US President Joseph R. Biden, Jr., knows Ukraine well. His victory was well-received in Kyiv. Many in Kyiv see the next four years as an opportunity to reestablish trust between the United States and Ukraine and push Ukraine’s reform aspirations forward while ending Russia’s destabilization of Ukraine’s east. Ukrainian President Volodymyr Zelenskyy is greatly interested in reestablishing a close US-Ukraine relationship, which has gone through a bumpy period under former US President Donald J. Trump when Ukraine became a flash point in US domestic politics.

Resetting relations with Kyiv will not be simple. As vice president, Biden oversaw Ukraine policy, visited the country six times, and knows most of its players and personalities, which is an obvious advantage. But Zelenskyy is different from his immediate predecessor. He hails from Ukraine’s Russian-speaking east, was not an active participant in the Revolution of Dignity, has had little contact with the West, and took a battering during Trump’s first impeachment in which Ukraine was front and center. However, Zelenskyy is keen to engage with the new Biden team and seeks recognition as a global leader. The Biden administration would be wise to seize this opportunity.

The first priority for the new Biden team should be to get to know the players in Ukraine and Zelenskyy’s inner circle (Zelenskyy’s team and his ministers are not household names in Washington) and to establish a relationship of trust after the turbulence of the Trump years. The second priority should be to strengthen Western support for Ukraine’s defense against Kremlin aggression. And the third priority should be to craft a strategy to encourage Zelenskyy to embrace a real reform agenda, especially to establish and enforce the rule of law and bolster civil society and independent media. Elected on a platform to make Ukraine rich, end corruption, and bring peace to Ukraine, Zelenskyy has much work to do to live up to these promises. His inner circle doesn’t seem to comprehend these issues. Ukraine’s backtracking on reforms has been swift since Zelenskyy dismissed his reform-minded government in March 2020, but there is still time in the president’s term to turn things around. Several recent positive signs have been apparent that the United States and Ukrainian leaders can build upon.
This paper outlines a strategy toward Ukraine for the Biden administration. It includes sections on US interests in Ukraine, the domestic situation in Ukraine, the Kremlin’s objectives in Ukraine, and new approaches to resolving the conflict in the Donbas. It concludes with recommendations for the Biden administration and Congress.

**US Interests in Ukraine**

The United States strongly supports Ukraine as it seeks to repel Russia in its east and to transform the country into a market-based system with property rights and fair courts. Ensuring peace and stability in Europe is a key US interest. Ending the Russian-led war in Ukraine and seeing Ukraine move beyond its oligarchic system are interlocking goals; Ukraine must win both fronts to succeed as a modern, democratic European country.

Ukraine’s success in its fight against Kremlin aggression is in the US national interest for at least three reasons: Russia’s war is against the West, not just Ukraine; the future of a rules-based international order depends on Russian withdrawal from Ukraine; and the United States has a moral commitment to both Ukraine’s fight for independence and democracy in general.

First, beginning in 2007, the Kremlin decided to fight the West across a range of battlefields—military, cyber, election interference, information, economic, and cultural—for its own misguided reasons. In each of these domains, Russian aggression first targets Ukraine but does not end there. In 2014, the Russian military invaded Ukraine. Russia’s military buildup—both conventional and strategic—over the past decade threatens Europe and the United States. Russian government actors have interfered in Ukrainian elections since 2004 and in European elections and referenda every year since the Revolution of Dignity in 2013-14. As is clear from multiple official US governmental investigations, Russia also tried to influence the outcome of the 2016 US presidential election. Russia has unleashed damaging cyberattacks first on Ukraine, then Europe, and most recently on a breathtaking scale against US government agencies. Ukraine suffers from Russian information warfare most intensely, but Russian disinformation and propaganda spews across the globe. Russia tries to cripple Ukraine’s economy through trade restrictions and threatens Europe’s energy security by making Europe dependent on Russian gas. Even the Russian Orthodox Church is an instrument of Russian aggression.

On each of these battlefields, Ukraine is on the front line. To defend itself, the United States—and Europe—must support Ukraine’s fight on these fronts.

Second, Russia’s invasion of Ukraine in 2014 violated more than Ukrainian sovereignty, it violated the commitments, treaties, and obligations that have been the foundations of European and international security since World War II. Respect for the sovereignty of nations, the inviolability of international borders, and the peaceful resolution of disputes were norms accepted for nearly seventy years, including by Russia after 1991. Russian President Vladimir Putin rejected these principles when Russia invaded Georgia in 2008 but paid no price for his aggression—this only emboldened him to go further in Ukraine. Until respect for the international order is reestablished, international security is threatened. Until Russia withdraws from Ukraine, these standards cannot be reestablished.

