In some ways, it gave strength to Moscow's claims in the eastern province of Ukraine and emboldened it to rewrite the rules of engagement with the West. This was a consequence of the collective European appeasement of Russia which prioritised its economic and energy security concerns over and above the territorial integrity of Ukraine. This paper analyses the impact of the Ukraine war on the EU in which one of the UNSC members

is involved in territorial aggression against another independent country, and how it is renegotiating its security in Europe in an interdependent world, by examining the political, economic, security and humanitarian dimensions of the Ukraine conflict.

THE CRISIS OF POLITICAL ENGAGEMENT BETWEEN THE EU AND RUSSIA AND THE SECURITY LANDSCAPE

From the annexation of Crimea in 2014 to the outbreak of war in Ukraine in 2022, it has been series of missteps and crisis of diplomatic efforts in the bilateral relations between the EU and Russia. The 2015 refugee crisis and the Covid 19 pandemic produced too many internal crisis points within the EU for it to effectively address the growing Russian activity both in Crimea and the borders of Ukraine. The Ukraine war has totally destroyed the security architecture in Europe bringing in new points of vulnerability and insecurity to the EU and across the transatlantic relations to the United States as well. For the West, this was a war launched by Russia against it and not just Ukraine that produced a new security dilemma that has emerged in Europe, in the face of breakdown of the existing security architecture and diplomacy to resolve conflicts, and that drew attention to the lack of investment in defense in the last decades, the military under preparedness and the economic interdependence.



Source: Nations Online Project

MAPI: POLITICAL MAP OF EUROPE

The invasion of Ukraine by Moscow under the ‘special military operations’ and the rolling of tanks on 24 February 2022 breached all the existing understandings of peace and security in the West. The end of the Cold War in 1990 had brought to an end the East -West division and the bipolar architecture of international relations. Significantly this also led to the implosion

of the Soviet Union and the shift in the geopolitical considerations of not only the Central and East European countries, but also many of the new countries emerging out of the Soviet space. The dismantling of the Council for Mutual Economic Assistance (Comecon) and the Warsaw Pact stood in stark contrast to the strengthening of the European Economic Community to becoming the European Union and the NATO. With these former Socialist countries joining the political-economic and security

From a security perspective, how to collectively prepare to defend Europe in the face of a Russian attack became the sole question.

institutions of the West, it led to a new geopolitical landscape of cooperation and subsequently conflict with Moscow.

From a security perspective, how to collectively prepare to defend Europe in the face of a Russian attack became the sole question. In a singular development, the focus came on NATO, as being the only credible security actor in a position to defend Europe and the members from Russian aggression. Seen from a Russian perspective, the enlargement of NATO was cited as a reason for the provocation for Russian action. In a dramatic shift from their long-held positions of war time neutrality and staying out of military alliance, the two Scandinavian countries Finland and Sweden, have recently decided to forsake their historic positions in the wake of the growing Russian aggression. Finland has been neutral for eighty years, while Sweden has enjoyed neutrality for over two hundred years. Giving up this neutrality for NATO membership was not only a political decision, but grounded in an important security assessment. Both countries do not have nuclear weapons and the increasing threat from Moscow to use nuclear weapons against Ukraine pushed these two countries towards NATO membership. Such a membership brings not only extended

nuclear deterrence but collective self defence under Article 5 of the NATO treaty.

REFRAMING SECURITY AND GEO-ECONOMIC CONSIDERATIONS IN THE EU-RUSSIA RELATIONS

The EU-Russia relations have not been free of differences, but with Putin assuming the Presidency, the perceptions about Brussels policies did not evoke the same response from Moscow. A diminishing sphere of influence for Moscow came from the twin developments of enlargement of the EU and NATO. From Moscow's perspective, it no longer was a benign shift on the map, but the drawing of a new fault line between the East and West. NATO enlargement was more problematic as the Cold War self defence institution instead of being dismantled had reinvented itself and became an indispensable security actor in Europe and beyond. NATO enlargement was viewed by Moscow as 'expansion' that directly threatened its security. The EU, on the other hand, would in 2004 have its largest enlargement with 10 countries predominantly from Central and Eastern Europe joining it and extending the borders of the Union further east bringing it into even more direct contact with Russia. In the backdrop of the 2004 enlargement, the

NATO enlargement was viewed by Moscow as 'expansion' that directly threatened its security.

