

# NEWSLETTER

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## ABOUT THE COUNCIL FOR THE UNITED STATES AND ITALY

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### WEBINAR | Ukraine: the international crisis and implications for Europe and Italy | February 21



**Giampiero Massolo** (*President, Fincantieri; President, ISPI - Italian Institute for International Political Studies*)

We are experiencing a dark time, where Ukraine is under threat of invasion by the Russian President Vladimir Putin. On the one hand, we can observe Ukraine and the potential battlefield in the Donbass region. On the other hand, we can address the level of the European security architecture and more broadly the conflicting visions about how the future world order should be organized. As seen from Moscow and from Putin's observatory, the West is weak. Nowadays, the West is absent from the international scene: a "Westlessness". As Ian Bremmer defines it, we are in a moment of G-Zero, where no country has the power to dictate the global agenda. The Kremlin's perception is that of a retrenchment of the United States, as seen during the retreat in Afghanistan. As a result, Putin has acknowledged what has been lost by his country after the fall of the Soviet Union.

To a certain degree, the West is still linked to the unipolar world with the United States in its traditional leading position. In this context, Russia demands to be recognized an equal status to that of the United States and to re-discuss the European security architecture, a symbol of the Soviet Union's humiliation after the Cold War. A natural result is the reconquest of Russian position of strength: Ukraine is the ideal pretext with the battlefield of Donbass.

Under Putin's point of view, Ukraine is the example of what needs not to be done in the future, i.e. no threat and no closeness to Western development, both with respect to NATO and the European Union in close proximity to Russian borders. In order to maximize his blackmailing power, Putin relies on its customary tools: military troops surrounding Ukraine, aggressive intelligence and war of narratives. This strategy catches the West unprepared because there is no parallel asset to fight these tools.

Ukraine is only the pretext for something bigger: in Donbass Putin is consciously creating situations of tension that could undermine the stability and security in Europe. Even without a direct intervention in the Donbass region, the unilateral recognition of independence of Donetsk and Luhansk gives Putin a competitive advantage with respect to the West. A paradoxical effect is that the West has now regained a unity of intents and more cohesion than in the past.

In the West there is a credible recognition of Moscow as a harsh opponent but not as a credibly enemy. Two policies can be applied: firstly, a selective engagement only on individual situations of crisis e.g. Syria, and on global issues e.g. climate change. Additionally, it is important to make clear to Putin that the Western tools are sanctions and not arms, opposed from the Russian approach. This is why we find ourselves in the present situation and why Putin is giving way to a more assertive behavior.

Among the possible strategies, diplomacy is key to achieve a de-escalation of the situation. Other activities include a relaunch of the Minsk Agreement of 2015, the negotiation of a package between the United States and Russia and the discussion of confidence-building measures including financial and trade sanctions. The West is not

disarmed, but certainly less equipped than Putin. Anything could happen now.

## PROJECT SYNDICATE

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### RUSSIA'S WAR AND THE GLOBAL ECONOMY



**Nouriel Roubini** (*Professor Emeritus, New York University's Stern School of Business; Chief Economist, Atlas Capital Team; CEO, Roubini Macro Associates; Co-Founder, TheBoomBust.com; Former senior economist for international affairs, White House's*

*It is tempting to think that the war in Ukraine will have only a minor economic and financial impact globally, given that Russia represents merely 3% of the world economy. But policymakers and financial analysts need to avoid such wishful thinking.*

NEW YORK - In late December, I warned that 2022 would prove to be much more difficult than 2021 – a year when markets and economies around the world fared well overall, with growth rising above its potential after the massive recession in 2020. By the eve of the new year, it had become apparent that the surge of inflation would not be merely temporary, that the ever-mutating coronavirus would continue to sow uncertainty around the world, and that looming geopolitical risks were becoming more acute. First among the three geopolitical threats that I mentioned was Russian President Vladimir Putin's massing of troops near its border with Ukraine.

After two months of stop-start diplomacy and bad-faith negotiations on the part of the Kremlin, Russia has now launched a full-scale invasion of Ukraine, in what American officials say is an operation to “decapitate” the current democratically elected government. Despite repeated warnings from the Biden administration that Russia was serious about going to war, the images of Russian tanks and helicopter squadrons blitzing through Ukraine have shocked the world.