Third, to reestablish the United States’ role as a moral leader and defender of democratic ideals, the Biden administration must support an important European nation seeking to join the community of democracies, a nation struggling to separate itself from autocracy, a nation seeking to join the community of democracies, a nation committed to European and Western norms and standards. The Ukrainian people have shown themselves willing to sacrifice for European and Western values. During the winters of 2004-5 and 2013-14, hundreds of thousands of Ukrainians stood in the snow and bitter cold in town and city squares across the country, in the first instance protesting against a stolen election, and in the second, for a betrayed association agreement with the European Union. The Euromaidan resulted in the deaths of more than a hundred protesters at the hands of a Russian-backed Ukrainian president and his security services. The Ukrainian people have made EU and NATO membership their strategic goal and they would bring fresh energy and a battle-tested military to these European and Euro-Atlantic institutions.

**Domestic Situation in Ukraine**

Ukraine’s economic situation has greatly improved since the crisis years 2014-15 when then-President Viktor Yanukovych robbed the country and Russian military aggression devastated it. The economy grew moderately by about 3 percent from 2016-19. In 2020, Ukraine looked ready for an economic takeoff, but then the coronavirus hit. Still, Ukraine’s GDP fell by only 4 percent in 2020, and is likely to recover fully with growth of 5 percent in 2021. Ukraine has become the poorest country in Europe, even poorer than Moldova.
Yet, macroeconomic stability is no longer a major concern. Inflation is lower than ever, 5 percent in 2020. Ukraine’s international currency reserves have ballooned to $28 billion—they have not been so large since 2011. The budget deficit is manageable and public debt is moderate at 62 percent of GDP. The fundamental reason is that Ukraine built a strong and independent central bank and finance ministry in 2014-19. Ukraine was further helped by greatly improved terms of trade in 2020, as energy prices fell, while the prices of Ukraine’s primary exports rose. After an expected economic recovery in 2021, Ukraine should move to a higher growth rate in the order of 7 percent. However, that would require far better governance and sound protection of property rights that Ukraine lacks.

Zelenskyy was elected with 73 percent of the vote in April 2019 on the promise to fight corruption and oligarchs and to bring higher economic growth. In July, his novel party, Servant of the People, gained a majority in the parliament, and in August a new government was formed with young, well-educated, seemingly honest ministers. Zelenskyy and his team started with a full slate of reforms in the fall of 2019, but it soon ran out of steam. In March 2020, the president sacked most of his ministers and the promising prosecutor general. Since then, Ukraine has seen a substantial reversal of reforms.

One of the clearest indications of the problems with Ukraine is that foreign direct investment, which hovered between 3 and 4 percent of GDP in 2016-19, slumped to 0.2 percent of GDP in 2020. Foreigners dare not invest in Ukraine because they fear their property will be stolen. Only oligarchs invest in Ukraine today, but even they are cautious, fearing attacks from competing oligarchs.

The fundamental problem is that the judicial system does not function. A survey of the members of the European Business Association in 2020 cited this as the biggest problem for business, which scares away investors.1 Worst of all is the high court, the Constitutional Court. Eleven of its fifteen appointed judges consistently vote

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for corruption. They have declared several key anti-
corruption institutions and their heads “unconstitutional”
as well as undermined the vital public asset declaration.
The Constitutional Court needs to be cleaned out and
reconstituted, but it is a delicate constitutional question
how that can be done legally. Zelenskyy has tried to
accomplish this since November, but so far has failed.
Clearly, he needs US support to succeed. The various
European institutions are too timid. At the same time, the
anti-corruption institutions that were established with
strong Western support need to be reinforced with new
laws, which also requires US support. This includes the
public asset declaration system.

A substantial reform of the Supreme Court was
completed in 2019, though a quarter of the new judges
failed a required integrity test in the selection process.
Nevertheless, this is the most transparent and qualified
court in Ukraine. The problem is that the rest of the court
system has not been reformed. Local courts are often
corrupt, while the appeal courts often have to correct
absurd verdicts by the lowest courts.

