

Russia - Ukraine Tensions

Assessing Risks for India

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Key Judgments

- The recent Russian military build-up on Ukraine's border is likely to be a coercive 'threat in being' meant to apply pressure on the US and NATO. An overt kinetic conflict involving Russian and Ukrainian forces is unlikely in the next 12 months.
- In the next 12 to 48 months, deployment of nuclear capable missiles with ranges upward of 500 km by both NATO and Russia may be a possibility.
- Over the next 48 months, higher political tensions and military preparedness may become normal in Europe.
- Ukraine and Georgia are unlikely to gain NATO membership in the next 48 months.
- In the unlikely event of a major overt offensive by Russian forces into Ukraine within the next 1 to 12 months, the US, UK, Germany, and other NATO members are unlikely to do more than impose sanctions on Russia and supply war material to Ukraine.
- If imposed on Russia within the next 2 to 24 months, prospective sanctions will be aimed at inflicting economic pain, degrading President Putin's power, and turning Russian public opinion against him.
- The prospective sanctions could specifically target the [Nord Stream II](#) gas pipeline and Russia's access to the [SWIFT](#) fund transfer messaging service. They may also include individual sanctions against people seen as close to President Putin both in and outside Russia.

Background

Rhetoric, Treaties and Negotiations

Despite a similar war scare emerging in [April 2021](#), the alarm and momentum fizzled out in the wake of major [multilateral military exercises](#) involving Russian forces. The only apparent difference in the late October-December 2021 is considerably sharper Russian rhetoric concerning “redlines” and demands of “legally binding security guarantees”.

Russia has published two publicly released proposed draft treaties. One is a [document](#) addressed bilaterally to the US, and the other is [addressed](#) to NATO. In the proposed treaties and in many official statements, Russia has reiterated longstanding concerns about NATO's eastward expansion and the potential NATO membership of former Soviet states. The treaties are effectively a list of demands over which the Kremlin wishes to negotiate exclusively with the US. An official Russian [briefing](#) by Deputy Foreign Minister Sergei Ryabkov clarified that the proposals were “not a menu” and that certain parts complement each other. Therefore, according to Ryabkov, any negotiations will be about the whole proposals and not their articles à la carte.

Further [interactions](#) between senior US and Russian officials are likely to take place with some form of negotiations and talks on the agenda, following which a de-escalation may take place over an uncertain period.

Separatist Regions of Ukraine

The ineffective Minsk I and II [agreements](#) aimed at winding down hostilities and eventually resolving the conflict in the Donbass are unlikely to be implemented. The forum of conception for Minsk agreements, the [Normandy format](#) dialogues, where France and Germany mediate between Russia and Ukraine, is unlikely to yield any results in the future either. The Donbass is unlikely to join the Russian Federation in the next 12 months. The Donbass will continue to be a site of a frozen conflict dominated by separatists amenable to Russia.

Belarus

Lukashenko is likely to support any Russian position against NATO in the next 12 to 24 months. The Union State of Russia and Belarus will likely be further consolidated during this period. Lukashenko is not entirely amenable to Putin, but in light of [sanctions by NATO member](#) states, he has no choice but to close ranks and present a joint front with Putin. Any further attempts by NATO members to destabilise Lukashenko's regime will only serve to drive him closer to Moscow and force him to make more concessions to Putin. In any prospective ‘threat in being’ crisis, Russian forces stationed in Belarus will be a major factor. The presence of these troops makes it inadvisable for Ukrainian forces to concentrate solely on defence of the eastern frontier, thus complicating the problem of territorial defence.

India's Ties with Ukraine

India also has a considerable stake in maintaining relations with Ukraine and not alienating it. Much of India's Soviet/Russian origin military equipment is also [dependent](#) on components sourced from Ukraine. The dependencies include gas turbines installed in many Indian Navy warships. India's AN-32 transport aircraft also need Ukrainian facilities, components and expertise for their maintenance and overhaul. India's Russian-origin Mi 17 and Mi 35 helicopter fleets also depend on Ukrainian engines. Furthermore, India has [developed](#) a semi-cryogenic engine for its space programme with Ukrainian collaboration.