We now must consider the economic and financial consequences of this historic development. Start with a key geopolitical observation: This is a major escalation of Cold War II, in which four revisionist powers – China, Russia, Iran, and North Korea – are challenging the long global dominance of the United States and the Western-led international order that it created after World War II. In that context, we have entered a geopolitical depression that will have massive economic and financial consequences well beyond Ukraine. In particular, a hot war between major powers is now more likely within the next decade. As the new cold war rivalry between the US and China continues to escalate, Taiwan, too, will increasingly become a potential flashpoint, pitting the West against the emerging alliance of revisionist powers.

#### A STAGFLATIONARY RECESSION

A major risk now is that markets and political analysts will underestimate the implications of this geopolitical regime shift. By the close of the market on February 24 – the day of the invasion – US stock markets had risen in the hope that this conflict will slow down the willingness of the US Federal Reserve and other central banks to raise policy rates. But the Ukraine war is not just another minor, economically and financially inconsequential conflict of the kind seen elsewhere in recent decades. Analysts and investors must not make the same mistake they did on the eve of World War I, when almost no one saw a major global conflict coming. Today's crisis represents a geopolitical quantum leap. Its long-term implications and significance can hardly be overstated.

In terms of the economy, a global stagflationary recession is now highly likely. Analysts are already asking themselves if the Fed and other major central banks can achieve a soft landing from this crisis and its fallout. Don't count on it. The war in Ukraine will trigger a massive negative supply shock in a global economy that is still reeling from COVID-19 and a year-long build-up of inflationary pressures. The shock will reduce growth and further increase inflation at a time when inflation expectations are already becoming unanchored.

The short-term financial market impact of the war is already clear. In the face of a massive risk-off stagflationary shock, global equities will likely move from the current correction range (-10%) into bear market territory (-20% or

more). Safe government bond yields will fall for a while and then rise after inflation becomes unmoored. Oil and natural gas prices will spike further – to well above \$100 per barrel – as will many other commodity prices as both Russia and Ukraine are major exporters of raw materials and food. Safe haven currencies such as the Swiss franc will strengthen, and gold prices will rise further.

The economic and financial fallout from the war and the resulting stagflationary shock will of course be largest in Russia and Ukraine, followed by the European Union, owing to its heavy dependence on Russian gas. But even the US will suffer. Because world energy markets are so deeply integrated, a spike in global oil prices – represented by the Brent benchmark – will strongly affect US crude oil (West Texas Intermediate) prices. Yes, the US is now a minor net energy exporter; but the macro-distribution of the shock will be negative. While a small cohort of energy firms will reap higher profits, households and businesses will experience a massive price shock, leading them to reduce spending.

Given these dynamics, even an otherwise strong US economy will suffer a sharp slowdown, tilting toward a growth recession. Tighter financial conditions and the resulting effects on business, consumer, and investor confidence will exacerbate the negative macro consequences of Russia's invasion, both in the US and globally. The coming sanctions against Russia – however large or limited they turn out to be, and however necessary they are for future deterrence – inevitably will hurt not only Russia but also the US, the West, and emerging markets. As US President Joe Biden has repeatedly made clear in his public statements to the American people, "defending freedom will have costs for us as well, here at home. We need to be honest about that."

Moreover, one cannot rule out the possibility that Russia will respond to new Western sanctions with its own countermeasure: namely, sharply reducing oil production in order to drive up global oil prices even more. Such a move would yield a net benefit for Russia so long as the additional increase in oil prices is larger than the loss of oil exports. Putin knows that he can inflict asymmetrical damage on Western economies and markets, because he has spent the better part of the last decade building up a war chest and creating a financial shield against additional economic sanctions.

### **DAMAGE CONTROL IS LIMITED**

A deep stagflationary shock is also a nightmare scenario for central banks, which will be damned if they react, and damned if they don't. On one hand, if they care primarily about growth, they should delay interest-rate hikes or implement them more slowly. But in today's environment – where inflation is rising and central banks are already behind the curve – slower policy tightening could accelerate the de-anchoring of inflation expectations, further exacerbating stagflation. On the other hand, if central banks bite the bullet and remain hawkish (or become more hawkish), the looming recession will become more severe. Inflation will be fought with higher nominal and real policy rates, increasing the price of money, and thereby dampening the overall economy. We have seen this movie twice before, with the oil-price shocks of 1973 and 1979. Today's re-run will be almost as ugly.

Although central banks should confront the return of inflation aggressively, they most likely will try to fudge it, as they did in the 1970s. They will argue that the problem is temporary, and that monetary policy cannot affect or undo an exogenous negative supply shock. When the moment of truth comes, they will probably blink, opting for a slower pace of monetary tightening to avoid triggering an even more severe recession. But this will de-anchor further inflation expectations.