Still, the prosecutors and the Security Service of
Ukraine (SBU) pose greater concerns. With the firing
of the prosecutor general and his team in March
2020, prosecutors have reverted to their old habit
of ignoring high-ranking criminals and prosecuting
reformers instead. The SBU remains unreformed. While
its counterintelligence might be praiseworthy, its large
economic crime and corruption department is a major
corporate raider. This department should be abolished
and replaced with a new, non-corrupt agency.

The purely economic problems are of less concern.
Ukraine had made great progress with open electronic
public procurement, but significant backtracking
occurred in 2020 with the gas and electricity sectors
and procurement of pharmaceuticals, two of the most
corruption-prone areas. The most successful reform
activity in Ukraine in 2020 was the sale of many
small public properties on open electronic auctions.
Another successful reform has been the far-reaching
decentralization of government activity. Although
corporate governance of the big state companies has
been greatly embattled by hostile political forces,
independent supervisory boards at a dozen big state
companies have persisted. A recent concern is that the
parliament has decided to cut gas prices for households
by 30 percent, although gas arbitrage has traditionally
been the main source of corruption in Ukraine.

The Ukrainian government remains deeply involved
with international financial institutions and bilateral
donors, mainly the EU and the United States. Last June,
the International Monetary Fund concluded a standby
agreement with Ukraine of $5 billion for eighteen months,
but it has disbursed only $2.1 billion in a first tranche,
mainly because Ukraine has since backtracked on anti-
corruption measures but also because of the cut in
household prices for gas, reintroducing dual pricing. The
European Bank for Reconstruction and Development
disbursed $1 billion in 2020, and the World Bank made
a somewhat smaller contribution as did the EU. The
Ukrainian government tends to view international donors
as cash machines, offering cheap credit, while it is
reluctant to pursue reforms that would improve Ukraine’s
economic growth rate because it is subservient to vested
interests with little interest in national growth.

**What the Kremlin Wants in Ukraine**

There is a lot of baggage in Russia’s relations with
Ukraine. Russian nationalists have long had trouble
recognizing that a separate Ukrainian nation exists at all,
much less an independent country that might aspire to
join Europe.

As former US National Security Advisor Zbigniew
Brzezinski put it: “[W]ithout Ukraine, Russia ceases
to be an empire, but with Ukraine suborned and then
subordinated, Russia automatically becomes an empire.”2
Indeed, Moscow’s control over Ukraine, starting in the
mid-seventeenth century, was its first great imperial
achievement, one that meant that Russia, and not its
competitor the Polish-Lithuanian Commonwealth, would
emerge as the great power of Europe’s east. Russians
remember this history; Putin made Russia’s current
national day a celebration of the expulsion of the Polish-
Lithuanian Commonwealth’s forces from Moscow in 1612.

Boris Yeltsin, Russia’s first president, formally agreed
to Ukraine’s independence as part of Russia shedding
its imperial as well as its communist past, a shock
administered to end the Soviet Union, although he
privately expressed to senior Ukrainian officials his

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skepticism about Ukraine as an independent state. His successor, Putin, seemed prepared to accept Ukraine's independence. But Putin, his team, and many Russians seem to accept Ukrainian independence only in the context of its close association with and ultimate subordination to Moscow.

Much is written about Ukrainians' feelings toward Russia. Before Russia’s invasion of Ukraine in 2014, Ukrainians had a lot of positive feelings toward Russia. Russia’s ambitions for a special relationship with Ukraine might have met with some sympathy from many Ukrainians if a close Russian-Ukrainian association after 1991 had contributed to Ukrainian prosperity and not precluded its closer association with Europe.

But under Putin, Russia's influence over Ukraine has not been benign. Putin's early years featured fast economic growth in Russia. As Putin's kleptocratic system deepened, Russia's growth slowed. Zastoy (stagnation, the term applied to the late Soviet period) has returned as the label many Russians apply to late Putinism. As economic success has faltered and corruption among the elite grown more visible, the regime has grown politically defensive and rigid, fearful of popular resistance.

As was true of the Soviet Union, the logic of Kremlin defensiveness pushes it to try to keep successful democratic models of development away from Russia. Such models cannot be permitted to take root in Ukraine or Belarus, core brother nations in the Russian nationalist view, since this would set a dangerous precedent for Russia itself.

Ukraine has had its own struggles since independence. Its own corrupt system centered on local oligarchs and, under Yanukovych, seemed compatible with Putinism. Yanukovych was an ideal Ukrainian leader for Putin: corrupt and thus dependent on Putin's goodwill, but able to capture enough acceptance from the West (both the Bush and Obama administrations were resigned to him before 2014) to make him less of a liability and potentially acceptable to Ukrainians.

