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# Ukraine's Stable Instability

Let crayfish, swan and pike Draw heavy loaded cart, Each being just a part Of harness they dislike.

They try a lot, and everyone Starts pulling it with zeal; The problem is that each of them With his path wants to deal!<sup>1</sup>

Five years have passed since mass protests against falsified presidential election results led to the change of government in Ukraine known as the "Orange Revolution". This was also the end of the presidency of Leonid Kuchma, which was characterized by its scandals. His rule was criticized for increased corruption, governmental control of the mass media, unfair elections, and a general lack of democracy, as well as an uncertain foreign policy orientation that vacillated between Russia and the West. What has changed since then?

During these five years we have got used to following reports on Ukraine's almost annual elections, the resulting political crises and quarrels among its political leaders, problems in Russian-Ukrainian relations, especially "gas wars", and internal divisions between pro-Western and pro-Russian regions. 2009 was an especially difficult year, as Ukraine was gravely affected by the world economic crisis. This contribution looks at Ukraine's "stable instability" with a focus on events in the year 2008-2009. It considers Ukraine's political, economic, and regional instability (with reference to the example of Crimea) as well as the disharmony of its foreign policy. However, it also points out some of Ukraine's important achievements. The contribution shows that Ukraine is in the midst of many conflicts: internal – between its own officials, and between supporters of different foreign policy courses, and external – between Russia and the West.

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Ivan Krylov, Crayfish, Swan and Pike, 1814. The English translation can be found at: http://allpoetry.com/poem/2283813.

#### Political Instability

Since the "Orange Revolution", the main political forces in Ukraine have not only been constantly engaged in election campaigns (there was a presidential election in 2004, and will be another in 2010; parliamentary elections were held in 2006 and 2007, and the next are due in 2012) and personal political struggles, but have even come to physical blows. Victor Yanukovych, the leader of "Our Ukraine", the party with the pro-Russian reputation, who was Victor Yushchenko's opponent in presidential elections in 2004, has been strengthening his positions vis-à-vis pro-Western Prime Minister Yulia Tymoshenko and President Yushchenko. His party has prevented the *Verkhovna Rada*, Ukraine's parliament, from meeting on more than one occasion by blocking access to the rostrum or the entrance to the parliament chamber. But even more strikingly, Yulia Tymoshenko and Victor Yushchenko, the former partners in the "Orange Revolution", have become serious competitors and even adversaries, accusing each other of various misdeeds.

Since the parliamentary elections in 2006, governing coalitions have been formed and reformed.<sup>3</sup> However, the main issues of disagreement concerning Ukraine's domestic and foreign policies remain the same, as do personal political ambitions and animosities. As a result, elections take place, coalitions change, but the main actors do not, and there is a striking continuity in that the major political forces are unable to find compromises or working formulas.<sup>4</sup>

In the spring of 2007, President Yushchenko dissolved the parliament, and new elections were held in the autumn of that year. In 2009, there was again speculation that Yushchenko, fearing that the parliament under the leadership of Tymoshenko would limit his presidential authority, might dissolve the *Rada* once more.<sup>5</sup> In January 2006, Ukraine adopted a parliamentary-presidential system of government, but it remains unclear what this means and how powers between the president and the parliament (headed by the prime minister) should be distributed. As Prime Minister Tymoshenko herself admits: "'Semi' systems do not divide powers clearly and are there-

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See, for example: BYuT razoblachil plan Partii Regionov po rospusku Rady [BYUT has uncovered the plan of the Party of Regions for the dissolution of the Rada], *Lenta.ru*, 12 May 2009.

<sup>3</sup> In 2007, President Yushchenko dissolved parliament. In September 2008, the coalition that had been formed after the pre-term parliamentary elections in 2007 broke down.

On some of these developments, see Elena Kropatcheva, Ukraine after the March 2006 Parliamentary Elections: Quo Vadis? In: Institute for Peace Research and Security Policy at the University of Hamburg/IFSH (ed.), OSCE Yearbook 2006, Baden-Baden 2007, pp. 71-84.

<sup>5</sup> See, for example, Alexander Sviridenko. Predlog i predlozhenie. Konstitutsionnyi sud izuchaet poryadok formirovaniya koalitsii [Pretext and Proposal. Constitutional Court Studies the Order of the Coalition Formation], in: *Kommersant*, 3 April 2009.

fore recipes for 'chaos.'" While Tymoshenko is in favour of changing the constitution to establish a parliamentary system, Yushchenko hopes to strengthen presidential authority, by changing Ukraine's current parliamentary-presidential system into a presidential one. According to the US Judge Bohdan Futey, Ukraine remains "in legal turmoil to this day."

