

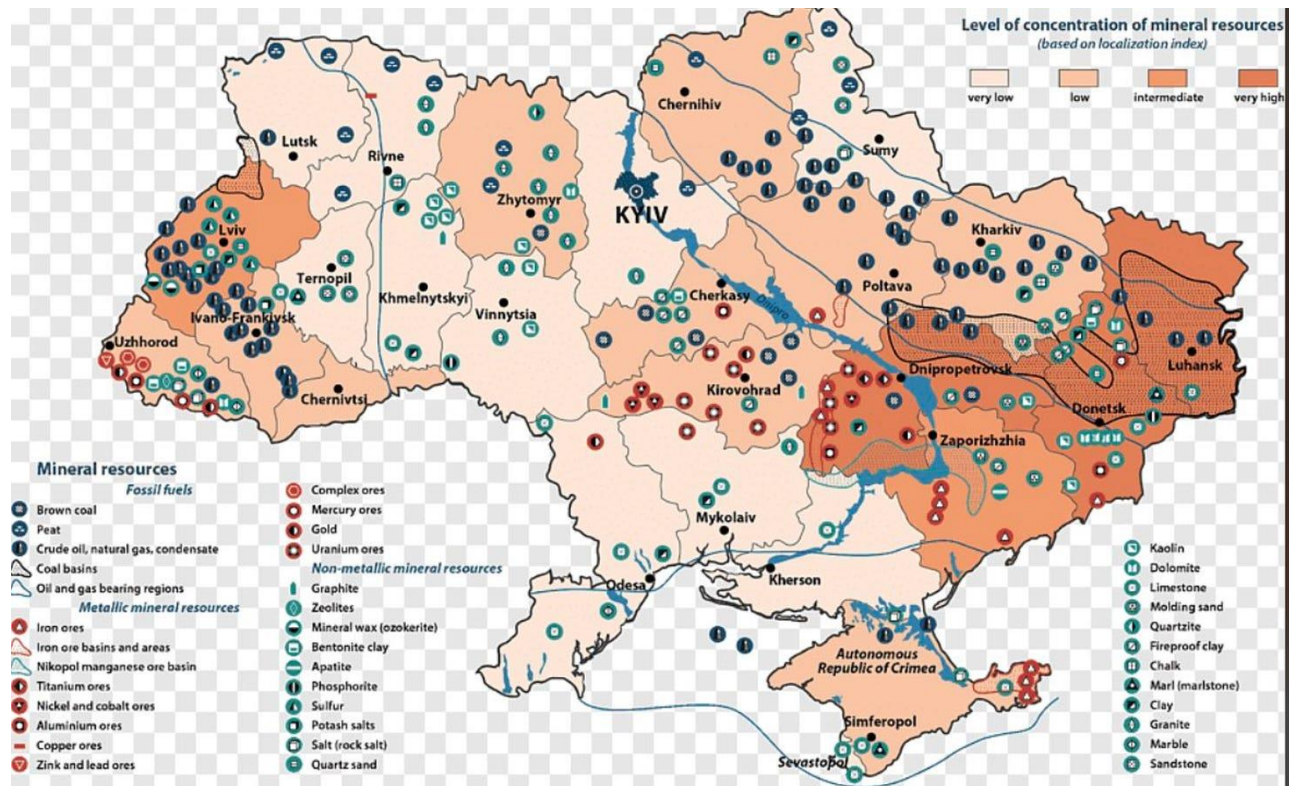
Ukraine Will Win

November 21, 2024

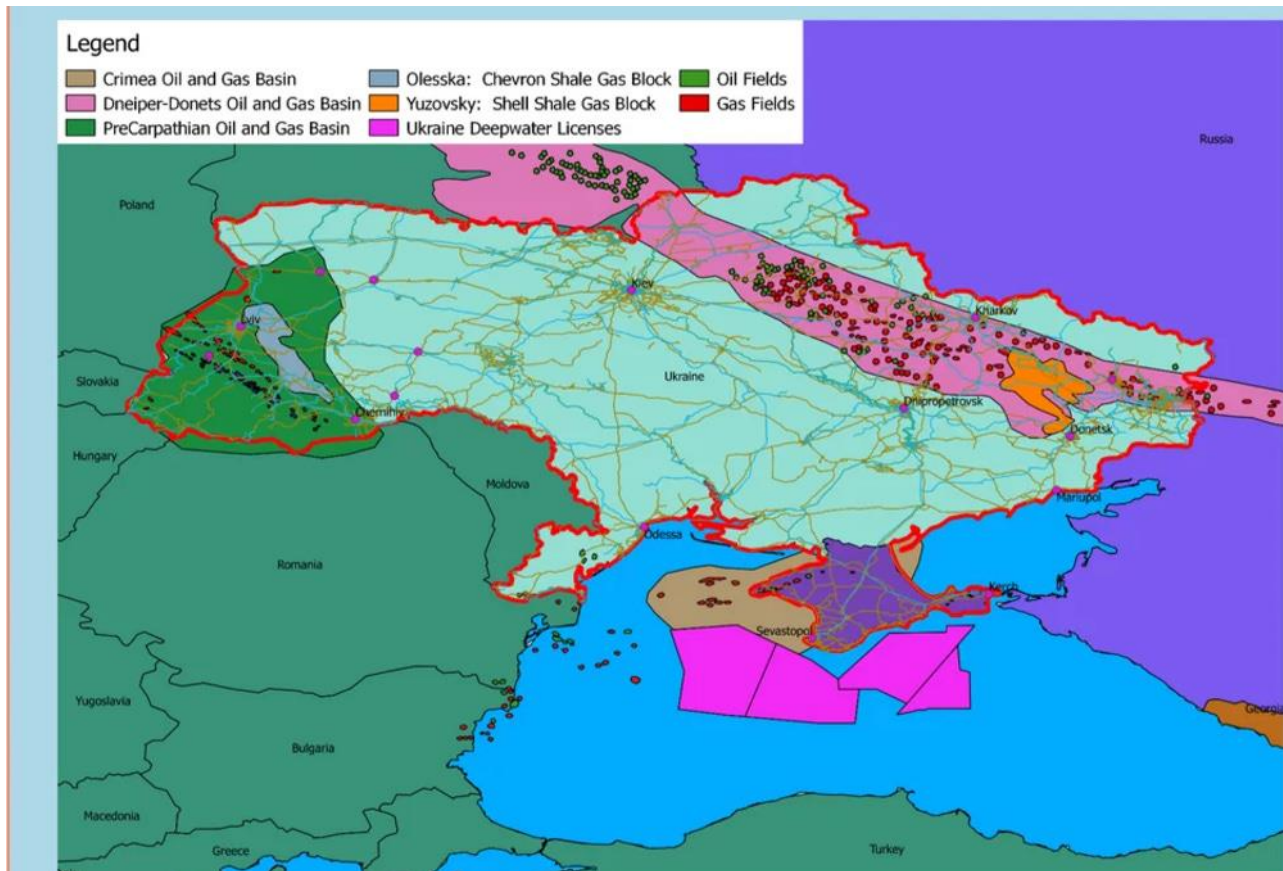


[DIANE FRANCIS](#)

Ukraine has offered America a deal that Donald Trump can't refuse. President Volodymyr Zelensky wants American businesses to invest in his country's natural resources, worth \$26 trillion, equivalent to Canada's or Australia's mineral wealth. Zelensky also pledges that Ukraine's military will help protect Europe's security after the war. Ideally, a Marshall Plan using \$350 billion of frozen Russian assets will also help rebuild Ukraine, as will Westerners who partner with Ukraine's resource, industrial, and technology sector, the Silicon Valley of Europe. By contrast, after Trump's election, the Russians responded by escalating their murderous attacks on Ukrainian civilians and cities, making nuclear threats again, and Russian State TV congratulated Trump and then aired nude photos from Melania Trump's modeling past. However, Zelensky's pitch to Trump is a "wise move to show that Ukraine is not a burden for the West...Trump wants to be a winner, not a loser," said Ukrainian Member of Parliament Oleksandr Merezhko. "To become a winner, he must show Putin his place."