EU launched the European Neighbourhood Policy (ENP) aimed at the countries in its eastern and southern flank that were not prospective candidate countries. It is precisely in the eastern flank that the ENP ran into a sphere of influence with Moscow that viewed this policy as a means to secure the political support of its former territorial units.

The annexation of Crimea in 2014 was the launch of the sustained manoeuvre by Russia against Ukraine in a long-standing series of events which saw Kiev shift its political preference from Moscow to Brussels. For the EU, however, the economic and energy security considerations kept it engaged with Russia despite this major abrogation of international law that effectively violated the territorial integrity of Ukraine.

The war brought in asymmetric shock, impacting the EU in multiple ways. The biggest disruption was in the energy supplies from Russia to Europe and the need for the Union to reduce its energy dependence on Moscow. Russia is the

world’s largest natural gas exporter and the second largest oil exporter globally after Saudi Arabia and the largest supplier of energy to the EU. One can say that the energy relations have been the cornerstone of the EU-Russia relations. The availability of cheap energy from Russia to drive economic growth in the EU had always managed to triumph other political concerns. Thus, the Ukraine war was a rude shock forcing the EU to not only impose sanctions on Russia but also to diversify its energy supplies (see figure 1 and 2 below) to reduce the asymmetrical collateral damage that Moscow imposed for the support provided to Ukraine.

The EU responded by applying a series of targeted economic sanctions on the one hand and by reducing its energy intake from Russia. As a consequence of the war and the sanctions, exports from Ukraine and Russia were also impacted thus contributing to spiralling rise globally in prices of food grains, metals, oil and gas. This escalation has significantly impacted European economic recovery that has witnessed high

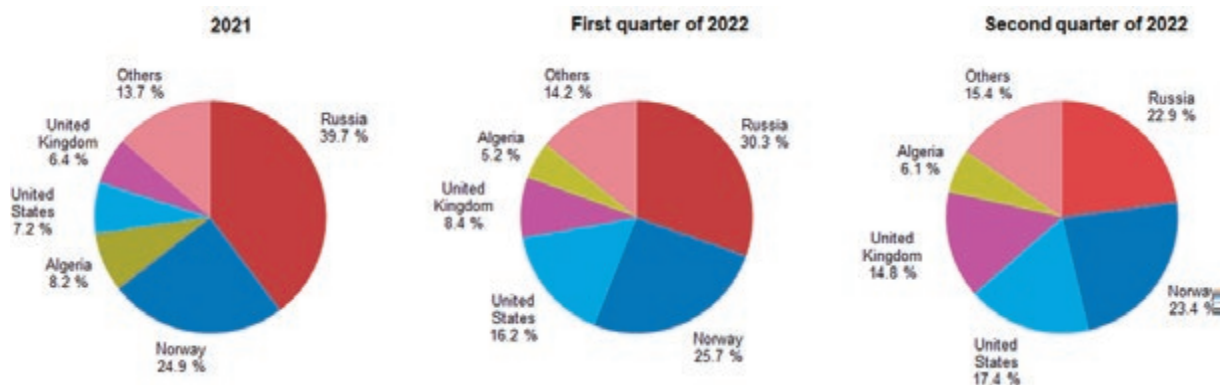
■ **Figure 1: Extra-EU Imports of Petroleum Oil by Partner**
(Share (%) of trade in value)



Source: Eurostat database (Comext) and Eurostat Estimates

■ **Figure 2: Extra-EU Imports of Natural Gas by Partner**

(Share (%) of trade in value)



Source: Eurostat database (Comext) and Eurostat Estimates

inflation and raised fears of recession as the war in Ukraine has shown no end in sight.

The impact of the Ukraine war across the EU has been mixed. In terms of refugee flows, the top five EU countries taking in the people are Poland, Germany, the Czech Republic, Italy and Spain. In terms of energy dependence of the Member States on Russia, it was the main supplier of crude oil, gas and solid fossil fuel. In 2020, three-quarters of the EU's crude oil (29 percent) and natural gas (43 percent) and half the solid fossil fuel (54 percent) came from Russia, clearly showing the value of Moscow to be an indispensable energy partner.¹ Russia held a dominant position in the energy map of Europe with its low-cost natural gas supply that had in some ways enslaved Europe. Undoubtedly, this import dependence allowed Moscow to leverage different

kinds of concessions from Brussels and the Member States. With the outbreak of the Ukraine war, Moscow was able to weaponise this energy dependence, thus imposing heavy economic cost to the European Union Member States.