Primarily because of the disputes between Tymoshenko, Yushchenko, and Yanukovych but also because of the haggling that went on over strategic positions in the government, some of the country's important ministerial positions have been left vacant for a while. After the parliament dismissed Foreign Minister Volodymyr Ohrysko, who had been nominated by the president, Ukraine had no foreign minister for more than five months (since March 2009), but only an acting foreign minister in Volodymyr Handogi. "What kind of a message do the authorities convey to the outside world? That they do not care for the foreign policy, as long as the domestic policies are completely senile?" was the question raised by Zerkalo Nedeli, a Ukrainian weekly newspaper. The Rada also dismissed Defence Minister Yuriy Ekhanurov, and, since June 2009, Ukraine has only had an acting defence minister in Valery Ivashchenko. In February, the Rada also dismissed the Finance Minister Victor Pynzenyk. Igor Umanskiy is the acting finance minister. The interior minister, Yuriy Lutsenko, also offered to resign, after a scandal in which he was accused of drunken behaviour at Frankfurt-am-Main airport, but he retained this position.<sup>11</sup>

Both the EU and the US have started to voice their disappointment with the domestic political turmoil in Ukraine. For instance, the EU-Ukraine Parliamentary Cooperation Committee (PCC) issued a statement expressing "its deep concern over the continuing political struggle in Ukraine", stressing "that such permanent political tensions might hamper the progress of the urgently needed constitutional, institutional and socio-economic reforms", and urging "the Ukrainian political leaders to overcome internal political divisions [...]". During his visit to Ukraine in July 2009, US Vice President Joe Biden asked "why the government was not exhibiting the same political

<sup>6</sup> Tymoshenko, cited in: Taras Kuzio, Constitutional Instability in Ukraine Leads to "Legal Turmoil", RFE/RL, 26 June 2009, at: http://www.rferl.org/articleprintview/1763341.html.

<sup>7</sup> Cf. Clifford J. Levy, Ukraine's Political Paralysis Gives Black Eyes to Orange Revolution Heroes, in: New York Times, 23 June 2009; on concrete reform proposals, see also: Valery Kalnysh/Nikolai Filchenko, Yushchenko, Constitution and People, in: Kommersant, 25 August 2009.

<sup>8</sup> Bohdan Futey, cited in: Kuzio, cited above (Note 6). The article also contains more information on the constitutional problems in Ukraine.

<sup>9</sup> True at the time of writing in August 2009.

Tatyana Silina, Midominizatsiya [MFA-ization], Zerkalo Nedeli No. 24, 27 June-3 July 2009.

<sup>11</sup> Ukrainischer Innenminister p\u00f6belt am Flughafen [Ukrainian Interior Minister in Airport Brawl], in: S\u00e4ddeutsche Zeitung, 6 May 2009, at: http://www.sueddeutsche.de/panorama/960/467533/text

<sup>12</sup> EU-Ukraine Parliamentary Cooperation Committee, Twelfth Meeting, 24-25 February 2009, Brussels, Final Statement and Recommendations pursuant to Article 90 of the PCA, para. 11.

maturity as the people, why communication among leaders has broken down to such an extent that political posturing appears to prevent progress", and pointed out that "in a democracy, compromise is not a sign of weakness; it is evidence of strength." <sup>13</sup>

International ratings, such as those produced by Freedom House, the Bertelsmann Foundation, and Transparency International, tend to show that, since the "Orange Revolution", there has been practically no progress as far as the rule of law and the fight against corruption are concerned. <sup>14</sup> Though Ukraine's indicators (such as freedom and the state of democracy) are better than those of other CIS states, Ukraine remains far behind Central-Eastern European countries. <sup>15</sup> Ninety-three per cent of the population are dissatisfied with both the political and the economic situation in their country, according to an October 2008 survey by the International Foundation for Electoral Systems (IFES), and it "is the highest figure for dissatisfaction in Ukraine" of all the IFES polls conducted since 1994. <sup>16</sup> The level of confidence in political institutions and political leaders has dropped significantly. <sup>17</sup>

At the time of writing, presidential elections are scheduled to be held on 17 January 2010 and the new parliamentary elections are to take place in 2012, but it is not possible to say whether these dates will remain or whether this will change as a result of internal political disputes and conflicts. According to opinion polls, Yanukovych is the most popular politician: 34.7 per cent of those polled are ready to give him their votes. Tymoshenko follows with 21.5 per cent of support; while Yushchenko lags far behind his major competitors with only of 3.5 per cent of potential votes. <sup>18</sup> The leader of the Communist Party, Pyotr Simonenko, would win 5.7 per cent of votes and 3.8 per cent would go to the speaker of the Parliament, Vladimir Litvin. <sup>19</sup>

While these politicians will not be competing for the position of president for the first time, there will be a few new competitors as well. The most promising is Arseniy Yatsenyuk, the leader of the *Front for Change*, which was founded as recently as 2008. He is the former chairman of the parliament (2007-2008) and a former foreign minister (2007). Yatsenyuk claims to have no allies among the current political leaders, of whose political struggles the

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<sup>13</sup> US Vice President Biden Makes a Strong and Clear Commitment to Ukraine from the US, in: Action Ukraine Report, No. 938, 23 July 2009.

<sup>14</sup> Cf. Heiko Pleines, Die Ukraine in politikbezogenen Länderrankings. Demokratie, Rechtsstaat und Bürgerrechte im internationalen Vergleich [Ukraine in Policy-based Country Rankings. Democracy, Rule of Law and Human Rights in International Comparison], in: Ukraine-Analysen 56/09.

<sup>15</sup> Cf. ibid.

<sup>16</sup> Rakesh Sharma, *Dissatisfaction and Disillusionment in Ukraine: Findings from the 2008 IFES Public Opinion Poll*, 25 February 2009, at: http://www.wilsoncenter.org/index.cfm?topic\_id=1424&fuseaction=topics.event\_summary&event\_id=497909.

<sup>17</sup> Cf. ibid.

<sup>18</sup> Cf. Opros: Yanukovych uverenno lidiruet v presidentskoy gonke [Survey: Yanukovych Confidently in Lead in Presidential Race], in: Zerkalo Nedeli, cited above (Note 10).