Politicians, meanwhile, will try to dampen the negative supply shock. The US will try to mitigate the increase in gasoline prices by drawing down its Strategic Petroleum Reserves, and by nudging Saudi Arabia to use its spare capacity to increase its own oil production. But these measures will have only a limited effect, because widespread fears of further price spikes will result in global hoarding of energy supplies.

Under these new circumstances, the US will feel even more pressure to reach a modus vivendi with Iran – another potential source of oil – on reviving the 2015 nuclear deal. But Iran is effectively allied with China and Russia, and its leaders know that any deal they do today could be tossed aside in 2025 if Donald Trump or a Trump wannabe comes to power in the US. A new nuclear deal with Iran is thus unlikely. Worse, in the absence of one, Iran will continue to advance its nuclear program, heightening the risk that Israel will launch a strike against its facilities. That would deliver a double-whammy negative supply shock to the global economy. The upshot is that various geopolitical constraints will severely limit the West's ability to counter the stagflationary shock inflicted by the war in Ukraine.

### **A NEW OLD PROBLEM**

Nor can Western leaders rely on fiscal policy to counter the growth-dampening effects of the Ukraine shock. For one thing, the US and many other advanced economies are running out of fiscal ammunition, having pulled out all the stops in response to the COVID-19 pandemic. Governments have amassed increasingly unsustainable deficits and servicing these debts will become much more expensive in an environment of higher interest rates.

More to the point, a fiscal stimulus is the wrong policy response to a stagflationary supply shock. Though it may reduce the negative growth impact of the shock, it will add to inflationary pressure. And if policymakers rely on both monetary and fiscal policy in responding to the shock, the stagflationary consequences will become even more severe, owing to the heightened effect on inflation expectations. The massive monetary and fiscal stimulus policies that governments rolled out after the 2008 global financial crisis were not inflationary because the source of that shock was on the demand side, driven by a credit crunch at a time when inflation was low and below target. The situation today is entirely different. We are facing a negative supply shock in a world where inflation is already rising and well above target.

It is tempting to think that the Russia-Ukraine conflict will have only a minor and temporary economic and financial impact. After all, Russia represents merely 3% of the global economy (and Ukraine much less). But the Arab states that imposed an oil embargo in 1973, and revolutionary Iran in 1979, represented an even smaller share of global GDP than Russia does today.

The global impact of Putin's war will be channeled through oil and natural gas, but it will not stop there. The knock-on effects will strike a massive blow to global confidence at a time when the fragile recovery from the pandemic was already entering a period of deeper uncertainty and rising inflationary pressures. The knock-on effects of the Ukraine crisis – and from the broader geopolitical depression it augurs – will be anything but transitory.

## FROM SHOCK THERAPY TO PUTIN'S WAR



**Katharina Pistor** (*Professor of Comparative Law, Columbia Law School, author of "The Code of Capital: How the Law Creates Wealth and Inequality"*)

*Although Vladimir Putin alone is responsible for the war in Ukraine, it is worth remembering that prominent Westerners played a key role in shaping Russia's post-Soviet trajectory. They insisted that market reforms must take priority over political reforms, and we are still living with that choice.*

NEW YORK – As Russian tanks battle through Ukraine on the orders of an authoritarian president, it is worth noting that Ukrainians are not the only ones who crave democracy. Russians, too, have taken to the streets – at great personal risk – to protest Vladimir Putin's outrageous act of aggression. But they are fighting an uphill battle in a country that has never been given a chance to become democratic. When such an opportunity was available, it was subverted not by Putin and his kleptocratic milieu, but by the West. Following the collapse of the Soviet Union 30 years ago, American economic advisers convinced Russia's leaders to focus on economic reforms and put democracy on the backburner – where Putin could easily extinguish it when the time came.

This is no trivial historical contingency. Had Russia become a democracy, there would have been no need to talk about NATO and its eastward expansion, no invasion of Ukraine, and no debates about whether the West owes Russia's civilization greater respect. (As a German, I recoil at that last proposition, which has clear echoes of Hitler and his self-proclaimed leadership over a "civilization.")