In 2020, Germany drew 66 percent, Poland 54 percent, Hungary 95 percent, Italy 43 percent and the Netherlands 30 percent of natural gas from Russia making it an indispensable partner in their economic growth. Germany, the largest economy in the EU increased its energy imports between 2000-2020 from 59.4 percent to 63.7 percent. Given the abundant supply of cheap gas from Russia, even countries like Germany did not go in for import diversification or increasing underground storage capacity.² Russia also used its energy assets to build strong bilateral energy

Given the abundant supply of cheap gas from Russia, even countries like Germany did not go in for import diversification or increasing underground storage capacity.

1 Eurostat, 2022, From where do we import energy? <https://ec.europa.eu/eurostat/cache/infographs/energy/bloc-2c.html>

2 Halser, C., and Paraschiv, F. (2022). "Pathways to Overcoming Natural Gas Dependency on Russia—The German Case", *Energies*, 15(14): 1-24.

The Ukraine war enabled Russia to weaponise energy creating a twin crisis of restricted supply and high prices that finally led to wake-up call in the EU and Member States.

relations with EU Member States, thereby also creating asymmetric vulnerabilities for them.³ In the case of Germany, the complexity of the dependence on Russia is even more astonishing, with the second largest storage facility operator Astora, being a 100 percent subsidiary of the Russian Gazprom.⁴ This Russian penetration of the German energy landscape only underlines how assiduously it had built up its presence and the extent to which German politics had made compromises to get the economic advantage of cheap gas. The impact of rising energy costs has had a disastrous effect on the economic growth all across Europe leading to high inflation, lower industrial production and lower consumer demand. In Germany, the growth rates fell sharply from 2.9 percent in 2021 to 1.2 percent in 2022, with the IMF predicting a further fall to 0.8 percent in 2023⁵ under the existing conditions, which will only have far spread economic and political consequences not only for Berlin but across European Union as it will collectively bring down economic activity and growth.

Consequently, the outbreak of the Ukraine war not only imposed high political costs, but also left the EU and the Member

States struggling to manage their energy dependence on Russia as they sought to secure alternative supplies so as to minimise the impact of supply disruption on economic activities and more importantly as winter set in to address the need for the heating of homes. Evidently, no lessons were learnt by the EU and the Member States after the annexation of Crimea in 2014 as the energy dependence on Russia only grew instead of shrinking. The Ukraine war enabled Russia to weaponise energy creating a twin crisis of restricted supply and high prices that finally led to wake-up call in the EU and Member States.

THE UKRAINE WAR AND A NEW REFUGEE CRISIS IN EUROPE

Apart from the economic crisis, the breach of peace in Europe and the fragmentation of the security order in Europe, the Ukraine war has produced a large-scale humanitarian crisis. The war has triggered a large influx of refugees from Ukraine with over seven million displaced as refugees and nearly 4.7 million spilling into many EU countries as per UNHCR records of 8 November 2022. In contrast to the magnitude of the problem now, the

3 Baran, Z. (2007). "EU energy security: time to end Russian leverage", *Washington Quarterly*, 30(4): 131-144.

4 Halser, C., and Paraschiv, F. (2022). "Pathways to Overcoming Natural Gas Dependency on Russia—The German Case", *Energies*, 15(14): 1-24.

5 IMF, (2022) Germany, Article IV Consultation—Press Release; Staff Report; And Statement by The Executive Director for Germany, No.22/229: 1-88.

Chart 1: List of Some of the EU Measures and Sanctions adopted in Response to the Russian Invasion of Ukraine