<sup>19</sup> Cf. ibid

population is tired.<sup>20</sup> It is his aim to convince the population that he can be like a fresh wind blowing through Ukrainian politics, that he can be a truly pro-Ukrainian politician (defending Ukraine's interests rather than those of Russia or the West), who will end the political haggling and struggles and bring order to the country, and not someone who will "divide and split the country, in order to get the electoral support in the East and in the West". 21 Nevertheless, it is doubtful whether he is as independent as he wants to appear. During his political career, Yatsenyuk worked closely with Yushchenko, for example in presidential administration in 2006; he was elected into the parliament as the representative of the pro-presidential Our Ukraine-People's Self Defence Bloc. Though he has so far remained vague regarding foreign policy, and whether Ukraine should pursue a pro-Western policy or restore its relations with Russia, he is a pro-Western politician: As Chairman of the parliament in 2008, he joined Yushchenko and Tymoshenko in signing a letter requesting NATO to offer Ukraine admission to the Membership Action Plan.

All in all, instability has been a constant feature of Ukraine's politics since the success of the "Orange Revolution". The fact that new presidential and parliamentary elections are to take place in 2010 and 2012 means that the main political forces will continue to be preoccupied with campaigning rather than working to solve the country's problems and carry out necessary reforms. The "Orange Revolution" has given Ukrainian politicians a unique chance to start over with building a democratic and economically stable country, however, so far they have failed to grasp this opportunity thanks to their petty and greedy games over power and money. Even the EU and the US are no longer silent in criticizing the current state of affairs in the country. While the majority of Ukrainians still believe in the ideals of the "Orange Revolution", their disappointment with the politicians who represent their country has been growing. Their great hope now is that new politicians will emerge who will be able to overcome former structures of alliance and animosity. Though it is a positive sign that new politicians such as Yatsenyuk have started to enter the political arena in Ukraine, it is doubtful whether they can become the kind of genuinely independent and unbiased politicians that would really concentrate on the problems and challenges Ukraine faces.

## Economic Instability

Ukraine was hit especially hard by the world financial crisis. According to estimates, the Ukrainian economy will contract by ten per cent, and the

<sup>20</sup> Cf. Yatsenyuk says he has no allies among Ukrainian politicians, UNIAN, 4 February 2009.

<sup>21</sup> Interview with Yatsenyuk on Echo Moskvy, 5 April 2009, at: http://echo.msk.ru/ programs/beseda/583282-echo.

hryvnia-dollar exchange rate has already fallen by 36 per cent.<sup>22</sup> The situation in many strategic sectors of Ukraine's economy is fragile and extremely vulnerable. Although, on 26 December 2008, Ukraine did adopt its 2009 budget, in which social expenditure was not increased, the budget was nonetheless based on inaccurate and unrealistic predictions of economic growth.<sup>23</sup> According to an August 2009 analysis of Ukraine's macroeconomic situation, the provisional national accounts for the first quarter of 2009 show that real GDP fell by 20.3 per cent compared to the corresponding quarter of 2008. Ukraine's real exports of goods and services fell by 16 per cent. Deterioration in investment activity was particularly severe, for example, investments in fixed capital declined by almost 50 per cent.<sup>24</sup>

Ukrainians are dissatisfied with the widespread economic problems, corruption, and poverty in their country.<sup>25</sup> Only 15 per cent believe that their country is a democracy, which is the lowest this figure has been in nine years of polling by IFES. Moreover, democracy is understood primarily as a matter of economic and social well-being rather than in terms of freedoms.<sup>26</sup>

Ukraine's economic problems have also struck the UEFA Euro 2012 Football Championship, which the country is hosting together with Poland. For example, in July 2009 President Yushchenko vetoed a law, according to which the National Bank of Ukraine was to provide 880 million euros to pay for the tournament. Yulia Tymoshenko still hopes that the *Verkhovna Rada* can overcome this, which endangers Ukraine's involvement in the championship, characterizing the president's action as "very dishonest tactics in the fight against me as his opponent in the next presidential election." UEFA officials are already worried about the Ukraine's lack of preparation and have warned it that it risks losing the event.

The International Monetary Fund (IMF) approved a standby loan of 16.4 billion US dollars to Ukraine, which the latter is receiving in instalments.<sup>29</sup> The US agreed to provide Ukraine with 120 million US dollars in

Data cited in: Jonas Grätz, Der russisch-ukrainische Erdgasstreit: Fortsetzung ohne Ende? [The Russian-Ukrainian Gas Conflict: No End in Sight?], in: *Ukraine-Analysen* 58/2009, p. 2.

For more details see Robert Kirchner/Ricardo Giucci, Die ukrainische Wirtschaft zum Jahresanfang 2009: ein schwieriges Jahr voraus! [The Ukrainian Economy at the Start of 2009: A Difficult Year Ahead!], in: *Ukraine-Analysen* 51/2009, pp. 3-5.

For more details see Olga Pogarska/Edilberto L. Segura, Ukraine – Macroeconomic Situation – August 2009, in: *Action Ukraine Report* No. 939, 24 August 2009, at: http://action-ukraine-report.blogspot.com/2009\_08\_01\_archive.html#a9.

<sup>25</sup> Cf. Sharma, cited above (Note 16).

<sup>26</sup> Cf. ibid.