Let us recount the sequence of events. In November 1991, the Russian Supreme Soviet (parliament) gave then-Russian President Boris Yeltsin extraordinary powers and a 13-month-long mandate to launch reforms. Then, in December 1991, the Soviet Union was officially dissolved by the Belovezh Accords, which created the Commonwealth of Independent States. Russia, Belarus, and Ukraine declared respect for one another's independence. Surrounded by a small group of Russian reformers and Western advisers, Yeltsin used this unique historical moment to launch an unprecedented program of economic "shock therapy." Prices were liberalized, borders were opened, and rapid privatization began – all by presidential decree. Nobody in Yeltsin's circle bothered to ask whether this was what Russia's citizens wanted. And nobody paused to consider that Russians might first want a chance to develop a sound constitutional foundation for their country, or to express through an election their preference for who should govern them.

The reformers and their Western advisers simply decided – and then insisted – that market reforms should precede constitutional reforms. Democratic niceties would delay or even undermine economic policymaking. Only by moving fast – cutting the dog’s tail with one blow of the ax – would Russia be put on a path to economic prosperity and the Communists be kept out of power for good. With radical market reforms, the Russian people would see tangible returns and become enamored with democracy automatically.

It was not to be. The Yeltsin presidency turned out to be an unmitigated disaster – economically, socially, legally, and politically. Overhauling a Soviet-style centrally planned economy in the space of 13 months proved to be impossible. Price and trade liberalization on their own did not create markets. That would have required legal institutions, but there was no time to establish them. Yes, extreme shortages disappeared and street markets sprang up everywhere. But that is a far cry from nurturing the kind of markets needed to facilitate the allocation of resources on which companies and households rely.

Moreover, the shock therapy unleashed such severe and sudden social and economic disruptions that it turned the public against the reforms and the reformers. The Supreme Soviet refused to extend Yeltsin’s extraordinary powers, and what happened next would set the stage for the rise of authoritarian presidentialism in Russia.

Yeltsin and his allies refused to give up. They declared the existing Russian constitution of 1977 illegitimate, and Yeltsin proceeded to assume power unilaterally, while calling for a referendum to legitimize the move. But the constitutional court and the parliament refused to budge, and a deep political crisis ensued. In the end, the standoff was resolved by tanks, which Yeltsin called in to dissolve the Russian parliament in October 1993, leaving 147 people dead.

To be sure, many members of parliament were opponents of Yeltsin and his team, and perhaps wanted to turn back the clock. But it was Yeltsin who set a dangerous new precedent for how disputes over the country’s future would be resolved. Tanks, not votes, would decide. And Yeltsin and his team didn’t stop there. They also rammed through a constitution that enshrined a powerful president with strong decree and veto powers, and with no serious checks and balances.

I still recall a revealing conversation that I, a student of Russia’s reforms at the time, had with Dmitry Vasiliev, a top member of Yeltsin’s privatization team. When I pointed out the shortcomings of the draft constitution, he said they would simply fix it if the wrong person ascended to power. They never did, of course – nor could they have. Vasiliev’s statement fully encapsulated how the economic reformers thought about constitutional democracy.

In December 1993, the new constitution was adopted through a referendum, which was held jointly with elections to the new parliament. Yeltsin’s candidates suffered a stunning defeat; but with the president’s new constitutional powers secured, the economic reforms continued. Yeltsin was then “re-elected” in 1996 through a manipulated process that had been planned in Davos and orchestrated by the newly minted Russian oligarchs. Three years later, Yeltsin made Putin prime minister and anointed him as his successor.

Democratizing Russia may always have been a long shot, given the country’s history of centralized power. But it would have been worth a try. The ill-advised prioritization of economic goals over democratic processes holds lessons well beyond Russia. By choosing capitalism over democracy as the foundation for the post-Cold War world, the West jeopardized stability, prosperity, and, as we now see again in Ukraine, peace and democracy – and not only in Eastern Europe.

## THE ECONOMIC CONSEQUENCES OF THE UKRAINE WAR



**Jason Furman** (*former Chair of President Obama’s Council of Economic Advisers; Professor, Harvard University’s John F. Kennedy School of Government; Senior Fellow, Peterson Institute for International Economics*)

*Russia’s invasion of Ukraine has been rapid and dramatic, but the global economic consequences will be much slower to materialize and less spectacular. Yet, other than Ukraine, Russia will likely be the biggest long-term economic loser from the conflict.*

CAMBRIDGE – Russia’s invasion of Ukraine has been rapid and dramatic, but the economic consequences will be much slower to materialize and less spectacular. The war itself is enormously tragic, first and foremost for the Ukrainian people, but also for the Russian people and the global order more generally. When something like this happens, we expect it to be like a morality play in which all the bad consequences play out equally dramatically

in every dimension, including the economy. But the economy does not work that way.