Putin's demands for Ukraine's subordination proved unsustainable. The proximate cause of Yanukovych's fall was his decision to suddenly walk back, at Putin's insistence, his public commitment to seek an association agreement with the EU. The association agreement was popular in Ukraine and, when Yanukovych pulled out of it, demonstrators in Kyiv's Maidan Square began to protest the denial of a European future. The US government, and most observers, resigned to Yanukovych, expected the protests to fade. They did not. Yanukovych resorted to force. The protests grew. The Maidan demonstrations became a rebellion, Yanukovych fled the country, and his regime collapsed.

Putin blamed the United States. But the cause was Putin's own Ukraine policy, which seeks to keep Ukraine corrupt, pliable, and, therefore, poor. What Putin wants in Ukraine is not good for Ukraine.

The logic of empire and the logic of Putinism keep Russia and Ukraine at odds.

It doesn't have to be this way. If Russia were to abandon the Putin system for more productive reforms, a “Europeanized” Ukraine would not be a threat but a model. Of course, that is not what the Kremlin wants, but judging by sustained opposition to Putin's rule, a lot of Russians do.

New Approaches to Resolving the Conflict in the Donbas

Nearly seven years after Russia's aggression against Ukraine, the war in the Donbas continues and diplomatic efforts to end it have failed. Despite numerous cease-fires, sporadic fighting occurs almost daily, mostly initiated by Russian-led forces, with the death toll surpassing 14,000. Zelenskyy, who ran as a peace candidate, made a determined effort to advance negotiations for a settlement based on the 2014-15 Minsk agreements, but fared no better than his predecessor.

If the logjam remains, the Donbas risks becoming a permanent stalemate that will continue to work against Ukraine’s efforts to build a prosperous, democratic society and become an integral part of the Euro-Atlantic community. Until Moscow’s aggression is reversed—first in the Donbas and, over the longer term, in Crimea—it will be difficult to reestablish constructive relations between the West and Russia and restore Moscow’s respect for the international rules-based order. A just solution in the Donbas should be the litmus test for any effort to improve relations with Moscow.

The United States and its European allies have been surprisingly united since 2014 in maintaining sanctions against Russia and supporting Ukraine’s sovereignty and territorial integrity, notwithstanding the events
that led to Trump’s first impeachment in 2019. But that unity could erode in the coming years as Putin seeks to divide the transatlantic community and as Kyiv continues to backslide on its domestic reforms. Determined to undermine Ukraine’s democratic experiment and block Kyiv’s path to Euro-Atlantic integration, Putin may continue to believe that time is on his side. Strong and sustained US leadership is needed to break the stalemate and bring about a negotiated end to the conflict.

The Minsk agreements, while flawed, still define an adequate end state for a negotiated settlement, including a permanent cease-fire, withdrawal of all Russian and proxy troops and weapons, the holding of local elections under Ukrainian law and standards of the Organization for Security and Co-operation in Europe (OSCE), and the restoration of Ukrainian control over its international border. There have been numerous proposals for ways to implement the Minsk agreements over the years, using international peacekeeping forces and other mechanisms, assuming political will on Moscow’s part.

But the negotiating process established by the Minsk agreements, the Normandy Format (or N4—Ukraine, Russia, Germany, and France) and the Trilateral Contact Group (OSCE chair, Ukraine, and Russia) has proven woefully ineffective. The problem is not so much the reliability of the Western participants in the Normandy Format, or the good offices of the OSCE—all of whom have generally defended Ukraine’s interests. Rather, it is the absence of the United States from the negotiations that allows Russia to pretend to negotiate, to play the other parties off against one another, and to evade its own obligations under Minsk, while pretending that it is a neutral mediator rather than a direct party to the conflict.

As long as the United States is not actively engaged in the negotiations, Putin is more likely to drag out the process. He will continue to brazenly claim that there are no Russian troops in the Donbas and that this is a civil war between ethnic Russians and Ukrainian nationalists, despite indisputable evidence to the contrary.
Options for US Engagement

There are at least five ways the United States might engage:

- **Join the Normandy Format.** Doing so could help revitalize the process and encourage Moscow to get serious about implementing the Minsk agreements. It would give Biden the opportunity to engage directly at the Normandy Format summits, demonstrating US determination to achieve results. One obstacle, however, is that all the members of the Normandy Format, including Russia, would have to agree to add the United States.