<sup>27</sup> Yu. Tymoshenko obvinila V. Yushchenko v sryve Evro 2012 [Y. Tymoshenko Accuses V. Yushchenko of Scuppering Euro 2012], at: http://top.rbc.ru/politics/04/08/2009/319739.shtml.

<sup>28</sup> Cf. Clifford J. Levy, cited above (Note 7).

As of 5 August 2008, Ukraine had received 10.9 billion US dollars. Cf. Ukraina poluchila tretyi transh kredita ot MVF na \$3.3 bln [Ukraine has received the third instalment of credit from the IMF in the sum of 3.3 billion US dollars], in: RBK Daily, at: http://top.rbc.ru/economics/05/08/2009/319963.shtml?print.

aid.<sup>30</sup> However, Ukrainian politicians have taken offence at the fact that the EU has not jumped in to help Ukraine. Deputy Prime Minister Hryhory Nemyria, for example, complained: "We have the IMF, we have EBRD and World Bank, but the EU is not on the horizon. That's a major contradiction and we are seeking answers for that."<sup>31</sup>

In 2009, a new gas crisis ignited between Russia and Ukraine. In January 2009, some of the EU customers were left without gas deliveries for 13 days, after *Gazprom* cut off its gas deliveries to Ukraine because of the latter's debt and then Ukraine's *Naftogaz* refused to transport the Russian gas to the EU, arguing that it had no longer had the "technical gas" necessary to enable the transit. Russian *Gazprom* representatives had difficulties in conducting negotiations with their Ukrainian counterparts, as they received contradictory instructions from President Yushchenko and Prime Minister Tymoshenko. At times there was no one available from the Ukrainian side for talks. Both sides hoped the EU would intervene on their behalf. This was the first time that the EU sent its monitors to observe how gas was transported from Russia to the EU via Ukraine and how much was being put through the system. As a result of this conflict, both Russia's image as a reliable provider of energy and Ukraine's image as a reliable transporter have suffered.

On 19 January 2009, Russia's *Gazprom* and its Ukrainian counterpart *Naftogaz* signed a new agreement. Even though it has important advantages, for example that prices will be set according to a formula based on the price of oil for the next ten years, many questions about the final price and especially about Ukraine's ability to pay remain. If the country is not able to pay for its gas deliveries, new conflicts between Russia and Ukraine may take place any time.

One more factor of irritation in both Russian-Ukrainian and Russian-EU relations was the Brussels declaration on modernizing Ukraine's gas transport system, signed on 23 March 2009, from which Russia was excluded. Putin called the initiative "ill considered and unprofessional".<sup>33</sup>

The question of how Ukraine will manage to pay for its Russian gas until the end of 2009 remains. President Dmitry Medvedev explained the Russian position as follows: "We are ready to help the Ukrainian state but would like the European Union, those countries that are interested in reliable security of energy cooperation, to take upon themselves the bulk of this

<sup>30</sup> Cf. US Vice President Biden Makes a Strong and Clear Commitment to Ukraine from the US, cited above (Note 13).

<sup>31</sup> Cited in: Natsuko Waki, Ukraine says IMF Funds Not Enough, Hits at EU. Deputy Prime Minister Hryhory Nemyria speaks out at EBRD meeting, criticizes EU, Reuters, 15 May 2009.

<sup>32</sup> For more information on this conflict and its implications see Action Ukraine Report No. 926, 27 January 2009.

<sup>33</sup> Putin warns EU over Ukraine pipeline deal, Eur. Activ.com, 24 March 2009. On the reasons why Russia was critical, cf. also Grätz, cited above (Note 22), p. 3.

work."34 The EU had to admit that it "had to prepare for the worst case scenario".35 In order to prevent a new interruption of Russian gas deliveries to the EU, Ukraine has asked the EU to provide it with a loan of 4.2 billion US dollars. The EU realizes how serious this problem is: "Russian gas has to be paid for [...] It is about a big crisis."<sup>36</sup> It is still unclear whether the loan will be provided, as according to Commission President Barroso, this is not directly an EU problem, but is something that Ukraine and Russia need to sort out.<sup>37</sup> A spokesperson for the European Commission has also noted that "such amounts are not given out without necessary commitments."

According to the January agreement between Gazprom and Naftogaz, the latter has to pay for deliveries made in any given month on the 7th of the next. Each month it is unclear whether Ukraine is going to be able to meet its obligations or not. At the end of June, at an urgent session of the EU Gas Coordination Group in Brussels, Ukraine admitted that it does not have enough funds to meet its financial commitments, which were agreed by the two sides in January.<sup>39</sup> Besides its financial commitments to Russia, Naftogaz had to repay foreign creditors a total of 500 million dollars in September 2009.

The economic situation in Ukraine is thus very serious. It has been negatively affected by not only the world financial crisis, but also by crises in its relations with Russia and by the disagreements between the representatives of its own government, who are often unable to work out a strong common position on key issues. While Ukraine has been pursuing complete independence from Russia, it still expects some concessions from Moscow, especially in the form of cheaper energy prices. The only hope for Ukraine is to increase its existing credit lines, take out more loans, and request financial help. Economic reforms (such as those that aim to reduce gas consumption in Ukraine) could help as well, but under current conditions, in which the political leaders' top priority is campaigning and trying to earn political points against their competitors, effective reforms do not seem to be possible. Economic issues in Ukraine have several potentials for conflict: internally between Ukraine's own political leaders, externally in Russian-Ukrainian relations, but also in relations between Russia and the EU and Ukraine and the EU.