Weather

Russia has made [significant advances](#) in the all-weather operational capability of its forces. However, with thousands of troops and many hundreds of pieces of heavy equipment and vehicles involved, weather conditions and their effect on mobility will influence decision-making. The terrain in Eastern and Southern Ukraine is partly [muddy and marshy](#) most of the year, apart from winter when it is frozen. These winter conditions make the terrain tenable for tracked or wheeled armour as well as mechanised forces to move without extensive [engineering support](#). In the urban areas of the Donbass, operations may be [less susceptible](#) to disruption from weather conditions.

Information Warfare

Information warfare does not offer clear markers for the beginning or the end of a conflict. Many of Russia's attributable moves during the course of the present crisis signal that information dissemination and information security are being taken seriously.

The public release of the draft treaties addressing NATO and the US was, [according](#) to Maria Zakharova of the Russian Ministry of Foreign Affairs, a preventive measure meant to "avoid manipulation in the press". Russian Defence Minister Sergey Shoigu has also publicly alleged but not presented evidence for the presence of [US mercenaries in Donetsk](#) and the supposed [supply](#) of "canisters with unknown chemical substances". [According](#) to a local pro-Russian rebel commander in Donbass, the canisters are from the US and filled with "botulinum toxin (a highly toxic substance causing paralysis) and its antidote".

Cyber Operations

Russia acknowledges the value of cyber operations and their importance in both sabotage and espionage. As noted cybersecurity expert Dmitri Alperovich [opines](#), "cyber intrusions on Ukraine government and civilian networks from Russia" are taking place.

Russia is currently prosecuting allegedly treasonous former advisors and cyber entrepreneurs like [Ivan Safronov](#) and [Ilya Sachkov](#), who may have given away high-tech military state secrets to intelligence services of NATO countries.

Sachkov is accused of giving away details of the “Fancy Bear” group and their malware, which was allegedly used, in part, to infect the android phones of Ukrainian forces and track their movements, as well as to interfere in the 2016 US presidential elections.

Scenario 1: Status Quo with no deployment of any new missiles

In the most likely scenario for the next 12-24 months, despite the high probability of a series of ‘threat in being’ crises involving a build up of Russian and NATO forces in the region, no fundamental change in the larger strategic picture may take place. Multiple rounds of interactions between the representatives of the US, Russia, Ukraine and European Union governments will likely occur, leading to a series of limited escalations and de-escalations.

It is highly unlikely the US will choose to deploy new nuclear capable missiles in Europe. For one, the US is yet to induct INF range nuclear-capable ground-launched missiles into its arsenal. Two, any such deployment by the US is likely to be met by reciprocal deployments by Russia which, beside small numbers of the 9M729’s advance variants, may not have any significant quantity of comparable missiles to deploy either. Therefore, brinkmanship using conventional forces is likely to dominate the agenda in the Euro-Atlantic security discourse.

1.1 Potential Fallout

Russia may choose to put pressure on the US and NATO through a series of ‘threat in being’ crises using multi-pronged military deployments around Ukraine. These deployments will constitute buildups along Russian and Belorussian territory on Ukraine’s eastern, northern and southern flanks. Stagnation in Russia-NATO and Russia-Ukraine relations may continue.

1.2 Risks for India

Sustained pressure from Russia on the US and NATO will result in the global attention partly being diverted from China and the Indo-Pacific to a Eurocentric discourse. The return of the Eurocentric geopolitical narrative could continue to give China space to enhance its strategic position.

Scenario 2: Status Quo with deployment of Nuclear Capable missiles with ranges over 500Km

The US is unlikely to agree to most ultimatums and demands in the draft treaties published by the Russian MFA. As a result, the deployment of nuclear capable missiles with ranges upward of 500 km,

similar to [those in Kaliningrad](#), from the Russian side, is a possibility. NATO may also deploy similar systems aimed at Russia on one or more of its member states' territories.

Although both sides understand the risks, any potential de-escalation could require some form of face-saving measures. The deployment of potent nuclear capable missiles with the intention to deter the adversary may serve as a potential face-saving measure which will moderately alter the larger security picture.