Ukraine's vast mineral potential



Ukraine's oil and gas prospects

This business approach by Zelensky is part of his “Victory Plan” and has been shown to Trump. It is not off-base or insulting to talk about dollars and cents. It is inspired and appropriate, turning Ukraine from a burden into a prize. It also mirrors Putin’s obsession with Ukraine, which has been more about money than about erasing or subjugating an ethnic group. He is a trillionaire tycoon who controls a nasty oligarchy that has exploited and harvested the resources of Ukraine and other former “colonies” for decades, as did Czars before them. Putin’s invasion on February 24, 2022, aimed to reconquer Ukraine and grab its massive resource endowment. In business terms, the calculus is simple: If the war costs \$500 billion and Russia loses its \$350 billion in frozen assets seized by Western banks, the capture of \$26 trillion in resources, or even half or a quarter of that, represents a spectacular return on investment.

The West has been enormously generous to Ukraine and deserves to be rewarded and reimbursed for its military and humanitarian aid expenditures. It can also help rebuild the country. In August, talks began between Washington and Kyiv to formalize economic cooperation, launch joint investment projects, and devise plans to seize frozen Russian assets to support Ukraine's reconstruction efforts. Ukrainians want and need American businesses to help turn its mining and processing industries into world-beating sectors and to produce high-tech products and semiconductors. The European Union and its companies will also invest in Ukraine, and they have already switched from Russian natural gas to American (and Norwegian) liquefied natural gas. Increasing US gas imports will also meet another Trump goal: dramatically reducing America's trade deficit with Europe.

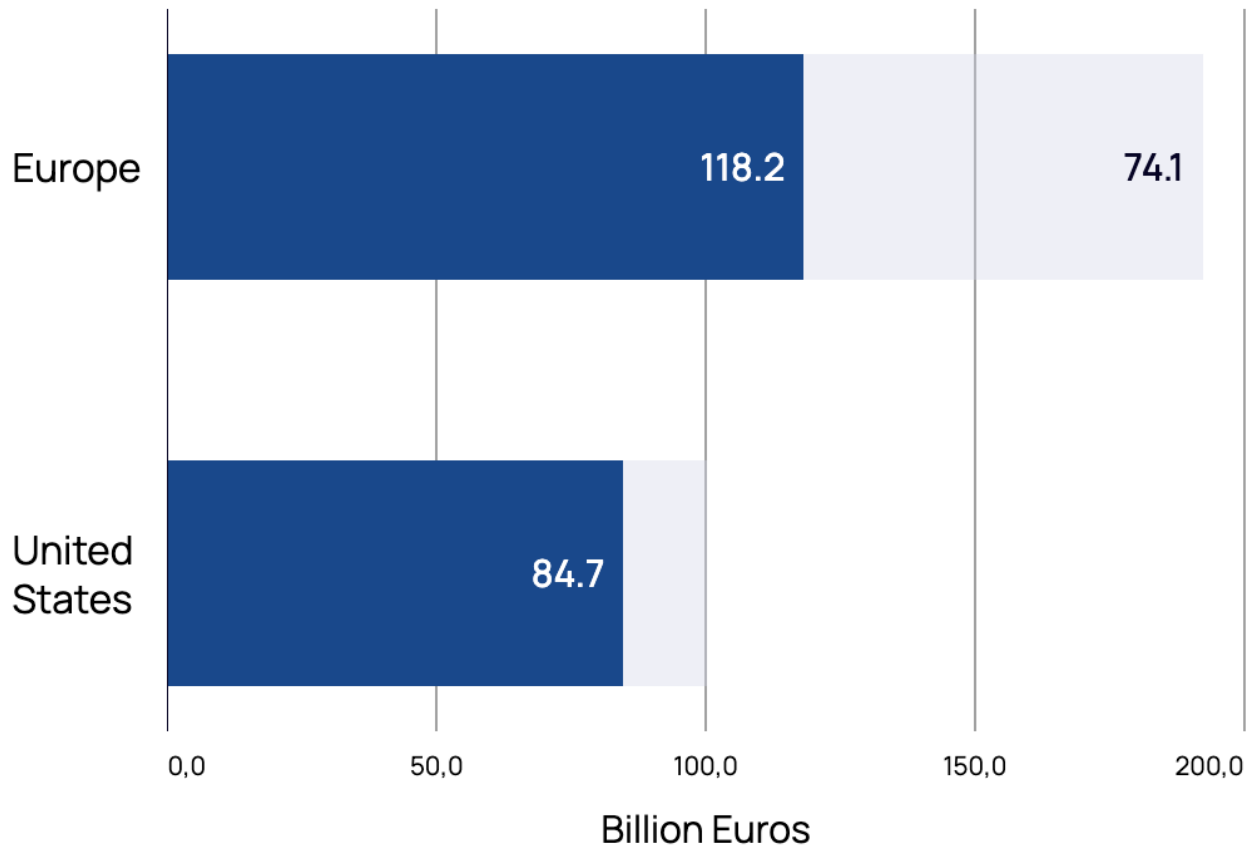
Adam Mycyk, a partner in Dentons' Kyiv law office, [published](#) an estimate and summary of Ukraine's natural resources. His figures show that Ukraine has more uranium than any country in Europe, the second largest natural gas reserves in Europe, and the second largest iron ore reserves worldwide. "The country boasts approximately 20,000 mineral deposits, covering 116 types of minerals. Essential resources include titanium, lithium, beryllium, manganese, gallium, uranium, zirconium, graphite, apatite, fluorite, and nickel. Ukraine holds the largest titanium reserves in Europe, accounting for 7 percent of the world's reserves and almost 500,000 tons of lithium. This valuable strategic element could contribute to meeting the global demand for batteries." There's also enough oil and gas in Ukraine to meet the needs of Europe and shut Russian energy out of the region altogether.