EU should lend Ukraine Money for Gas payments: Medvedev, 22 May 2009, http://www. 34 eubusiness.com/news-eu/1242978426.48

José Manuel Barroso, cited in: EU droht Aufflammen des Gasstreits [Flare-up of Gas 35 Conflict Threatens EU], in: Financial Times Deutschland, 19 June 2009 (author's translation).

Ibid.

<sup>36</sup> 37 Cf. Ukraine bisher ohne Geld für Russen-Gas [Ukraine Remains Short of Funds for Russian Gas], EU-Info.Deutschland, 6 July 2009, at: www.eu-info.de/dpa-europaticker/ 155549 html

Cited in: ibid. (author's translation). 38

Cf. ibid.

## Regional Instability: The Case of Crimea

Ukraine remains internally divided as regards the orientation of its foreign policy: While the eastern and southern regions support closer relations with Russia, the western and central parts of Ukraine support integration with the West. Nowhere are the divisions so strong as in the Crimea. In 1992, the Crimea claimed independence from Ukraine. Although this has since been dropped, socio-cultural cleavages and tensions and the potential for conflict remain. The Crimea is mentioned as a separate issue under "specific challenges" in the final statement of the EU-Ukraine Parliamentary Cooperation Committee. <sup>41</sup>

Several protests against NATO and the US are held in the Crimea each year. The majority of the population are Russians and pro-Russian Ukrainians, who are against the increased NATO presence and US influence in the country. In December 2008, the goal of "developing cooperation with Ukraine's regions, including Crimea" was included in the US-Ukraine Charter on Strategic Partnership. After that, the US initiated plans to open a "diplomatic presence" in the Crimea, 44 which has generated protests there.

One more problematic issue is the presence of the Russian Black Sea Fleet, which is stationed in the Crimea. President Yushchenko, hoping for NATO membership, continues to reiterate that Ukraine "cannot allow the presence of troops from any country or any bloc on Ukrainian territory" and that the Russian Black Sea Fleet has to leave Ukraine after the relevant agreement expires in 2017. At the same time, the representatives of the US have been trying to convince Russia that its Black Sea Fleet would not automatically need to leave Ukraine if the latter were to join NATO. Meanwhile

<sup>40</sup> Cf. Topical problems in social relations in the AR of Crimea: positions of experts, in: National Security and Defense, 5/2009.

<sup>41</sup> Cf. EU-Ukraine Parliamentary Cooperation Committee, Twelfth Meeting, Final Statement and Recommendations, cited above (Note 12), here: para. 24

<sup>42</sup> Cf. Jeffrey White. Nyet to NATO in Crimea, in: Spiegel Online International, 4 March 2008, at: http://www.spiegel.de/international/europe/0,1518,545105,00.html.

<sup>43</sup> For the text of the document see: http://www.america.gov/st/peacesec-english/2008/December/20081219155712dmslahrellek5.079287e-02.html.

<sup>44</sup> Cf. Merle D. Kellerhals Jr., United States, Ukraine Sign Security Charter. NATO membership remains key U.S. priority, Rice says, at: http://www.america. gov/st/peacesecenglish/2008/December/20081219155712dmslahrellek5.079287e-02. html&distid=ucs.

<sup>45</sup> Cf. Ukraine's Crimean parliament speaker opposes US embassy office in Simferopol, Interfax, cited in: David Johnson's Russia List 44/2009, at: http://www.cdi.org/russia/ johnson/2009-25-44.cfm..

<sup>46</sup> Cf. Ukrainian President says time to reset ties with Russia, BBC Monitoring International Reports, 2 April 2009. See also: Soglashenie mezhdu RF i Ukrainoi o statuse i usloviyakh prebyvaniya Chernomorskogo Flota RF na territorii Ukrainy [Agreement between the RF and Ukraine on the Status and Terms of the Stationing of Russia's Black Sea Fleet on Ukraine's Territory], in: Diplomaticheskii Vestnik 8/1997, pp. 31-35.

<sup>47</sup> See, for example, this interview with Steven Pifer: *Eks-posol SSha zaveril, chto NATO razreshit Chernomorskomu flotu ostatsya v Krymu* [Former US Ambassador Assured that NATO Will Allow the Black Sea Fleet to Stay in Crimea], news.ru.com, 2 February 2009, at: http://www.newsru.com/world/02feb2009/nato.html.

minor conflicts regularly occur between the Russian and Ukrainian sides regarding the Black Sea facilities and whether they belong to the Russian or the Ukrainian Black Sea Fleet.<sup>48</sup>

All in all, the Crimea remains a special and vulnerable region of Ukraine. Not only is it a sensitive region in socio-cultural terms, Ukraine's divisions over its foreign policy orientation – Russia or the West – are conspicuously reflected here. Moreover, bilateral disagreements between Russian and Ukraine regarding the Crimea are also frequent occurrences – whether they concern the division of the old Soviet inheritance (Black Sea Fleet facilities), or Ukraine's membership aspirations.

