



# Seven Years After Putin's Annexation of Crimea, America's Energy Revolution Has Changed the Game

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In Moscow this week, Russian strongman Vladimir Putin rallied Russians to celebrate the seventh anniversary of his annexation of Crimea in an attempt to persuade his citizenry that his current invasion of Ukraine is the same sort of bloodless, quick action as Crimea, which is what he had promised them a month ago. But as everyone from Arnold Schwarzenegger on down has noticed, this narrative is completely divorced from events on the ground, with the Russian armed forces bogged down and taking significant casualties, while the Ukrainian resistance is strengthening and gaining material support from around the globe.

Another significant difference from seven years ago is the response of the international community to Putin's aggression. The annexation of Crimea drew some rhetorical outrage but in practical terms went largely unnoticed by the Obama administration as well as our NATO allies. While some sanctions were imposed, the calculus was that Russian natural resources were just too powerful, particularly in the energy sector, to be seriously challenged.

But Putin's stranglehold on global energy markets has loosened in the intervening years. While Russian production is at best holding even, the United States has massively increased production and has the potential to continue to do so for the foreseeable future. We are seeing the effects of this new reality from the private sector, which has voluntarily abandoned the massive Russian projects they initiated after the fall of the Berlin Wall, which became the economic foundation of Putin's power.

Given the emergence of new resources and the infrastructure to support them, however, Putin is no longer the only game in town — in fact, due to his grotesque and struggling invasion of a neighbor, he has become an intolerably toxic partner. As painful and difficult as significantly reducing Russian exports from the markets will be, it's now an acceptable price to pay to stop doing business with the Kremlin.

This remarkable development should be a massive strategic opportunity for the United States to truly lead the economic charge against Putin and hopefully change his calculus so he sees a peaceful off-ramp as preferable to continuing a grinding war that will destroy Russia's economy. Of course that would mean removing barriers designed to depress domestic U.S. production and proactively coordinating with allied fellow producing nations — all of which President Biden can do without putting a single boot on the ground in Ukraine. Yet his administration seems resolved not to take even the simplest steps in this direction.

The answer may lie, as so many things seem to do these days, on the negotiating table in Vienna. During the annexation of Crimea in 2015, the Russians were (perhaps not coincidentally) playing a critical role in facilitating a nuclear deal with the Islamic Republic of Iran, which then as now promised Moscow fat profits for developing Iran's "civil" nuclear program while simultaneously enriching a key Russian partner in the Middle East. In 2022, in its eagerness to revive the nuclear deal, the Biden administration seems determined to return to the 2015 playbook and turn a blind eye to Russian bad behavior elsewhere in order to keep them engaged in the negotiations. But rather than charge back into what will inevitably be an even weaker deal than its predecessor, the administration would be much better off leveraging the new leverage the U.S. wields in the energy sector to curb Putin's aggression — and then turn our attention to Tehran.