These charts demonstrate how many billions Americans and Europeans have already provided to Ukraine:

Government support to Ukraine: By country group, € billion

Allocations and commitments January 24, 2022 to August 31, 2024

■ Total allocated aid ■ Aid To be Allocated



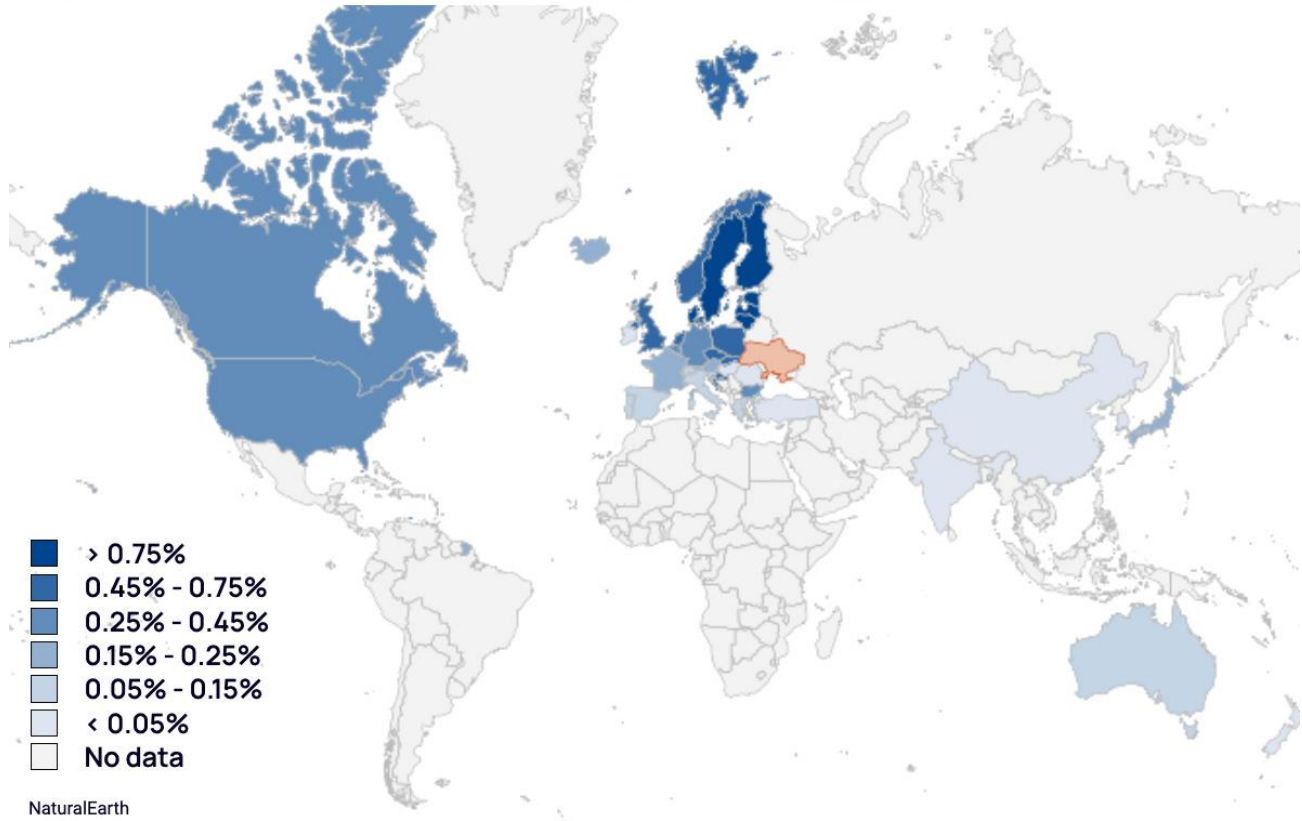
Source: Trebesch et al. (2023) "The Ukraine Support Tracker" Kiel WP