## Foreign Policy Disharmony

The previous sections have demonstrated that many internal issues in Ukraine have strong connections to its foreign policy, and especially to its relations with Russia and the West (both the EU and NATO states). Seventy-five per cent of respondents to the IFES poll find Ukraine's foreign policy unsatisfactory. <sup>49</sup> Ukraine is still trying to find "harmony" between Russia, "a great country in the East", and the West, where "different rules and different laws" exist; they operate with different concepts and notions, and Ukraine has its interests in both. <sup>50</sup>

Since the "Orange Revolution", Ukraine's relations with Russia have been extremely problematic. Some of the problems have already been mentioned: the "gas wars", the presence of the Russian Black Sea Fleet in Ukraine, and Ukraine's prospects of NATO membership.

After the August 2008 war in Georgia, the then defence minister of Ukraine, Yuriy Yekhanurov, described Russia as one of Ukraine's potential adversaries: "There are questions related to the Crimea, and you know after the events in the Caucasus everyone started to understand that there is a problem of regional security." Because of the majority Russian and Russian-speaking population in the Crimea, questions were raised about whether Ukraine could be the next place where Russia would choose to intervene using military means, as it did in Georgia. Nevertheless, it should be recalled that Russia did not interfere in the Crimea in the early 1990s during the escalation of a separatism crisis there. For its part, Russia accused Ukraine of

50 Interview with Victor Yushchenko, Ekho Moskvy, 2 April 2009, at: http://echo.msk.ru/programs/beseda/582872-echo.phtml (author's translation).

<sup>48</sup> See, for example, Dmitry Solovyov, Black Sea Lighthouse stirs Russia-Ukraine Tension, Reuters, 27 August 2009, at: http://www.reuters.com/article/newsMaps/idUSTRE57Q3O 220090827

<sup>49</sup> Cf. Sharma, cited above (Note 16).

<sup>51</sup> Yuriy Yekhanurov, cited in: *Yekhanurov: Rossiya i Ruminiya protivniki Ukraini* [Russia and Romania are Ukraine's Adversaries], Rosbalt Ukraina, 22 May 2009, at: http://www.rosbalt.ru/2009/05/22/ 642403.html.

illegally supplying arms to Georgia, which the latter used against Russia during the August events in 2008.<sup>52</sup>

Despite this, there is willingness on both sides to normalize relations. According to President Yushchenko "it is stupid to have bad relations, stupid". 53 Russian President Dmitry Medvedev thinks that the two countries should have "special" relations, because they are "brotherly nations", whose relations are based on thousands of years of history, common values, close economic ties and genetic links between their peoples.<sup>54</sup> However, this is precisely the problem: While Ukraine wants to be treated like any other state (except in the area of economics, where it expects cheaper gas from Russia), Russia has again started to insist on "special" "brotherly" relations. While Russia tried to distance itself from Ukraine in various areas during Putin's presidency by, for instance, diversifying trade, building new energy pipelines independently of Ukraine, and investing in other regions, the fact that the Russian side has again started to speak of "brotherly" relations indicated a retrograde step in Russia's policy towards Ukraine and a sign that it has not yet come to terms with the past. But by the same token, neither has Ukraine overcome old patterns of thinking, as its demand for cheap gas shows.

The majority of those polled in Russia and Ukraine by the Levada Center (65 and 55 per cent respectively) think that the two countries should be independent but friendly. While 93 per cent of Ukrainians have a positive attitude towards Russia, 55 per cent of Russians have negative feelings towards Ukraine. At the same time, the majority of the population in each country has a positive attitude towards the population of the other. <sup>55</sup>

Unfortunately, there are no indications that relations between Russia and Ukraine will improve in the immediate future. On the contrary, Moscow decided not to send a new ambassador to Ukraine as long as Kiev remains hostile to Russia, as Medvedev explained in a letter to his Ukrainian counterpart.<sup>56</sup> President Yushchenko did not like this "unfriendly" step.<sup>57</sup>

While relations between Ukraine and Russia are aggravated, some progress is evident with regard to Ukraine's aspirations for Western integration. The EU, NATO, and the US continue to support Ukraine's desire to integrate with Western institutions in some form.

57 The Letter from the President of Ukraine, Victor Yushchenko, to the President of the Russian Federation, Dmitry Medvedev, of 13 August 2009 is available online at: http://www.president.gov.ua/ru/news/ 14676.html (in Russian).

<sup>52</sup> See Dmitry Medvedev. *Votnosheniyah Rossii i Ukrainy dolzhny nastupit novye vremena* [New Times Have to Come in Russian-Ukrainian Relations], Videoblog of Dmitry Medvedev, 11 August 2009, at: http://blog.kremlin.ru/post/30/transcript.

Ukrainian President says time to reset ties with Russia, cited above (Note 46).

<sup>54</sup> President Dmitry Medvedev, Interview with leading Russian broadcasters, 24 December 2008, at: http://www.kremlin.ru/text/appears/2008/12/210963.shtml (author's translation).

<sup>55</sup> Rossiyane ob ukraintsakh, ukraintsi o Rossii [Russians on Ukranians, Ukranians on Russians], Levada Center, 23 June 2009, at: http://www.levada.ru/press/2009062305.html.

See Medvedev, cited above (Note 52).

In 2008, in the course of the NATO Bucharest Summit, Ukraine received a promise that it could become a member of NATO one day. At the same time, former NATO Secretary General Jaap de Hoop Scheffer stated clearly that "the states that are willing to join the bloc must comply with the NATO requirements", and the internal situation in Ukraine is "complicated to put it diplomatically." The position of the current NATO Secretary General, Anders Fogh Rasmussen, "is exactly the same as has been decided by NATO allies. [...] At the Bucharest Summit, we decided unanimously that Georgia and Ukraine can become members of NATO in the future, provided of course that they fulfil the necessary criteria. They do not fulfil the necessary criteria at this stage, so here and now, it's a hypothetical question." Nevertheless, both the NATO alliance and the US individually are continuing to support Ukraine in its efforts to prepare for membership.