S. No.	Date	Russian Action	EU Actions/ Sanctions	Outcome/ Impact
1	23.02. 22	Russian recognition of Donetsk and Luhansk as independent entities	First Package of Sanctions against Russia	Targeted Sanctions against 351 members of the Russian Duma and 27 individuals. Restrictions on economic relations with Donetsk and Luhansk. Restrictions on Russian access to EU capital and financial markets.
2	24. 02.22	Russian invasion of Ukraine	Special Summit of the EU	Sanctions targeting- financial and energy and transport sectors, dual use goods, export control and financing, visa policy, sanctions against Russian individuals.
3.	25.02.22	Russian invasion of Ukraine	Second Package of Sanctions against Russia	Freeze assets of President Putin and Foreign Minister Lavrov. Restrictive measures on members of the National Security Council and remaining members of the Duma.
4.	28.02.22	Russian invasion of Ukraine	Third Package of sanctions against Russia	A ban on transactions with the Russian Central Bank. €500 million support to finance equipment and supplies to the Ukrainian armed forces. A ban on Russian planes from overflight of EU airspace and access to airports.
5.	09.03.22	Belarus support to Russia	EU announces sectoral measures against Belarus	Financial Sector- banks, financial flows from both sides
6.	15.03.22		Fourth Package of sanctions against Russia	Economic and individual sanctions. No new investments in the Russian energy sector.

S. No.	Date	Russian Action	EU Actions/ Sanctions	Outcome/ Impact
7.	08.04.22	Reports of growing atrocities by Russian armed forces	Fifth Package of sanctions against Russia	Ban on Imports of coal and other solid fossil fuels from Russia. All Russian vessels from accessing EU ports. Russian and Belarusian road transport operators from entering the EU. Import of other goods such as wood, cement, seafood and liquor. Exports to Russia of other goods.
8.	03.06.22	More than 3 months since the launch of aggression by Russia	Sixth Package of sanctions against Russia	Ban on imports of crude oil and refined petroleum products (temporary exemption for crude oil delivered through pipelines) Expanding the SWIFT ban on more Russian and Belarusian Banks
9.	26.07.22		Renewal of Sanctions for another six months	Restrictions on finance, energy, technology, dual-use goods, industry, transport and luxury goods.
10.	06.10.22	Escalating war and illegal annexations	Adoption of new sanctions	A price cap on maritime transport of Russian oil for third countries. Additions to the list of restricted items contributing to Russia military and technological enhancement. Further restrictions on trade and services.
11.	20.10.22	Use of Iranian Drones by Russia in Ukraine	Specific Sanctions	Sanctions on specific Iranians and a company for giving drones to Russia.

Source: European Council 2022

Undoubtedly, in the absence of a concerted political effort by the EU, to rewrite the political and economic relations with Russia, these eight years strengthened Moscow's ambitions to challenge the status -quo in the region rather than change its own political behaviour.

2015 refugee crisis with a peak number of over one million refugees streaming into Europe pales in front of the numbers from Ukraine. Announcing relief measures to address the problem internally and in the neighbouring countries, on 4 March 2022, the EU activated the Temporary Protective Directive, which would allow the refugees' access to housing, labour market, medical assistance, social welfare assistance and education for children. In addition, under the category of humanitarian assistance, the EU has allocated €523 million to help people affected by the war in Ukraine, of which nearly €485 million is for Ukraine and €38 million is for Moldova. The funding is aimed at providing food, water, healthcare and shelter and over 113.4 million people in Ukraine have benefitted from this assistance.⁶ In addition, the Union is also providing material assistance to Ukraine and neighbouring countries through the EU Civil Protection Mechanism and this is the largest mechanism to date. The mechanism covers medical supplies, protective clothing, shelter items, fire fighting equipment, power generators, water pumps and medical supplies.⁷

6 European Council, (2022) EU solidarity with Ukraine, <https://www.consilium.europa.eu/en/policies/eu-response-ukraine-invasion/eu-solidarity-ukraine/>

7 Ibid.

THE WAR IN UKRAINE, TARGETED SANCTIONS AND THE EU-RUSSIA RELATIONS

In the backdrop of the growing humanitarian, economic and security crisis, the EU was forced to take a tough stand against Russia to reduce its energy dependency and cut the billions that were going in everyday that ended up financing Moscow's war. The Chart below shows the progressive scaling up of economic sanctions and other measures adopted by the EU as the war has continued for over eight months now.

Some of the above listed sanctions adopted by the EU shows multiple response mechanism aimed first, as an instrument against Russia for the invasion of Ukraine. Second, the gradual scaling up was done to target the Russian government, business and select individuals in an attempt to increase the political and economic pressure on President Putin to end the war. Third, sanctions on energy supplies which were the last to be hit, clearly showed that the energy dependence on Russia posed a big vulnerability to the Union and were

The German Chancellor Olaf Scholz has called the invasion of Ukraine, a 'zeitenwende' (epochal shift/ turning point) for Europe.

gradually scaled up to decouple the supply chain.