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Ukraine Support Tracker



Total bilateral aid: Government allocations in % of GDP



Source: Trebesch et al. (2023) Kiel Working Paper "The Ukraine Support Tracker"

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Aid by allies provided to Ukraine as a percentage of their GDP

In July 2021, the EU-Ukrainian Strategic Partnership on Critical Minerals was signed and aimed to provide government incentives to encourage the development of 100 mining projects. Kyiv has also auctioned lithium, copper, cobalt, and nickel exploration permits to Westerners. Some of Ukraine's state-owned mining companies have already been auctioned off, and there are plans to sell more. However, Kyiv will shut China out of future sales and development inside Ukraine, which is appropriate given its collaboration with Russia during the war. For over a decade, China has quietly become one of the country's most prominent foreign investors. By using Ukrainian oligarchs as proxies, Beijing has

snapped up industries, farmland, and mineral-rich land spreads, and once the war ends, it should be forced to return all these assets to Ukrainians.

(Reports are that Trump was “interested” in Zelensky’s investment plan and liked its “ABC—anybody but China” stipulation.)

It must also be noted that Putin’s first invasion of Ukraine in 2014 was about resources too: Moscow recaptured Ukraine’s industrial heartland and coal mines plus Crimea with its vast offshore oil and gas reserves. The 2022 invasion is now designed to get the rest and disrupt and damage supply chains and opportunities for Europe and America. Now, even if 20 percent of Ukraine’s land remains occupied by Russia, the other 80 percent can be rebuilt and become a European economic and military-industrial powerhouse. This will destabilize Putin’s existing empire and may speed its dissolution, as happened to the Soviet Union in 1991.

Putin also hunts for oil and gas in Ukraine. In 2014, he snatched Crimea for its naval base and geopolitical vantage point. But the peninsula is surrounded offshore by colossal oil and natural gas reserves of up to 13 trillion cm of gas. Putin’s army currently attempts to capture central Ukraine’s major oil and gas-producing region, the Dnipro-Donetsk basin, which produces 90 percent of its production. There is also oil and gas in Western Ukraine’s Carpathian region, and one-third of Europe’s shale gas reserves are in the Donetsk and Kharkiv regions, which are also being fought over.

Kyiv’s other offer to President Trump is that Ukrainian soldiers replace American ones posted at NATO bases across Europe. This would save the US billions, and their cost would be borne by European nations, which have benefitted more than any other region from Ukraine’s sacrifices.

The “Victory Plan” will develop Ukraine’s vast resource wealth, rebuild the country, pay back its allies, and serve as a security guarantee. European troops inside Ukraine will secure any Trump peace deal, [says](#) Estonia. And Brussels is in the process of redirecting billions of euros to defense and security. That, along with substantial Western investments in the country for reconstruction and creating an extensive resource sector and military-industrial complex, will be as valuable as membership in NATO. Ukrainians will finally escape Russian threats and oppression once they are fully integrated with Europeans inside the Western alliance.

Frankly, it’s the deal of the century.

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