

Why would Russia and Ukraine sign a deal to allow grain shipments while they are at war?

[Rick Spencer](#)

What happened?

Possibly as early as a week after the war began, experts at the UN began reaching out to each other about how the invasion might affect global food supplies. Ukrainian and Russian agricultural exports are a critical portion of international grain trade.¹ At least 20 million tonnes of grain were stuck in port in August 2022. Normally, Ukraine exports around 4.2 million tonnes per month, a portion of which is shipped south through the Black Sea and the rest westerly over land or river routes through Europe, but those shipments stopped once the Ukrainians began mining the waters around the land they controlled, and the Russian fleet blockaded the rest. The disruption would affect global prices, and consequently the ability of the world's poorest to have enough to eat. As the war went on it became clear the disruption was contributing to a global food crisis. The UN, World Food Programme and the power players everywhere got serious about restoring the flow of grain (maize, wheat, sunflower and others) out of Ukraine. Led by UN officials surrounding and working through UN Secretary General Antonio Guterres, Russia, Ukraine, and Turkey managed to agree on two separate deals that would get grain flowing again. The first shipments of grain were heralded in the media as both a sign of salvation and a sign of potential peace. Most of the media attention focuses on the Black Sea Grain Initiative (BSGI) as it is known at the UN, but

¹ According to the European Commission, Ukraine accounts for 10% of the world wheat market, 15% of the corn market, and 13% of the barley market. With more than 50% of world trade, it is also the main player on the sunflower oil market. (Ines Eisele 2022)

the second deal narrowly eases some international sanctions by allowing Russia to also ship an agriculture necessity: ammonia. But why? Each party has unique reasons.

Why would belligerents in a war agree to concessions that would enrich their enemy? Why would they concede anything at all to their enemy. The particulars of each party's situation expose some reasons why Ukraine's government and Russia's government worked with Guterres. Exploring the question generically allows us to think about war, diplomacy, and the complexities of international relations.

Ukraine

Ukraine's participation in the BSGI is the most obvious. They would like to sell the grain rather than let it and the revenue it generates, rot. Without intervention the grain was due to sit in storage at port until it was destroyed or sold. Other factors that limit how long it can sit include market forces and seasons. Apparently, the grain had already been sitting so long that if the space didn't free up soon there would be no place to store the upcoming harvest. No harvest meant not being able to sow new seed. Within a year, officials said, the agricultural sector would be "bankrupt."

The market is also in place. Most articles mention that around 30% of that grain is sold to the neediest countries, but that another 35% is actually goes to middle and income countries in Europe. Putin tried to make a complaint of this, but it fell on deaf ears and instead signaled his lack of understanding of international economics. According to "George Fominyen, spokesperson, World Food Programme, "We are currently seeing a global food crisis that is largely due to high prices."²

The challenge for Ukraine has largely been transporting it through mine-infested waters, past the Russian Navy, through the Bosphorus Strait (Turkey), and to Lebanon. Richard Wilcox, former diplomat, professor, all-around stellar person, "proposed the establishment of a protected shipping lane – 'blue corridors' – that would allow commercial vessels to transport millions of tons of grains through a watery maze of defensive Ukrainian sea mines,"³ Establishing this blue corridor would require cooperation from the Russian Navy, as well as Turkey. Russia has used this to bargain for its own gains.

² (Lynch and Gold 2022)

³ (Lynch and Gold 2022)

Russia

Ammonia and the second deal

Fominyen's observation about the economic source of the global food crisis had a second part, "...without fertilizer in 2022, the current crisis could grow into one of food availability in 2023, as harvest yields decrease." Russia's ammonia shipments make up the second and far less public part of the grain deal. Not only is the war reducing grain availability in 2022 and driving up prices, but it is also impacting international supplies of fertilizer needed now for next year's crops. Part of the price of the "blue corridor" involves allowing Russian ammonia to flow right up to the Ukrainian border.

Guterres has asked Russia to relieve a physical blockade—to permit trade. Russia agreed to this on the condition the West would permit its economic blockade, (sanctions), and permit some Russian trade. Both items, grain and ammonia⁴, are key agricultural components. According to Thyssenkrupp, "about 50 percent of the world's food production depends on mineral fertilizer application," and "roughly 80% of the annually produced ammonia is used for fertilizer production."⁵ In June, when the first grain shipments under the BSGI left port, the ammonia deal had yet to be finalized. Between the initial set of memoranda in July, the war progressed, aims and demands by the negotiating partners changed, and Russia has backed out of the BSGI at least once. Putin temporarily paused cooperation with the Joint Control Centre in Turkey and complained that the grain was being not being delivered to the world's poorest, but to wealthy Europeans. Putin most likely hoped to pressure Antonio Guterres to secure the second deal; having secured the first of a two-parter (BSGI + Ammonia shipments) the UN chief was drawn back in.