- **Establish a Budapest format.** Take up the Ukrainian proposal for a "Budapest" format. This would draw on the Budapest Memorandum of December 1994, in which the United States, Russia, and the United Kingdom assured Ukraine of its security in return for Ukraine giving up its nuclear arms. The UK is a strong supporter of Ukraine and would be a useful addition alongside the United States. But Russia may object to any expansion of the original Normandy group, and Germany and France may have reservations as well. Moreover, the Russians falsely deny that they violated the Budapest Memorandum with their aggression and attempted annexation of Crimea in 2014, making this a shaky basis for diplomatic consultation.

- **Bilateral engagement.** Assume a lead role in diplomacy by engaging Russia bilaterally at high levels as it did during the Obama administration, coordinating its positions with France, Germany, and Ukraine.

- **Appoint a special envoy or top deputy to negotiate.** A special envoy would symbolize US commitment but may not be necessary if the secretary of state and/or one of his deputies were prepared to take on this portfolio on a full-time basis. A special envoy could be brought on later if negotiations begin to make progress. What is key is that US interlocutors have the stature to speak for the president and secretary of state when engaging with Russian leaders.

- **All the above.** These options are not mutually exclusive. Even if the United States joins the Normandy Format, direct engagement with Russia will be essential to hold Moscow’s feet to the fire and resolve contentious issues. Politically, Putin may be more likely to cut a deal if the process highlights Russia’s great-power status alongside the United States.

Agreeing with Kyiv on Redlines

Before engaging with Russia, the United States needs to agree with the Ukrainians on guiding principles for the negotiations and the posture they should take in the Normandy Format and Trilateral Contact Group. These should include:

- **Remain committed to the Minsk framework.** The Minsk agreements, for all their shortcomings, recognize that the Donbas is Ukrainian and make implementation of the agreements the precondition for any easing of EU sanctions on Russia. While Ukraine should stay on the diplomatic offensive, it should be careful not to signal it is walking away from the Minsk agreements as the framework for a settlement. The agreements should be built upon and improved, including mechanisms for implementation that are conspicuously lacking in the Minsk documents themselves.

- **Stand firm on no elections while Russian troops are present.** Russia will try to impose its literal interpretation of the Minsk agreements, which allows it to undermine the explicit goal of the agreements of restoring the Donbas to Ukraine. Zelenskyy has wisely insisted on sequencing that would take Russian forces out of the Donbas and end Russian control of the international border before elections are held. This should remain a redline since Russia’s stance is a recipe for sham elections under Russian occupation that would legitimize the puppet leaders in Donetsk and Luhansk, preserve Moscow’s de facto control over the two people’s republics, and lead to their reintegration into Ukraine as a Russian-controlled Trojan horse.

- **International peacekeeping force to square the circle on sequencing.** If Russia insists that Ukrainian recovery of control over the international border must come last, then a compromise would be the insertion of an international peacekeeping force to replace Russian-led occupation forces prior to scheduling
local elections. The peacekeeping force would ensure the conditions for credible local elections in accordance with Ukrainian law and OSCE standards as the Minsk agreements stipulate, while postponing the return of Ukrainian forces to the international border until the end of the process, as Putin insists.

- **Reach out to occupied Donbas.** As negotiations proceed, Kyiv should continue its efforts to reach out to the “silent majority” in the occupied territories and demonstrate its commitment to reconciliation, reintegration, and economic recovery as the Donbas returns to Ukrainian control. This could include sponsorship of town hall meetings, business conferences, and other people-to-people contacts at neutral locations along the line of contact or virtually. By maintaining a forward-leaning diplomatic strategy and reaching out to the people of the Donbas, Ukraine will be better able to convince its Western supporters to uphold and even tighten sanctions, expand military assistance, and support Ukraine’s Euro-Atlantic aspirations.

**Generating Leverage over Moscow**

Whatever the format, any negotiations need to be backed by a stronger mix of carrots and sticks. Only by raising the costs for Russian aggression, while showing Moscow what it would gain from de-escalation, can the West hope to change Putin’s calculus and convince him to get out of the Donbas as he pledged to do in the Minsk agreements. There are at least five ways to raise the costs on Putin:

- **Work with allies to raise the costs.** Convince European allies to join the United States in a more strategic approach to sanctions, going beyond renewal of existing sanctions every six months which Putin has learned to endure. To this end, the Biden team should work with France and Germany (and with the EU and other G7 partners) on an intensified diplomatic strategy, supported by additional sanctions in the financial area. This should include the threat of additional individual and financial sanctions if negotiations remain deadlocked, together with a credible commitment to remove Ukraine-related sanctions (other than those related to Crimea) if the Russians get out of the Donbas.