2.1 Potential Fallout

The cause of negotiating broader arms control agreements and CBMs will be severely undermined. Russia may attempt coercion through multi-pronged deployments along Russian and Belorussian territory on Ukraine's Eastern, Northern and Southern flanks.

2.2 Risks for India

As with Scenario 1, Russian pressure on the US and NATO could result in the US de-prioritizing China and the Indo-Pacific.

Scenario 3: Russia conducts a military show of force with a short surgical operation or a skirmish between Russian and Ukrainian Forces

In the event of dissatisfaction with the US over the proposed list of demands in the draft treaties, Russia may opt for a short operation or show of force against Ukraine.

3.1 Potential Fallout

Military action is likely to present significant risk for both sides. Conflict may be protracted and result in high casualties, limited territorial gains for Russia, and the imposition of Western sanctions. Deployment of nuclear-capable missiles with ranges [upward of 500 km](#), similar to [those in Kaliningrad](#) from the Russian side, is a possibility. These new missiles can give Russia an additional means to strike at its European adversaries, some of which are NATO members. In response, NATO is likely to deploy similar systems in Europe targeted at Russia. As a result, the prospects for negotiating broader arms control agreements and CBMs will be severely undermined.

3.2 Risks for India

Any potential hostilities between Russian and Ukrainian forces may provide China an opportunity to act more assertively in the Taiwan straits, the South China Sea, or more broadly in the Indo-Pacific.

Scenario 4: Russia Invades and controls separatist regions of Ukraine

In the event of a full-scale kinetic conflict between Russia and Ukraine, Russia has the capability to severely degrade Ukrainian forces. Russia may also be able to capture and hold territory in the separatist-dominated eastern regions of Ukraine. Moscow can justify its actions with rhetoric about the need to protect Russian-speakers from persecution. A largely symbolic referendum may be conducted following the military operation to gain control of territory. Following this, Russia may choose to either integrate Donbass into its federal state, as was done with Crimea, or let the region become a self-governed protectorate of Moscow that permanently hosts Russian forces.

Russia could also deploy nuclear-capable Iskander missiles on its own territory to hold at risk targets in NATO states in Europe. Presently Russia already has such missiles stationed [in Kaliningrad](#). In response to any further Russian deployment, NATO is likely to station similar systems in Europe aimed at Russia.

Russia has publicly acknowledged the need for NATO and Ukraine to address its anxieties over the regional security situation. Russia feels the eastward expansion of NATO beginning in the late 1990s has weakened and, in some cases, eliminated its ability to exercise influence over former Soviet states.

4.1 Potential Fallout

NATO states, led by the US, may also respond with a series of sanctions. Targets of these sanctions may include the [Nord Stream II](#) gas pipeline and Russia's access to [the SWIFT](#) fund transfer messaging service. Punitive measures may also include sanctions against individuals and entities seen as close to President Putin, both in and outside Russia. NATO members may also supply Ukraine both defensive and offensive weapons, including advanced air-defence systems.

4.2 Risks for India

There is a chance that the US's attention can be drawn to Europe and away from Asia, which might embolden China into acting more assertively in the Taiwan straits, in the South China Sea or Indo-Pacific, while the US and its western allies in NATO are concentrated on Russia in Europe.

India has an interest in not overtly supporting Russian territorial gains and alienating Ukraine. However, it is likely that India will be open to devising measures to circumvent any potential US-led secondary sanctions against Russia.

India was among the first major countries to recognise Russia's interests in Crimea. Since then, it has either abstained from or voted against resolutions concerning Crimea, signalling implicit support of the Russian position. India's attitude will be neutral on any further Russian territorial expansion in Eastern Ukraine. It may abstain from de-facto recognition of Russian territorial gains owing both to US pressure and its need to secure its own interests in Ukraine.

India has continued to transact with Russia in sectors such as defence, outer space and energy supplies, despite the threat of US sanctions in some cases like the S-400 air defence system deal. The threat of US sanctions under the Countering America's Adversaries through Sanctions Act (CAATSA) has loomed over the deal, though India has expected a waiver for the S-400 deal. [Legislation](#) in the US has already been introduced to exempt India and other Quad partners from CAATSA, but its prospects are unclear.