True, financial markets reacted swiftly to news of Russia's invasion. The MSCI All Country World Index, a leading global equity gauge, fell to its lowest level in almost a year. The price of oil rose above \$100 a barrel, while European natural gas prices initially surged by almost 70%. These energy-price increases will negatively affect the global economy. Europe is especially vulnerable, because it did little in recent years to reduce its dependence on Russian gas, and in some cases – notably, Germany, which abandoned nuclear power – even exacerbated it.

Oil-importing countries will experience a headwind from higher prices. The United States is more hedged: Because its oil production is equal to its oil consumption, more expensive oil is roughly neutral for GDP. But higher oil prices will hurt US consumers while helping a more limited segment of businesses and workers tied to the oil and gas industry. The price surge will also add to inflation, which is already at its highest levels in a generation in the US, Europe, and other advanced economies.

But some perspective on these immediate consequences is in order. At \$100 a barrel, oil is about one-quarter below its inflation-adjusted price during 2011 to 2014. Moreover, prices for oil futures are lower than spot prices, suggesting that the market expects this increase to be temporary. Central banks may therefore largely look through events in Ukraine, neither holding off on tightening nor speeding it up in response to higher headline inflation. And global stock markets are still up over the last year. Similarly, although the Russian stock market has fallen significantly since the start of the invasion, Western sanctions are unlikely to have immediate dramatic effects. Sanctions rarely do; they are simply not the economic equivalent of the bombs that Russia is currently dropping on Ukraine.

Moreover, Russia is better prepared than most countries to weather sanctions. The country has been running an enormous current-account surplus and has accumulated record foreign-exchange reserves of \$630 billion – sufficient to cover nearly two years of imports. And while Russia is dependent on revenue from Europe, Europeans are dependent on Russia's oil and gas – which may be even harder to replace in the short run.

But, in the longer term, Russia will likely be the biggest economic loser from the conflict (after Ukraine, whose losses will go well beyond what can be measured in the national accounts). Russia's economy, and the well-being of its population, have been stagnant since the Kremlin's 2014 annexation of Crimea. The fallout from its current, large-scale invasion will almost certainly be more severe over time. Sanctions will increasingly take a toll, and Russia's growing isolation, as well as heightened investor uncertainty, will weaken trade and other economic links. In addition, Europe can be expected to reduce its fossil-fuel dependence on Russia.

The longer-term economic consequences for the rest of the world will be far less severe than they are for Russia, but they will still be a persistent challenge for policymakers. There is a risk, albeit a relatively unlikely one, that higher short-run inflation will become embedded in increasingly unanchored inflation expectations, and thus persist. If that happens, central banks' already difficult job will become even more complicated.

In addition, defense budgets are likely to rise in Europe, the US, and some other countries to reflect the increasingly dangerous global situation. This will not reduce GDP growth, but it will reduce people's well-being, because resources dedicated to defense are resources that cannot go toward consumption or investment in education, health care, or infrastructure.

The medium- and long-term consequences for the global economy of Russia's invasion of Ukraine will depend on choices. By invading, Russia has already made one terrible choice. The US, the European Union, and other governments have made initial choices on sanctions, but it remains to be seen how Russia will react to them or whether further penalties will be imposed. To the extent that sanctions and counter-responses escalate, the costs will be larger – first and foremost for Russia, but also to some degree for the rest of the global economy.

Global economic relations are positive-sum, and Russia's growing isolation will remove a small positive. More broadly, uncertainty is never good for the economy. But, as the world continues to respond to the Russian invasion, concerns about GDP seem minor by comparison. Far more important is a world where people and countries feel secure. And that is something worth paying for – even more than the world's leaders have paid so far.

## WHAT'S ON PUTIN'S MIND?



Nina L. Khrushcheva (*Professor of International Affairs, The New School; co-author of "In Putin's Footsteps: Searching for the Soul of an Empire Across Russia's Eleven Time Zones"*)

*Russian President Vladimir Putin may hope to punish NATO by destroying Ukraine's military infrastructure or to install a puppet government in the country. But his real reason for invading Ukraine is far less pragmatic and even more alarming.*

NEW YORK – Russian President Vladimir Putin's decision to order a full-scale invasion of Ukraine defies any and all political logic, even his own hardened authoritarian reasoning. With his unprovoked assault, Putin joins a long line of irrational tyrants, not least Joseph Stalin, who believed that sustaining his power required a constant expansion of it. That logic led Stalin to commit horrific atrocities against his own people, including causing a famine that starved millions of Ukrainians to death.