- **Make targets count.** The most viable economic sanctions targets include VEB bank and the Russian Direct Investment Fund, a move to completely block Russian sovereign debt issuance, and, if the Kremlin were to violate its gas transit agreement with Ukraine, a broader ban on Gazprom investments and Gazprom debt generally. These escalatory options need to be deconflicted with sanctions that may be used to pursue other objectives. Individual sanctions could continue to target those Russian figures involved in Ukraine policy and profiteering (e.g., in Crimea) and those in Putin’s corrupt inner circle.

- **Deepen Ukraine’s integration with NATO.** Twelve years after NATO’s promise in Bucharest that Ukraine and Georgia will someday become NATO members, the West needs to do more to demonstrate that occupying Ukraine’s territory does not give Russia a veto over these countries’ Euro-Atlantic aspirations. Immediate moves could include provision of additional defensive military equipment (naval vessels, air and coastal defense systems, drones), establishment of a permanent NATO training center in Ukraine, an increased NATO maritime presence in the Black Sea, and granting Ukraine major non-NATO ally status under US law.

- **Undermine political support in Russia for a protracted war in the Donbas as a means of raising the pressure on Putin to accept a negotiated settlement.** Russia has been successful in suppressing coverage of combat casualties among Russian troops and “volunteers” and in concealing the economic costs of subsidizing the occupation regimes in the Donbas and Crimea. The United States and its allies should declassify intelligence to spotlight these costs and focus public attention on Russia’s reign of terror in the occupied territories.

- **Play the long game.** Even with increased US engagement, diplomacy may not bear fruit in the near term. Strategic patience will be required. But over

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3 The peacekeeping force could be under a UN or OSCE mandate. It would assume responsibility for security in the now-occupied territories and monitor the withdrawal of Russian troops and equipment as well as the disbandment of the separatist militias. The peacekeeping force would logically be accompanied by an internation international administration to help manage civil issues during the transition to the restoration of Georgian sovereignty. See: Richard Gowan, Can the United Nations Unite Ukraine? Hudson Institute, January 29, 2018, https://www.hudson.org/research/14128-can-the-united-nations-unite-ukraine.

4 More options to deepen Ukraine’s integration with NATO are detailed in the recommendations.

5 Vershbow, Alexander, “Ramp up on Russia,” Atlantic Council, October 14, 2020, https://www.atlanticcouncil.org/content-series/nato20-2020/ramp-up-on-russia/
time, by working with Ukraine and the United States’ European allies to raise the costs to Russia while offering a diplomatic way out, the United States may ultimately convince Putin to let go of the Donbas.

**Recommendations**

The first order of business should be to establish a straightforward relationship, a relationship of trust between Biden and Zelenskyy after efforts by Trump to leverage the United States’ relationship with Ukraine for his own political benefit. Despite Trump’s actions and the subsequent impeachment process, the United States continued to provide bipartisan support for Ukraine, which testifies to its important interests there and the wisdom of congressional leaders. Still, this experience has left the Zelenskyy team with real concerns about its relationship with Washington and its image among the US public. While they expect much better treatment from Biden and his team, they anxiously wait for engagement.

A return to a normal US-Ukrainian relationship will inevitably take time as the new administration staffs its senior foreign policy ranks. US Secretary of State Antony Blinken has already called Ukrainian Foreign Minister Dmytro Kuleba, and it is important that Biden, US Vice President Kamala Harris, and US National Security Advisor Jake Sullivan be in touch soon with their Ukrainian counterparts to underscore the administration’s commitment to cooperate closely with Ukraine. The big objectives of US policy have been the same since 2014: to help Ukraine defend its territorial integrity and sovereignty in the face of Kremlin aggression, and to help Ukraine undertake the reforms needed to become a nation of laws with a growing and prosperous economy. The Biden team is uniquely qualified to pursue these objectives successfully. Blinken has already conveyed the message that, unlike the Obama administration, the Biden administration is prepared to provide lethal defensive weapons systems, and that unlike the Trump administration, it will consistently push reform at all levels and will never try to politicize the relationship.