Another excellent write-up by Colum Lynch at DEVEX explained that massive changes in the energy market, reductions in ammonia gas shipments resulted in an slide in fertilizer production and consequently and unacceptable price spike. Africans were going to feel this first. Many often live so perilously close to famine because they bargain from the bottom of the global economic order. Disruptions of this scale would result not only in massive starvation, but the subsequent destabilization of many national governments.

Playing African politics

⁴ A nitrogen-rich compound that occurs naturally or can be produced cheaply by natural gas manufacturers like Russia.

⁵ (Thyssenkrupp, n.d.)

If the “first world” was the West, the “second” was the collective of all Communist-aligned countries (Soviet Union, China, Cuba, Vietnam...), then the “third world” was a group of countries who would aim to operate outside the sphere of influence of either. Since the Bandung conference in Indonesia in 1955, many members of this global south have done their best to collaborate. After a conference in 1961, they would begin referring to themselves as “The Non-Aligned Movement”. The ‘war’ in Cold War was between Western liberal democratic states and Communist states over this alignment. When the warring wasn’t cold, it was indirect; wars in Vietnam, Angola, Cuba were for the heart/soul/or simply professed allegiance.

The collapse of the Soviet Union seemed to end the Cold War. In the two decades that followed the breakup of the Soviet Union, both the Russian Federation and China have risen out of painful decades of deep poverty. As they have grown, they have expanded their diplomatic efforts to secure trade and influence abroad. This was most certainly made easier by being permanent members of the UN Security Council. Now they are, perhaps, too big to fail.

China and Russia are both working hard in power plays in Africa, in southeast Asia and across the range of -stans between them. China’s Belt and Road Initiative probably represents its most expansive economic and diplomatic reach in thousands of years of its history. Russia is picking up where Comintern left off. Modern courting of a number of post-colonial African countries most certainly has its roots in this heritage. The diplomats of illiberally democratic Russia need friends. Communist Chinese businessmen and emissaries also need friends. Fundamentalist Islamic groups also need friends. The US and West would like these countries to be their friend and in many cases they are. The IMF, World Bank, USAID have been serious players in the Global South, but there is also a legacy of colonialism. Russia and many others who believe the West has abused its hegemony badly are conflicted about the war between Ukraine and Putin’s army. It is not easy to move turn away from Russia. She is in some cases their primary benefactor. In others, it may simply be desirable to see the West lose.

Russia’s war is most visibly and incontestably one of conquest, raiding, and punishment. Putin is prosecuting an unpopular war but in the court of international public diplomacy, but Lavrov, via the UN General Assembly and Security Council memberships, might be able to secure a few wins by holding people’s food and fertilizer at risk, and then cynically releasing it claiming an act of good will.

Putin is trying to manage the perception of a limited military operation

Vladimir Vladimirovich Putin has persistently repeated the assertion that the invasion of a sovereign nation by Russia's national military is not an international war, but a "special military operation." The scale of mobilization, style of attack and general misalignment between the application of force and submission by Ukraine would say otherwise. Nevertheless, international affairs are conducted across all possible fronts. Russia still holds veto power in the UN Security Council and participates in a wide array of other international institutions. Doing so and participating in this grain deal at the explicit request of UN Secretary General Antonio Guterres should help Lavrov and other Russian diplomats.

Volodymyr Zelenskyy is the darling of the West now, but Russia is ineluctably part of the modern world order. Russian diplomats are apparently quite influential. Their star may wane, but it really never sets. Lavrov and others have a job to do; to push a narrative that is truly appealing to some. Russia has argued that it is checking the West's hegemonic domination. Ayatollah Khamenei, the religious leader of Iran recently expressed the most common anti-Western sentiment succinctly in a Tweet saying,

If we had not made any progress, if we had failed to demonstrate a strong presence in the region, & if we had submitted to America's aggression & hegemony, then pressures and sanctions would have decreased. Of course, they would have come and dominated us.⁶

We in the West have a very separate narrative. In the popular English-language global media, the voices of support for Ukraine, for the underdog, for people who claim to want to be on our "team," is so strong, so consistent and so regular, it is hard to understand why anyone would abstain from condemning Russia at every turn, but Ukraine, on its own, hasn't historically been terribly significant. IAEA Director General Rafael Grossi noted at the Carnegie Nuclear Conference in October that he bumped into Volodymyr Zelenskyy sitting alone at conference in the back of the room this time last year. That person ignored was who Putin perhaps thought he was going to use as a rag doll in a pushing contest with the West. Some would argue that it is the West who again has used a rag doll to fight its wars of influence far outside of its rightful sphere of influence. That is certainly how Putin would prefer us to see it.

⁶ (Khamenei.ir [@khamenei_ir] 2022)

Others

It is beyond the scope of this essay to verify how much of the political rhetoric is factually grounded and how much is political expediency. The UN and others invested in the success of the deal may be painting a grim picture to help gin-up support. Guterres was eager to keep winning deals, but if this wasn't serious, he wouldn't have wanted to be seen giving Russia anything. Together that suggests that the shocks, the vulnerability and the overall crisis is real.

