RUSSIA NEWS

Tensions Escalate in Ukraine as Geneva Deal Frays

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Russia warned on Wednesday that any attack on its citizens in Ukraine would be considered an attack on Russia itself, as the Ukrainian government said it had resumed its “antiterrorist” operation against pro-Russian militants in the eastern part of the country.

The escalating rhetoric comes amid growing signs that the agreement reached last week in Geneva between the U.S., European Union, Russia and Ukraine, laying out steps to reduce tension, was headed for failure. Its collapse would escalate a race between Washington and Moscow to fix blame on the other side—as well as set off new rounds of tit-for-tat punitive measures.

Setting the stage for likely new sanctions, the State Department said that Russia’s recent public comments have been devoid of “any indication of a plan to implement the Geneva statement, to follow through on promises made.” Western capitals and Ukraine accuse Moscow of failing to
rein in the pro-Russia, anti-Kiev groups in eastern Ukraine.

Russia’s Foreign Ministry, meanwhile, blasted Ukraine and the U.S. for what it called a “distorted interpretation” of the Geneva deal, arguing that Kiev isn’t doing enough to disarm and rein in Ukrainian nationalist groups. Washington and Kiev reject those allegations.

Poland on Wednesday welcomed some 150 U.S. troops to its territory, sent to reassure American allies close to the Russian border.

U.S. officials said the Obama administration was moving rapidly toward imposing new sanctions on more people close to President Vladimir Putin within days, fueling expectations of action by Friday.

The White House had initially planned to impose new sanctions on Russia last week, but held off after Russian Foreign Minister Sergei Lavrov signed the Geneva deal, according to two American officials who took part in the talks last Thursday.

Secretary of State John Kerry said at the time that the U.S. would know if Moscow was committed to implementing the agreement within a week.

U.S. officials said the next round of sanctions being developed won’t hit broad sectors of the Russian economy, but, instead, focus on a wider range of Russian officials, business "cronies" close to Mr. Putin, and their companies.

One possible target, according to U.S. officials, is Igor Sechin, the president of Rosneft, Russia’s state-owned oil company. The company didn’t respond to a request for comment Wednesday.

The EU is expected to follow by sanctioning another group of Russian and Ukrainian officials viewed as complicit in the destabilization of Ukraine.

Despite warning repeatedly of more serious consequences, the Obama administration has so far held off on the broader sanctions. For them to be effective, as with Iran previously, it would be
better if Europe went along. But many Europeans fear collateral damage to their own struggling economy, which is more closely tied to Russia’s than the U.S.

Obama administration officials said that they remain prepared to hit broad sectors of the Russian economy—including its energy, finance, and defense industries. But getting to that point on Iran with European allies was a long and difficult process that required overcoming a series of political, economic and legal obstacles.

Ukraine’s new government, meanwhile, sought to show it was prepared to act.

Late Wednesday, the Interior Ministry said Sviatohirsk, a town of about 5,000 people, had been cleared of militants, with no reports of injuries. The town hadn't been among those claimed by the anti-Kiev activists, however, and residents reached by phone said it had not been occupied.

In an interview with the state-run RT channel, Mr. Sergei Lavrov said Kiev had failed to follow through on its pledge to stop violence, citing the military operation.

"If our interests, our legitimate interests, the interests of Russians have been attacked directly, like they were in South Ossetia for example, I do not see any other way but to respond in accordance with international law," he said.
As pro-Russia activists continue to occupy government buildings in eastern Ukraine, some compare the movement to earlier pro-Europe protests in Kiev. But there's one thing missing: crowds. Via The Foreign Bureau, WSJ's global news update. Photo: AP

"Russian citizens being attacked is an attack against the Russian Federation."

In 2008, Russia sent troops into the breakaway Georgian region of South Ossetia after Georgian forces allegedly fired on Russian peacekeepers. The ensuing 10-day war triggered what was at the time the most severe East-West conflict since the Cold War.

In the TV interview, Mr. Lavrov dismissed the government in Kiev as puppets of the U.S. "There is no reason not to believe that the Americans are running the show," he said.

Kiev's so-called antiterrorist operation, he noted, began shortly after a visit to Kiev by U.S. intelligence chief John Brennan and was restarted after Mr. Biden left, he noted.

The State Department said any suggestion that the U.S. was behind the political unrest in Ukraine was ludicrous.

The Russian Foreign Ministry also called on Kiev to pull its forces back from the eastern part of the country. The statement didn't mention the buildup of Russian troops on the Russian side of the border, however.

Western officials have grown increasingly downbeat about the prospects for the Geneva deal.

"The practical consequences of Geneva are rather depressing," Polish Prime Minister Donald Tusk told reporters. "Russia and the people who implement Russian policy in Ukraine are bringing us closer to the unpleasant finale that could be the disintegration of Ukraine. It seems Russia's intentions are quite clear."

Daniel Baer, the U.S. representative to the Organization for Security and Cooperation in Europe, which is charged with monitoring implementation of the Geneva deal, said in Brussels that he has seen no evidence Russia is abiding by the agreement.

Mr. Baer said residents of eastern Ukraine may
have legitimate complaints, but they need to be resolved by democracy and not by force. "Nobody's denying there are grievances," he said.

Western leaders want to shore up Ukraine's new government with aid and loans, while trying to ensure it doesn't repeat the economic and political missteps of the past that contributed to its current economic straits.

The International Monetary Fund's executive board is tentatively scheduled to consider a $17 billion bailout for Ukraine on April 30, two people familiar with the matter said Wednesday.

Approval, which is expected, would unlock another $10 billion in aid promised by the U.S. and Europe.

In Slovyansk, the eastern Ukrainian city that has become one of the centers of separatist activity since it was taken over by anti-Kiev groups April 12, the self-appointed "people's mayor" confirmed that a U.S. reporter had been detained on suspicion of spreading disinformation.

Vyacheslav Ponomaryov, the mayor, said Simon Ostrovsky of Vice Media, was being treated well but didn't indicate when he might be released.

The U.S. State Department, as well as the OSCE, called for his release. Mr. Ostrovsky holds U.S. and Israeli citizenship.

Mr. Ponomaryov also accused unnamed nationalist extremists in the killing of Vladimir Rybak, a local legislator whose body, showing evidence of torture, was found in a river outside Slovyansk this week.

Officials in Kiev said they suspected Russian agents operating in the Donetsk region in the killing.

—Naftali Bendavid, Ian Talley and Marcin Sobczyk contributed to this article.

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