In 2014, after the annexation of Crimea by Russia, the EU had imposed a series of restricted sector specific sanctions that were aimed to penalise and compel Moscow to give up its claims. Sanctions were seen as a powerful instrument as opposed to the use of military force to make Russia change its mind. However, these sanctions did not target key sectors of oil, gas and other commodities and thereby did not transform Russian behaviour. In fact, in the face of the major violation of international law by Russia, the EU sanctions appeared as a half-hearted attempt to punish Russia and overlook the event as an aberration. Perhaps, the more vexing element was the internal discord between the Member States on the nature of economic sanctions on Russia, that prevented any kind of political success and pushed the Ukraine problem to be resolved at a future date with even more disastrous consequences. Undoubtedly, in the absence of a concerted political effort by the EU, to rewrite the political and economic relations with Russia, these eight years strengthened Moscow's ambitions to challenge the status-quo in the region rather than change its own political behaviour. Further, it had also developed some robust economic

mechanisms to continue being a player in the trade arena by strengthening its other bilateral relations so as to overcome the impediments created by the sanctions. The vast literature on sanctions show that it is not a very effective tool in changing political behaviour and more so when dealing with autocracies, as is very evidently the case in the EU – Russia relations.⁸

The imposition of economic sanctions has not been without repercussions on the EU and its impact has been felt on both parties. In many ways, the reluctance of the EU given the high energy dependency on Russia and the US for different political and economic reasons to take more definitive action given the violation of territorial sovereignty of a country clearly showed the triumph of realpolitik over norms and values. The EU definitely privileged its economic interests above the norms that it always articulated and actually took minimum initiatives to diversify its energy supplies and reduce its dependence on Russian oil and gas since the annexation of Crimea in 2014. In the last eight years till the outbreak of the Ukraine war, the construction of Nordstream II continued unabated clearly signalling the political priorities of the EU and the Member States to focus on energy security rather than the violation of international law.

8 Drezner, Daniel.W., (2003) "How Smart are Smart Sanctions," *International Studies Review*, 5(1): 107-110.

The biggest impact of the war in Ukraine has been to reset the EU-US relations and strengthening the Transatlantic partnership.

A GEOPOLITICAL WAKEUP CALL FOR THE EUROPEAN UNION

The German Chancellor Olaf Scholz has called the invasion of Ukraine, a 'zeitenwende' (epochal shift/ turning point) for Europe.⁹ In a difficult break from the traditionally followed course of German foreign policy and its reluctance to militarily engage, it has announced a major scaling up by creating a special fund of € 100 Billion to modernise the armed forces and increase its defence budget to 2 percent GDP as agreed in NATO, as Germany tries to adapt its foreign and security policy to the biggest disruption on the European continent after the end of Cold War in 1990. After a rather hesitant approach and major criticism of its policy, Germany also agreed to provide weapons to Ukraine, support the sanctions against Moscow and to reduce the energy dependency on Russia. None of this has been an easy task for the coalition of the Social Democrats (SPD), Greens and the Liberal party (FDP) led by Chancellor Scholz.

In fact, the relations with Russia were strongly influenced by the 'Ostpolitik' of the 1970s and the slogan given by the SPD of 'Wandeldurch Handel' (transformation through trade). The development of natural gas in the Soviet Union and the requirements of physical infrastructure – a network of pipes to carry the gas from producer to the consumer, brought about a new equation with Western Europe, especially with Germany being the only country that produced such steel pipes. And so emerged the 'gas bridge' - a symbol of the period of détente and cooperation, that transformed from a benign energy bridge connecting two different political systems during the Cold War, to coming under scrutiny with growing environmentalism and finally becoming securitised due to the shift in the geopolitics of the region and the divergence of interests between the EU and Russia.¹⁰ The West and in particular, Germany in the EU had expected that having strong trade relations with Moscow would also lead to norm diffusion and transform Russia as a political actor and internally

Due to the Ukraine war, the significance of military power has been brought back with a resounding clarity in the changing geopolitical European arena.