As has been noted already, this whole project doesn't really originate from Zelenskyy or Putin; it's the UN's initiative. Richard Wilcox, working in Africa, heard about grain being held up in ports near Odessa, and quickly figured out that a global food crisis was emerging. He penned a little plan in a hotel room and soon networks began to coalesce around the diplomatic challenge. Antonio Guterres had to wade into the politics of a hot war and carve out space for an unlikely deal. The monetary value of the grain would not change the course of the war in Ukraine's favor. Nor would shipments of ammonia save Russia from the havoc sanctions appear to be wreaking on its financial markets, currency reserves, its viability as an international power player. Guterres must have made the Black Sea Grain Initiative look like a win for everyone. This is as rare as it sounds. It is remarkable that the BSGI got going at all. It is a singular success in a long line of much more serious but failed diplomatic overtures. As long as the war goes on, peace must be sought. The search for linkages, leverage, connections, redlines and opportunities is a sleepless affair.

Why do belligerents concede anything to the other side?

This is exceptionally difficult to answer succinctly. The entire globe has been increasingly intertwined, in terms of global trade, education standards, travel, and cultural exchange for the last five hundred years. It stands to reason that countries who have gone to war have much in common, and many have mutual or at least common interests. Russians and Ukrainians are closer in heritage than almost any other Slavic pair. Why would they kill each other?

Clausewitz, Fearon, Schelling and many others argue that war can be modeled as an act of bargaining. The bargaining model of how war (or many historical studies) teaches us something fundamentally different than what we are taught by Western movies; wars do not start simply when a good guy with a gun stands up to the bad guy with a gun. It is more common that two neighbors, siblings or family members come to some sort of breakdown in their good faith, followed by breakdowns in their economic or political transactions, slip

accidentally into war. Invasions are increasingly rare. Scholars tell us that a lack of information plays a huge role in how fights start. Competitors want something they are willing to send others to die for. They fight until a better bargaining strategy emerges. That may happen through victory, defeat, attrition, interdiction, winter, or other reasons. It is also true that other, neighborly, forms of bargaining don't necessarily stop when fighting begins either. Negotiations, communication, migration and trade can continue throughout, until both parties agree that to continue fighting no longer serves their political or survival goals. We know that Russia could nuke Ukraine out of existence in an act of pure hatred, but the consequences would be so grave that no one would walk away with any prize, any victory—and there is no place for Russia to go hide and recompose herself.⁷

Many expected that the Russians would quickly and resoundingly trounce Ukraine early on, and that the West might be funding a long insurgency by pro-Western partisans against a Russian controlled territory formerly-called-Ukraine. We shall see what the final bargain looks like someday and wonder why we didn't get there sooner.

This is to say that the war-as-negotiation exists along limited lines. It is not unlimited, or “total” Total war is when at least one belligerent seeks to absolutely annihilate the other side. Many journalists writing about this war imagine it as a total war between Ukraine and Russia. This is their own simplistic information campaign and a product of the psychology of team dynamics. The West also sees itself in a war, but not a total war. It is showing Russia, via the resurgence of NATO unity, via the billions in weaponry it can afford to send to Ukraine, and via economic sanctions, the types of tools in the hegemonic toolkit it can wield in a fight. The US sees itself as trying to thwart Russia's violation of one of the most sacred international rules: sovereignty. How long the West is able to prosecute its war, in this manner, depends on the economy and on domestic politics in the US and Europe. There are layers to this conflict which led some to wonder if we're in the early stages of a third World War. That is, to wonder what escalation looks like. Escalation could be nukes, could be continuation of attacks on Kiev, it could be economic in nature. Russia may abandon the BSGI and force the world into a hunger crisis to prove a point.

No Concessions Stand

The Black Sea Grain Initiative is not likely a trading of real concessions in a bargaining war between Ukraine and Russia. As it stands, it appears that in the wide spectrum of forms

⁷ In a 2021 press conference Vladimir Putin addressed pre-invasion concerns of Russian aggression by quoting legendary diplomat Alexander Gorchakov (Danil Bochkov 2021).

conflict, this war is truly politics by other means. This last phrase is shorthand for Clausewitz' dictum, "...War is not merely a political act, but also a real political instrument, a continuation of political commerce, a carrying out of the same by other means." Clausewitz here means political commerce as bargaining, trading one concession for another. To evaluate whether something is truly a concession, we must know that it was part of a bargain, that both parties negotiated over it. That they wanted it. Is Russia fighting for grain? Russia has attacked farms and stolen some grain, tractors, sure, but none of these victories were terribly decisive. Not a good strategic aim. This is not a war for maize.

As I hope I've argued above, in the case of the Black Sea Grain Initiative, it appears that shipping grain and ammonia weren't really concessions between belligerents. Even if we grant that Ukraine and Russia agreed to participate in something that would show a measure of benefit to the other, it was probably necessary, or at least sufficiently valuable to their other international relationships. Valuable to the UN and their supporters abroad. They could both afford the concession since it meant so much to the wider world, and so little to the outcome of this war. While it seems unlikely, hopefully it is a stone laid on the path to peace.

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