Another twentieth-century mass murderer, Mao Zedong, famously declared that political power grows out of the barrel of a gun – or, it seemed, a nuclear missile. Mao demanded that my great-grandfather, Soviet leader Nikita Khrushchev, provide China with nuclear weapons, so that Mao could effectively hold his adversaries, foreign and domestic, hostage.

Only similar thinking can explain Putin's actions in Ukraine. He says that he wants to "denazify" Ukraine, but the senselessness of that claim should be obvious, not least because Ukraine's president, Volodymyr Zelensky, is Jewish. So, what is Putin's endgame? Does he want to punish NATO by destroying Ukraine's military infrastructure? Does he hope to install a puppet government, whether by replacing Zelensky or by turning him into a Ukrainian Philippe Pétain, France's collaborationist leader during World War II?

The answer to these questions might be yes. But Putin's real reason for invading Ukraine is far less pragmatic, and more alarming. Putin seems to have succumbed to his ego-driven obsession with restoring Russia's status as a great power with its own clearly defined sphere of influence.

Putin dreams of a conference like Yalta and Potsdam, where he and his fellow great-power leaders, US President Joe Biden and Chinese President Xi Jinping, divide the world among themselves. There, he and his new ally Xi would presumably join forces to reduce the West's domain – and drastically expand Russia's.

Like the dissident author and Nobel laureate Aleksandr Solzhenitsyn, Putin has long indicated a desire to restore the Orthodox Christian kingdom of Rus' – the basis of Russian civilization – by building a "Russian Union" encompassing Russia, Ukraine, Belarus, and the ethnic-Russian areas of Kazakhstan. With the invasion of Ukraine in full swing, other former Soviet republics began to worry, but, as Putin assured Azerbaijani President Ilham Aliyev, Russia does not "plan to reinstate the empire in former imperial boundaries." It is the Slavic nation, which is unduly under "third countries [rather than his] control," that he worries so much about.

Despite Putin's effort to fulfill Solzhenitsyn's vision, his military actions are a departure from it. Even in his nationalist mania, Solzhenitsyn never lost sight of basic morality. As much as he wanted to restore historical Russia, it is impossible to imagine him supporting the slaughter of Ukrainians (and Russians) in the process. Putin, by contrast, professes to love Ukraine as he orders Russian forces to bomb its cities.

Putin apparently assumes that China will back him. But while he launched the invasion just weeks after concluding something akin to an alliance agreement with Xi in Beijing, Chinese officials' reactions have been very distant with calls for "restraint."

Given Putin's near-total reliance on China for support in challenging the US-led international order, lying to Xi would have no political or strategic advantage. That is what is so worrying: Putin no longer seems capable of the calculations that are supposed to guide a leader's decision-making. Far from an equal partner, Russia is now on track to become a kind of Chinese vassal state.

The invasion of Ukraine has also alienated other Putin allies and supporters. Some of his most faithful acolytes in the West, from Czech President Miloš Zeman to Hungarian Prime Minister Viktor Orbán, have denounced his actions. But, perhaps of far more importance, Putin's delusional rants have alienated Russians. With his barbaric assault on Ukraine, he has sacrificed decades of social and economic development and destroyed the hopes that



Russians have held for the future. Russia will now be a global pariah for decades.

When I called a friend in Kyiv to find out what was going on, he told me that bomb shelters are open, and people are also hiding in subway stations. "Very World War II," he quipped, before noting how remarkable it was that "a man who speaks so much about the damage war can do would inflict war on a brotherly nation." And then he turned my question on me: "You tell me what is going on. You Russians are the ones who kept electing this fascist."

While the perception is understandable, that is not quite true. Russians elected Putin at first, but have merely surrendered to his rule in recent years, because our votes no longer matter. Likewise, the claim that 73% of Russians support Putin's actions in Ukraine is pure propaganda. Thousands are gathering in Russian cities, saying "No to War," despite detentions and police brutality. This time, Russians seem unlikely to surrender quietly. In the coming days and weeks, the world can expect many more signals that Russians do not want this war.

Stalinism didn't die until Stalin did. The same was true of Maoism. Will it be true of Putinism as well?