As vice president, Biden was a hands-on policy maker for Ukraine. Now, as president, he will not have the time for that, but he should reach out to Zelenskyy, first by phone
and then in an early meeting. Establishing a president-to-president understanding will facilitate policy dealings at lower levels and increase US clout in Kyiv, which will prove important as it works with Ukraine on difficult reform issues. Indeed, Biden should use his first meeting with Zelenskyy to empower Blinken, or a subcabinet official, as his point person for Ukraine. Much of this is common sense. But it needs to be put upfront because of the peculiar detour that the bilateral relationship took during the Trump administration. This outreach will also make Zelenskyy and his team more open to persuasion from the administration, especially on difficult reform matters.

Once the Biden administration has reestablished close relations with Ukraine, to protect US security interests in relation to Ukraine, the Biden team should:

◆ **Appoint an ambassador ASAP.** Quickly name a strong candidate who has Biden and Blinken’s trust as the new US ambassador to Ukraine and work for their quick Senate confirmation and dispatch to Ukraine.

◆ **Take leadership of Donbas diplomacy.** Play an enhanced role in the negotiations to end the war in the Donbas. Name a special envoy or empower a senior subcabinet official to either join the Normandy Format or to consult frequently with the four players.

◆ **Work with Congress to increase military assistance to $500,000,000 per year.** That aid should be used to provide weapons systems that boost Ukrainian maritime security such as additional Mark 6 patrol boats and Harpoon anti-ship missiles to protect freedom of navigation in the Black and Azov seas, air defense systems to deter Russian use of combat aircraft in the occupied Donbas, and additional Javelins to neutralize the use of tanks by the Russians and their proxies. It should also be used to enhance Ukraine’s secure communications system, counter Russian cyber warfare, and provide field hospitals for Ukraine’s military.

◆ **Enhance security in southeast Europe and the Black Sea.** The United States should consult with its NATO allies (Bulgaria, Romania, and Turkey) and partners (Ukraine and Georgia) about establishing a more robust presence in the Black Sea. A more robust presence means more frequent NATO patrols and increasing the scope of the annual Sea Breeze military exercises hosted by Ukraine. This could evolve toward more comprehensive cooperation, including intelligence sharing to establish a common operating picture of regional threats and enhanced cooperation on air and sea defense, including building naval support facilities for common use.6

◆ **Deepen Ukraine’s integration with NATO.** Grant Ukraine the status of major non-NATO ally under US law.6 The United States should further warn Russia that if it remains intransigent in Ukraine, Washington will consider additional steps, including establishing a permanent US military presence at a Ukrainian training center close to the occupied territories and launching a NATO Membership Action Plan (MAP) for Ukraine. The United States could even make it known to Russia that it is beginning to plan within NATO for how to extend an Article 5 guarantee to all territory under Ukraine’s de facto control in preparation for Ukraine’s accession to NATO.

◆ **Strategic approach to sanctions.** Work with the EU, European allies, and G7 partners to establish the concept of conditional sanctions on Russia if it continues its aggression in the Donbas.8 The United States should also seek an agreement with NATO and EU partners that any ship stopping at a Russian-controlled Crimean port will be denied access to ports of NATO and EU countries.

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7 According to the US State Department, “Major Non-NATO Ally (MNNA) status is a designation under US law that provides foreign partners with certain benefits in the areas of defense trade and security cooperation. The Major Non-NATO Ally designation is a powerful symbol of the close relationship the United States shares with those countries and demonstrates our deep respect for the friendship for the countries to which it is extended. While MNNA status provides military and economic privileges, it does not entail any security commitments to the designated country.” See, US Department of State, “Major Non-NATO Ally Status,” fact sheet, Bureau of Political-Military Affairs, January 20, 2021, https://www.state.gov/major-non-nato-ally-status/#footnote.