If a narrative painting India as a potential enabler of Russia is spun in the US, there is a chance public opinion could turn against India receiving a CAATSA waiver.

4.2.1 Rupee-Rouble

Russia has [started settling](#) its arms export transactions with India in Roubles and Indian Rupees, bypassing US dollar-denominated systems that could attract sanctions. Earlier, there was some talk of [using Euros](#) to settle the balances, too, though it is unclear if any payments were in fact made in Euros. Another mechanism to settle the balances could be to adjust the payments against any products Russia may want to import from India.

4.2.2 Special Bank Branches to Handle Transactions with Russia

Another possible approach for India could be to employ a transaction system to the one used between Indian refineries and Iranian oil suppliers prior to the 2015 JCPOA deal. Such a system may involve [designating](#) special branches of Indian banks which can handle Russia-specific transactions.

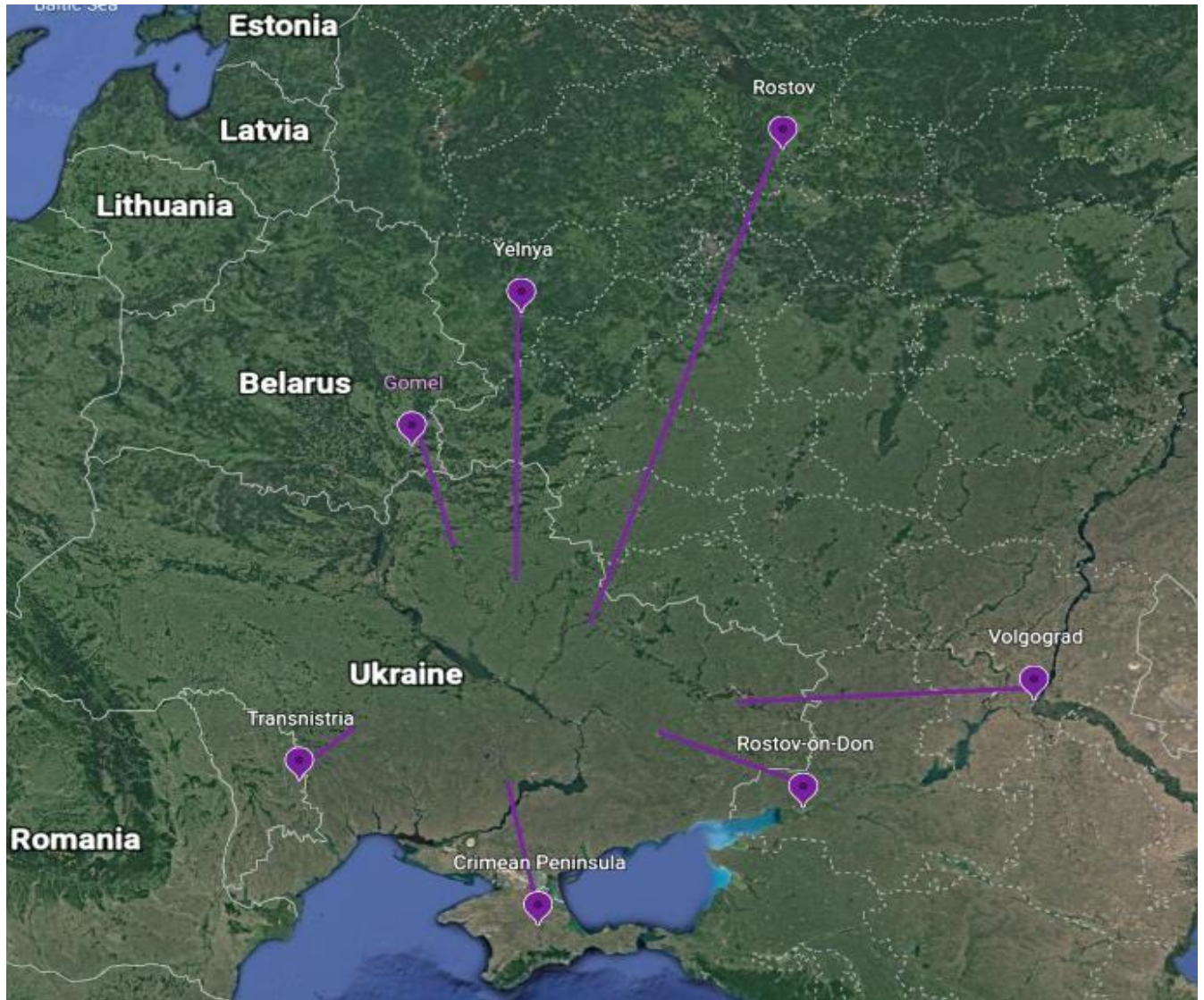
4.2.3 Using Alternatives to SWIFT such as INSTEX or Russia's own SPFS