9 Scholz, Olaf, (2022), Policy statement, Chancellor of the Federal Republic of Germany and Member of the German Bundestag, Berlin, <https://www.bundesregierung.de/breg-en/news/policy-statement-by-olaf-scholz-chancellor-of-the-federal-republic-of-germany-and-member-of-the-german-bundestag-27-february-2022-in-berlin-2008378>

10 Gustafson, Thane (2020). *The Bridge – Natural Gas in a Redivided Europe*. Cambridge: Harvard University Press.

make it adopt more democracy. However, the weaponisation of energy, the increasing authoritarianism in Russia coupled with an aggressive foreign policy in the last two decades has revealed the limits of such EU policy forcing it to respond to the disruption within a new geopolitical framework.

Joseph Borrell, the High Representative for Foreign Affairs and Security Policy in the first two weeks after the invasion took place stated that the EU needs, “to bolster European economic resilience, end our energy dependence on Russia and further strengthen European Defence”.¹¹

Although, building an EU wide consensus has been a challenging task given the different levels of exposure to energy supplies from Russia on the one hand and on the other, due to internal differences in policies, the biggest impact of the war in Ukraine has been to reset the EU- US relations and strengthening the Transatlantic partnership. The war in Europe has come in the backdrop of another major development, the growing US-China confrontation creating a complex chessboard of international relations. Even as the war in Ukraine continues, there were heightened tensions in the Taiwan Strait following the visit of US House Speaker Nancy Pelosi to Taiwan. China issued a strong warning of the ‘one China’ policy and undertook military exercises

around the island after the visit and cancelled official military dialogues with the US. The growing tension in the US-China relations has escalated further after China’s overwhelming support to Russia for its invasion of Ukraine. This in turn has also cast a long shadow on the EU-China relations, which has called the country a ‘partner for cooperation, an economic competitor and a systemic rival’.¹²

Forsberg and Haukkala have labelled the EU-Russia relations as the “partnership that failed” and that the annexation of Crimea in 2014 proved to be the turning point in the relation producing a point of no return.¹³ They claim that the EU’s policies towards Russia is a litmus test for its credibility and external relations and this relationship has exposed its “ability, or inability to form a coherent policy and implement it”.¹⁴ One can claim that this analysis also applies to China, with whom the EU also has a complicated relationship.

The EU’s foreign policy after the outbreak of war showed the limitation of diplomacy and the weakness of the crises management capability to respond in the conflict and crises beyond the borders. Due to the Ukraine war, the significance of military power has been brought back with a resounding clarity in the changing geopolitical European arena. With the EU lacking any military infrastructure of its

11 EEAS, (2022) Josep Borrell, The war in Ukraine and its implications for the EU https://www.eeas.europa.eu/eeas/war-ukraine-and-its-implications-eu_en

12 European Council, (2022) EU solidarity with Ukraine, <https://www.consilium.europa.eu/en/policies/eu-response-ukraine-invasion/eu-solidarity-ukraine/>

13 Forsberg, Tuomas, and HiskiHaukkala. 2016. *The European Union and Russia*. London: Palgrave Macmillan.

14 Ibid.

The Russian action has not only galvanised European cooperation, but also stemmed the transatlantic drift unleashed by the Trump Presidency.

own to defend itself, it was the Member States who responded to Ukraine's call for weapons and finally NATO reiterating as an institution about balancing the Russian threat and defending and protecting its members. The Russian attack on Ukraine not only destroyed the security landscape of Europe, it also created new vulnerabilities and fault lines, forcing the EU to fast forward the unveiling and adoption of the 'Strategic Compass for Security and Defence' on 24 March 2022, a month after the outbreak of the war following the first ever comprehensive threat analysis in 2020.

The shock of the return of war to Europe termed as a "special military operation" by Russia, was the backdrop to the document that set forth the EU's resolve to become a stronger and more capable security and defence actor. One can read the Strategic Compass as a document of intentions with focus on concerted collective action, solidarity and leadership in the face of the biggest foreign policy threat that has major political, economic and security ramifications for the Union. The Strategic Compass states that 'Russia's war of aggression constitutes a tectonic shift in European history' (European Council 2022c). This statement clearly shows how the Europeans ignored the first blatant violation of international law and the UN Charter when Crimea was

annexed by Russia in 2014 waiting till the return of traditional security threat in the form of interstate war to Europe which compelled a multipronged action. The double speak of the EU was visible in the way it had prioritised its economic interests and energy relations with Russia for eight years before the Russian invasion on Ukraine took place in 2022.