8 Conditional sanctions would work in the following way: The United States and the EU would announce, for instance, on July 1, 2021, that if within one year fighting continued in the Donbas and Russia had not agreed with Ukraine on a date certain for transfer of border control to Ukraine, additional sanctions would be levied on Russia. It might make sense to start with something like sanctions on VEB or other Russian financial institutions linked to Putin. But if Russia failed the test at the first deadline—in our example, by July 1, 2022—the next set of conditional sanctions should be tougher, such as to fully sanction Russian sovereign debt. It may be best to convey to Moscow the conditional sanctions privately so that Putin does not feel a need to react publicly in a way that makes it harder for him to pull back from the Donbas; but if Moscow does not meet the conditions after a year, the whole approach should be made public to make clear that the Kremlin could have avoided the sanctions.
◆ **Prepare for peacekeeping.** Consult with allies and European neutrals on the parameters of an international peacekeeping force that could be deployed to the Donbas in the event of Russian agreement to implement the Minsk agreements. Troop-contributing nations could include non-NATO European countries (Sweden, Finland, Switzerland, and Serbia), a few CIS countries acceptable to Ukraine and Russia (such as Kazakhstan) along with militarily capable countries from outside Europe.

◆ **Make clear sanctions aren’t forever.** Convey to the Kremlin and work with Congress to ensure that if Russia ceases its aggression in the Donbas and removes its soldiers, mercenaries, and weapons; ceases to provide financing or any resources for resistance to Ukrainian authority; and allows Ukraine to restore control over its international border, the Donbas sanctions would be swiftly removed.

◆ **Stay the course on ending Nord Stream 2.** Take no steps that would prevent the latest congressional sanctions from killing the Nord Stream 2 pipeline; work with Congress on additional measures if those sanctions do not achieve their purpose.

◆ **Support the government of Ukraine’s efforts to organize the “Crimean Platform,”** as it keeps occupied Crimea on the international agenda and reminds people, including in Russia, that Crimea is still Ukraine in the eyes of the international community.

On reform issues, the Biden administration should:

◆ **Empower a senior official as the US point person for reform.** (This could be the same official responsible for the Donbas negotiations.)

◆ **Prioritize the establishment of independent courts.** Judges who have failed the integrity test must be ousted. The High Council of Justice and the High Qualifications Commission of Judges need to be reformed and made independent from compromised judges. International experts must be part of any future process of judicial selection to guarantee the integrity of the selection process.

◆ **Take action against the major corrupt figures undermining reform in Ukraine.** The US request to Austria to extradite Ukrainian oligarch Dmytro Firtash should be pursued energetically until met. The legal processes against Ukrainian oligarch Ihor Kolomoisky in the United States should also be pursued vigorously.

◆ **Press for reform of the Prosecutor General’s Office.**

◆ **Work to re-empower the National Anti-Corruption Bureau of Ukraine (NABU) and make sure that the new anti-corruption prosecutor is subject to independent selection.**

◆ **Push for the abolition of the SBU economic department,** which remains unreformed. The SBU should be prohibited from dealing with corruption and organized crime. Other agencies can handle these duties and the SBU can focus on counterintelligence.

◆ **Push to restore the competitive and transparent appointment of state officials** on the basis of competence. Non-reformers seemingly loyal to various vested interests are currently being selected.

◆ **Work for a return to a reform program in the health sector.** The National Health Service of Ukraine should continue to pay doctors and hospitals on the basis of contracts for medical services rendered, with the money following the patient rather than lining the pockets of corrupt head doctors and their political patrons.

◆ **Pharmaceutical procurement should maintain adherence to standards of transparency** established by international partners like UNICEF and the World Health Organization (WHO). The COVID-19 pandemic must not be used as an excuse to reverse the 2017 reforms.

◆ **Urge the completion of the liberalization of energy markets.** Collapse of the electricity system, if not prevented through systemic reform, will severely jeopardize economic recovery, new FDI, and prospects for European integration. Further, recent actions to return to price controls in the natural gas market undo a major energy and anti-corruption reform. These actions should be reversed and the system of energy subsidies already in place should be continued and strengthened, if necessary.

◆ **Help establish full transparency of the ultimate beneficiary owners of major media** and prohibit not only Russian television but also television...
channels owned by figures working in the Kremlin’s interests. Measures similar to the ones taken against Ukrainian oligarch Viktor Medvedchuk should be taken against Firtash and others as well.

- **Reiterate strong support for the independence of the National Bank of Ukraine (NBU).** It is essential that the new NBU head exercise the same independence as his most recent predecessors.

- **Champion anti-monopoly legislation** to limit the influence of large businesspeople on Ukraine’s economy and political system.

- **Outline a program that,** if Ukraine proceeded with substantial prosecutorial and court reform, would **stimulate US corporate investment in Ukraine.** In such a case, the United States would encourage the US International Development Finance Corporation (formerly the Overseas Private Investment Corporation, OPIC) and the EXIM Bank to engage fully with US companies in Ukraine.

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