Nevertheless, 56 per cent of opinion-poll respondents objected to Ukraine joining NATO.60 Despite this, President Yushchenko has signed a decree initiating an annual national programme on Ukraine's preparation for NATO membership for 2009. Earlier, the district administrative court of Kiev came to the conclusion that the president's passivity regarding the organization of a national referendum on whether Ukraine should join NATO is illegal. In 2008, the Constitutional Court of Ukraine ruled that the president has to organize a referendum on the issue before more actively pursuing his policy of seeking NATO membership.<sup>61</sup> Knowing that the majority of the population throughout Ukraine are against membership of the Alliance, the policy's supporters and promoters are afraid that a national referendum would block their objective. Therefore, even though Ukraine has received an affirmation that it will be able to become a member of NATO some day, many problems remain. Ukraine still has to fulfil many NATO criteria and to implement a number of necessary reforms, in both the military and political spheres (strengthening democracy, reducing corruption, etc.). It remains doubtful whether the majority of the population would support a policy oriented on NATO membership in the future, not to mention the division of Ukraine's government into pro-NATO (Tymoshenko, Yushchenko, Yatsenyuk) and anti-NATO forces (Yanukovych, Simonenko, Litvin).

As far as Ukraine's aspirations to join the EU are concerned, most political forces and the majority of the population support it.<sup>62</sup> Some progress

Jaap de Hoop Scheffer, cited in: Scheffer and his heritage, in: Georgia Times, 21 July 2009, at: http://www.georgiatimes.info/en/articles/17091.html.

<sup>59</sup> NATO, First NATO Press conference by Secretary General Anders Fogh Rasmussen, 3 August 2009, at: http://www.nato.int/cps/en/natolive/opinions\_56776.htm.

<sup>60</sup> Cf. Sharma, cited above (Note 16).

<sup>61</sup> Cf. V. Yushchenko podpisal ukaz o podgotovke Ukrainy k vstupleniyu v NATO [V. Yushchenko Has Signed a Decree on Ukraine's Preparation for NATO Membership], RBC, at: http://top.rbc.ru/politics/07/08/2009/320502.shtml.

<sup>62</sup> Around 50 per cent of the population support Ukraine's goal of joining the EU, while 30 per cent are against it as of April 2008, according to polling by the Razumkov Centre. See

has been achieved: At the EU-Ukraine Summit in Paris on 9 September 2008, the EU and Ukraine agreed to work towards concluding an Association Agreement, which would include a deep and comprehensive free trade area between the EU and Ukraine. Furthermore, "following the August 2008 war between Russia and Georgia and the January 2009 Russia-Ukraine gas dispute [...] relations between the EU and Ukraine should be qualitatively reinforced and considerably strengthened." According to Tymoshenko, the EU "is inclined to sign the Association Agreement by the end of the year [2009]." She came to this conclusion after the discussions at the 13th meeting of the Ukraine-EU Cooperation Council in June 2009, at which an agenda for Ukraine-EU co-operation was signed, which "gives a new roadmap and raises our cooperation to a principally new level".

Ukraine was also invited to participate in the Eastern Partnership Summit in Prague on 7 May 2009. Even though the purpose of this new EU initiative was "a more ambitious partnership between the European Union and the partner countries", membership prospects were not even mentioned. As a result, Ukraine perceived this new initiative of the EU with mixed feelings. While the Ukrainian president positively assessed the results of the summit, there was also some disappointment and confusion regarding what this initiative would mean for bilateral relations between Ukraine and the EU and particularly Ukraine's membership prospects for the EU. 67

In general, the EU and NATO have been trying to provide Ukraine with realistic support in its aspirations to become a liberal Western state: They have given Ukraine hope that their relations will be intensified while none-theless pointing out that Ukraine still has to implement many conditions and requirements, and that its internal – especially political – situation has to become more stable before relations can become deeper. In the case of NATO, Ukraine was promised an opportunity of membership. In the case of the EU, membership has not been on the agenda of talks, but the Association Agreement with a comprehensive free trade area would be a first important achievement on the road to some form of integration.

Ukraine-EU Cooperation: Public Assessment, in: *National Security and Defence* 6/2008, pp. 37-56, here: p. 48.

<sup>63</sup> EU-Ukraine Parliamentary Cooperation Committee, Twelfth Meeting, Final Statement and Recommendations pursuant to Article 90 of the PCA, cited above (Note 12) para. 2.

<sup>64</sup> Yulia Tymoshenko, cited in: Tymoshenko: Ukraine and EU will sign Association Agreement by end of year, 17 June 2009, forUm, at: http://en.for-ua.com/news/2009/06/17/141742.html.

Yulia Tymoshenko, cited in: Yulia Tymoshenko hopes today's sitting of Ukraine-EU Cooperation Council to give powerful impetus for Ukraine's accedence to the EU, Webportal of Ukrainian Government, at: http://www.kmu.gov.ua/control/en/publish/article?art\_id=222866500&cat\_id=156277122.

<sup>66</sup> Joint Declaration of the Prague Eastern Partnership Summit, Brussels, 7 May 2009, 845/09 (Presse 78).