Indian banks and other financial institutions can switch to using other international fund transfer messaging services like INSTEX or Russia's own SPFS. However, concerns have been raised by Indian banks [themselves](#), stating that merely switching over to another service doesn't address their own internal issues. Because of this, Indian banks have been averse to carrying out transactions involving entities listed in the [US's Specially Designated Nationals And Blocked Persons List \(SDN\)](#).

4.2.4 Introducing Digital Currencies

[India](#) and [Russia](#) have both made plans to introduce digital currencies, which could facilitate international trade without using the US dollar.

Purple Markers: Likely Origin Places of Multipronged Russian Push into Ukraine



Source: Google Earth

Scenario 5: Russia Invades and Controls Major parts of Ukraine

In the event of a full-scale kinetic conflict between Russia and Ukraine, Russia may be able to capture and hold major parts of Ukrainian territory for a limited time, but the casualties on both sides are likely to be heavy.

Russian forces will have to fight not only regular Ukrainian armed forces, but also insurgencies and resistance groups made up of Ukrainian nationals in both urban environments and the unpaved countryside of Ukraine. The Russian offensive may be a multipronged operation comprising of Russian forces from peacekeepers in Transnistria (Moldova), Russian and Belorussian bases and installations

from Crimea, Gomel in Belarus and Russia's Northern and Western border regions like Yelneya, Rostov and Volgograd.

Russia has publicly acknowledged the need for NATO and Ukraine to address its anxieties over the regional security situation. Russia feels the eastward expansion of NATO beginning in the late 1990s has weakened and, in some cases, eliminated its ability to exercise influence over former Soviet states, making it a zero-sum game from some perspectives.

Deployment but not the use of nuclear capable missiles with ranges upward of 500Km, similar to [those in Kaliningrad](#) from the Russian side, is a possibility. NATO is likely to deploy similar systems aimed at Russia on one or more of its member states' territory.

5.1 Potential Fallout

NATO countries and especially the US, may also respond with a series of sanctions. These sanctions may specifically target the [Nord Stream II](#) gas pipeline, Russia's access to the [SWIFT](#) fund transfer messaging service. Punitive measures may also include sanctions against individuals and entities seen as close to President Putin, both in and outside Russia. Many tranches of both defensive and offensive weapons, including advanced air-defence systems, may be provided to Ukraine by NATO members.

5.2 Risks for India

Risks for India are the same as Scenario 4.

Conclusion

The five scenarios discussed above are based on currently available information. Their associated probability, impacts and likelihood are mapped on graph and table below. In summary, we conclude that there is only a low likelihood that the ongoing Russian standoff with Ukraine will have a major impact on India. However, even if there is no kinetic conflict, India will have to track, related developments such as the potential deployment of INF-range missiles, as these might worsen US-Russia relations. India will also have to consider its options in the event that a kinetic conflict does take place. Beside the difficulty of balancing ties with the US and Russia, India may see an impact in areas such as arms sales and energy imports.

Scenarios	Probability	Impact
1. <i>Status Quo with no deployment of any new missiles</i>	High	Low
2. <i>Status Quo with Deployment of Nuclear capable missiles with ranges over 500Km</i>	Medium	Medium
3. <i>Russia conducts a military show of force with a short surgical operation and/or a skirmish between Russian and Ukrainian Forces</i>	Low	High
4. <i>Russia invades and controls Separatist Regions of Ukraine</i>	Low	Very High
5. <i>Russia invades and controls Major parts of Ukraine</i>	Low	Extremely High