In the aftermath of the war, along with the US, the EU adopted a double mechanism of sanctions and military and humanitarian support to Ukraine, which has been instrumental in helping turn the tide of war and put Moscow on the defensive in many sectors. The energy dependency created a vulnerability that could be exploited by Russia through the weaponisation of oil and gas and the EU and the Member States have sought to decouple this equation with Russia. At the same time, the EU responded to the membership request of Ukraine. Four months after the start of the war that sought to change the political fate of Ukraine, the European Parliament on 23 June 2022 adopted a resolution calling for immediate granting of candidate status for EU membership to Ukraine, which was also acceded to by the European Council. This was also an unambiguous signal to Moscow that Ukraine was going out of its sphere of influence and would enter a privileged space of engagement with Brussels. Although

the membership process will take years and does not offer any security guarantees until the accession process is completed, however, by agreeing to Ukraine's request, the EU had also put itself into a course of greater confrontation with Russia that indicates a point of no return as long as the current circumstances continue to prevail.

In the backdrop of Putin announcing the annexation of four Ukrainian provinces after a referendum, President Zelenskiy, officially applied for NATO membership. NATO Secretary-General Jens Stoltenberg indicated that "every democracy in Europe has the right to apply for NATO membership", but he did not comment on the Ukrainian application, which would require unanimous approval of all 30 members. The war in Ukraine has been a powerful factor to bring together the diverse Member State interests to stand up to the invasion. In a singular move, the Russian action has not only galvanised European cooperation, but also stemmed the transatlantic drift unleashed by the Trump Presidency and restored the partnership to respond in a more concerted manner against Moscow, thereby sending a strong signal regionally and globally.

The annexation of Crimea in 2014 was a warning of the geopolitical intentions of Moscow that was underplayed and disregarded by both the EU and the US. Russia was long considered to be a power in decline by the West and thus the annexation of Crimea was a warning which was

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ignored by the EU and the US. Moreover, a sanctions regime was considered to be strong enough deterrent to counter Moscow and check any further display of power and ambition. In some ways, there was a total miscalculation of Russia's intentions to go after short term gains vis-à-vis long term disruptions caused by its actions.

■ CONCLUSION

The invasion of Ukraine in February 2022 not only unleashed the biggest political, economic and security disruption in Europe in the backdrop of Covid, but also fundamentally challenged one of the most important relations the EU had with Russia. Eight years after the annexation of Crimea, the EU and its Member States were ill- prepared for the return of inter-state war in Europe. Adaptation to the emerging geopolitical reality, 'the return of power politics' (European Council 2022c:5) has become the new talk in Brussels and the disconnect between the speed of policy change and capacity at the ground has produced more uncertainties for the EU.

The war in Ukraine sought to replace the existing status -quo with a new political redefinition of the region. Putin perhaps underestimated two critical factors in the launch of the military action, first, the strong and unwavering political support

from the US and the EU to Ukraine, even at a tremendous cost to themselves as the energy decoupling takes place and second, the determination of the political leadership and the people of Ukraine to fight the war against a larger army.

At the regional level, the developments of the last eight months have forced the EU to step up as an actor and bring a more coherent response even as the impact of the war is reshaping its internal and external politics, creating economic disruptions and a growing security dilemma. If there were any doubts about the return of geopolitics

in 2014, those were squarely dispelled with the invasion of Ukraine in 2022. The return of territorial defence in Europe which had evolved since 1957 to creating a different road map of political integration is faced with the return to the first principle in foreign policy to defend territory. As the EU tries to navigate a war impacted continent, peace, stability and security have been replaced with conflict, disruption and insecurity leaving the future to be very uncertain and creating unprecedented challenges of re-negotiating security in an interdependent world. 

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The Indian Council of World Affairs (ICWA) was established in 1943 by a group of eminent intellectuals led by Sir Tej Bahadur Sapru and Dr. H.N. Kunzru. Its principal objective was to create an Indian perspective on international relations and act as a repository of knowledge and thinking on foreign policy issues. The Council today conducts policy research through an in-house faculty as well as through external experts. It regularly organizes an array of intellectual activities including conferences, seminars, roundtable discussions, lectures and brings out a range of publications. It has a well-stocked library, an active website, and publishes the journal *India Quarterly*. ICWA has over 50 MoUs with international think tanks and research institutions to promote better understanding on international issues and develop areas of mutual cooperation. The Council also has partnerships with leading research institutions, think tanks and universities in India.



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