<sup>67</sup> Cf. Yushchenko nedovolen peregovorami s Evrokomissiey [Yushchenko is not happy about the talks with the European Commission], KorrespondenT.net, 31 July 2009, at: http://korrespondent.net/ukraine/politics/919470.

Summing up, while some progress has been made towards Ukraine's integration in the EU and NATO, these goals seem to conflict with Russian-Ukrainian relations, which have been deteriorating. This means that the task of harmonizing these two strategic directions of Ukraine's foreign policy remains relevant and acute. This harmony concerns both domestic and foreign policy: Ukraine's politicians have to come to some sort of consensus, but there also has to be more harmony among the population, especially in promoting the benefits of NATO membership. In terms of foreign policy, Ukraine finds itself between a rock and hard place. As long as the price that Ukrainians have to pay for closer relations with the EU and NATO membership is the deterioration of relations with Russia, the country's division into pro-Western and pro-Russian regions can only strengthen.

## Conclusions

This article has demonstrated that something remains stable in Ukraine following the "Orange Revolution" of 2004 – instability. Above all, this refers to Ukraine's internal political instability, i.e. the political "immaturity" of its leaders, who have been preoccupied with personal ambitions and animosities. On the one hand, internal political instability has been aggravated by economic instability, which brings even more division and conflict among the politicians. On the other, it has negative consequences for Ukraine's economy, as no effective reform can be implemented when the country is politically paralysed. Instability is also evident, however, in Ukraine's inability to harmonize the two priorities of its foreign policy: maintaining positive, constructive relations with Russia while also progressing in its EU and NATO membership aspirations.

While this contribution has exposed these instabilities, it is nevertheless also important to point out that the mass media have been free in Ukraine since the "Orange Revolution". Representatives of different political parties participate in open debates, good critical and objective journalists present the situation in the country in a realistic and fair way. Elections since the "Orange Revolution" have all been fair and free. These are important achievements for a post-Soviet state, and this progress should not be underestimated. Moreover, Ukraine still has to deal with the pressure of high expectations. Western governments proclaimed the victory of democracy in the course of the success of the "Orange Revolution", but they underestimated the extent to which it was only the start of the reform process. Ukraine still has to overcome the legacies of the past (corruption, old grudges, a lack of fairness in the political culture, etc.). It is a difficult and painful process, which may take many years. Ukraine also faces pressure

<sup>68</sup> Cf. Pleines, cited above (Note 14).

both from Russia and from the West regarding its foreign policy. This is the legacy of the past and a consequence of Ukraine's geostrategic location. How to deal with it and how to harmonize these two vectors of foreign policy depends not only on Ukraine itself, but also on Russia and the West and Russian-Western relations. As long as the latter are dominated by mistrust and competition, this will remain a difficult challenge for Ukraine's foreign policy, regardless of who is in power in the country.

At the same time, the leading politicians in Ukraine continue to show that they are not entirely in tune with the goals they have been proclaiming. While representatives of the EU and NATO states tended previously only to encourage Ukraine to proceed on the path of democratic reforms, they have recently been more critical of Ukrainian political leaders regarding their political "immaturity". The latter still have to learn not only to conduct successful and fair elections, but also to work with each other after these elections, to find compromises and working formulas. So far, the freeing of the media and the holding of free and fair elections have been the only demonstrations of the serious intentions of the "Orange" government to transform the country into a democratic state that fulfils all requirements and preconditions for EU and NATO membership. While there has been some progress on Ukraine's path towards integration with the EU and NATO, this has not been thanks to the achievements of the Ukrainian political elites, but rather largely represents a gesture of support and encouragement on the part of the Western institutions. Ukraine's population is still short of information on what it means to be in the EU and NATO and the general fact that democracy is not primarily a matter of economic prosperity.

While relations between Ukraine and the West have been developing and improving, more tensions have been appearing in relations between Ukraine and Russia. Both countries could have prevented many escalations of tension in relations between them, in which even the EU has become involved, if they only put more effort in to doing so. Russia has to learn not to overreact at the thought of Ukraine's leaving its sphere of influence and joining the West. Ukraine has to learn to conduct independent relations with Russia, without expecting economic concessions from it and without thereby providing it with influence and pressure. So far the goal of harmonizing Ukraine's desire for positive and constructive relations with Russia with that of progress down the path towards the EU and NATO has not been attainable.

Ukraine faces many challenges of various kinds. It has been involved in many internal and external crises. It has been trying to solve some of these challenges since the 1990s (how to maintain positive relations with Russia, while progressing on the road to EU and NATO membership), while others – such as those created by the world financial crisis – are new. In January 2010, Ukraine will have a new president. As well as power, he or she will receive many burdens and a great deal of instability. With parliamentary elections

due to take place in 2012, one may assume that even after the presidential elections, politicians will continue to campaign and to fight. In spite of this pessimistic conclusion, the hope remains that new political leaders will gradually emerge who will be free from the old grudges and animosities and therefore able to assess the situation in all its dimensions more pragmatically, and who will search for constructive compromises and working formulas in all areas of Ukraine's domestic and foreign policy. This article started with the citation from a famous fable written by Ivan Krylov. And though it was written in 1814, it seems as if Krylov was describing the contemporary political situation in Ukraine. Maybe Ukraine's current political leaders can learn something from him:

The moral of the verse is that Accordance should prevail Amid the people who have plans To work but not in vain.