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A FAILING PARTNERSHIP?
UKRAINE AND THE WEST

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This paper discusses how worsening internal and geopolitical circumstances have induced Ukraine to adopt a more discriminating, pessimistic and realistic set of policies towards NATO, the European Union and the United States. There are grounds to believe that Ukraine’s growing deference to Russia is not only the product of Russian pressure, but internal setbacks and disillusionment with the West.

Since 1991 Ukraine’s independence has been predicated on the ‘strategic course of entering Europe’. It is in European, not Eurasian terms that Ukraine has defined its statehood. The first and only governments of a modern, independent Ukraine have placed such strong emphasis on ‘integration with European and Euro-Atlantic structures’ that setbacks and failures along this road have naturally been seen as setbacks for the state. Nevertheless, since July 1994 (and the handing of the torch from President Leonid Kravchuk to President Leonid Kuchma), Ukraine has also pursued a ‘multi-vector’ foreign policy, based on the premise that Ukraine would not be fully secure until Russia concluded that Ukraine’s independence (and its western course) served its own state interests. To its pro-Western adherents, the multi-vector policy was a means of manoeuvre towards Europe, not a declaration of equidistance between Europe and Russia. But to its even more pro-Western critics, it introduced a compromising variable into what should have been a determined, strategic course towards Europe. It also introduced a dangerous imprecision, for if the multi-vector policy could be used to justify manoeuvre towards Europe at one moment, what was to prevent it from justifying manoeuvre towards Russia at another?

The dismissal of Borys Tarasyuk as Foreign Minister on 29 September 2000 has given substance to these worries. Official declarations that ‘our course remains unchanged’ have underscored the imprecision and reinforced the worry. For these declarations have been accompanied by other comments, both official and private, which differ from these reassurances in both tone and substance: eg Foreign Minister Zlenko’s statement (at his first press conference) that ‘we have to put relations with our neighbours on equal terms, especially with Russia’. Since 29 September statements and actions would seem to substantiate the verdict that Russia ‘is the most important’ strategic partner ‘at the moment’. But at the same time – and perhaps with good reason – they also demonstrate a more concrete, specific and ‘pragmatic’ approach towards the West.

Does this mean that Ukraine is altering its course and doing so in response to Russian pressure? It is true that President Putin has described Russia’s policy as ‘more active’, ‘more aggressive’ and ‘far tougher’, and there is no doubt amongst Ukrainian officials that it has become so. Yet two questions arise. The first of these is why President Kuchma should alter course only ten months after appointing Ukraine’s most reformist and most Western-orientated government, headed by Prime Minister Viktor Yushchenko. The second is why he should do so ten months
after securing re-election against a Communist opponent (14 November 1999), seven months after securing the establishment of a pro-Presidential majority in the Verkhovna Rada and only five months after securing a favourable outcome of his controversial referendum (14 April). Were the left as strong in Ukraine as it was after the last parliamentary elections (March 1998) – and the President as weak – then the response to Putin’s ‘far tougher’ policy would require no explanation. Today it does. The explanation is that Russian pressure is only half the story. The other half is greater pessimism about Ukraine’s prospects of joining the Western world, but also greater realism about how Ukraine can advance its own distinct interests in cooperation with Western institutions.

The Two-Headed West: NATO and the EU

Ukraine’s relationships with NATO and the European Union are defined by paradoxes. Unlike the Russian Federation, Ukraine has officially set its sights on becoming an EU member state. But with respect to NATO, it has expressed no aspiration beyond ‘special partnership’. Yet until mid-1999, it had been NATO, not the EU, which served as Ukraine’s primary vehicle for integration into Europe. This is the first paradox.

Between 8 February 1994 (the date Ukraine joined Partnership for Peace) and 28-31 May 1997 (dates concluding, respectively, the Black Sea Fleet accords and the ‘Big’ Treaty between Russia and Ukraine), the paradox had two sound justifications. On the one hand, from the time of the USSR’s collapse, the key question for Ukraine was, ‘will Ukraine remain an independent state?’ NATO played an instrumental role in ensuring that the answer would be ‘yes’. Well before the NATO-Ukraine Charter on a Distinctive Partnership was signed at the Madrid summit on 9 July 1997, the NATO-Ukraine relationship had become unique. The only states of the former Soviet Union which could claim to enjoy relations with NATO of equivalent intensity and closeness, the three Baltic states, had made NATO membership the cornerstone of their foreign policies. Such was the momentum of the NATO-Ukraine relationship, and such was the skill of Ukraine’s Ministry of Foreign Affairs in exploiting it, that by spring 1997, Russia had concluded that lack of agreement on the Fleet, state borders and Ukraine’s territorial integrity was ‘pushing Ukraine towards NATO’. In fact, by affirming with Alexander Kwasniewski and the three Baltic Presidents their ‘common position that NATO should remain open for all countries aspiring for membership’ President Kuchma led Russia to believe that it might be pushing Ukraine to NATO membership as well.3

The second justification was the European Union’s relative coolness. Whereas NATO had committed itself to a form of enlargement, Partnership for Peace, as early as January 1994, the European Union had made no such commitment. The March 1994 EU-Ukraine Partnership and Cooperation Agreement (PCA) - which only came into effect in June 1998 - neither echoed NATO’s repeated affirmations of Ukraine’s ‘key’ importance, nor did it welcome Ukraine’s officially proclaimed European vocation. Even in the wake of the December 1997 decisions of the Luxembourg European Council inviting six states to begin accession negotiations, the EU took no measures to develop an analogue to PFP, which NATO hoped would soften the distinction between ‘membership’ and ‘partnership’.

After 1997, the wisdom of placing so much emphasis upon NATO became questionable. By then it was true, as President Kuchma affirmed, that ‘the transitional period in the self-determination of the state is over’. But what type of
state would Ukraine be? The key questions were now distinctly different from what they had been in the post-independence period. Would Ukraine be part of Europe or part of Europe’s grey zone? Which Western institution, NATO or the EU, would play the decisive role in answering that question? And if the European Union mattered most to Ukraine, then what mattered to the EU? By the time of Kuchma’s re-election, it had become clear that what mattered to the EU was not Ukraine’s foreign policy, but its internal policy.

In sum, the temporary diminution of the Russian factor had brought the Ukrainian factor to the foreground. This in turn demanded a readjustment of priorities. In response to the collapse of the Soviet Union, Ukraine had rightly given priority to developing its nezalezhnist’, its formal independence. But very little attention had been given to developing the country’s samostiynist’, its ‘ability to stand’. The relative absence of samostiynist’ – the weakness of state and society, the alienation of ordinary people from the political order, the contradiction between ‘European’ aims and Soviet era (and increasingly criminalised) practices – had by 1997 been identified not only as barriers to Europe, but as threats to Ukraine’s national security. Ukraine’s official National Security Concept, drawn up by specialists from the National Security and Defence Council and ratified by the Verkhovna Rada in January 1997, went so far as to define ‘strengthening civil society’ as the first of nine national security challenges. One year after President Kuchma’s re-election, it had become obvious, in the words of a confidential Ukrainian assessment, that ‘the principal security threat to Ukraine is Ukraine itself’.

Failure in advancing European integration had also become obvious. In his 2 October 2000 press conference, President Kuchma linked this failure, along with the Russian factor, to Borys Tarasyuk’s dismissal. By that time, it had become abundantly clear that the NATO-Ukraine ‘special partnership’ could not carry the burden of integrating Ukraine into Europe. Should we infer from this that cooperation with NATO has nothing further to offer Ukraine?

**NATO’S Potential: Exhausted or Unexploited?**

Between 1994-9, Ukraine’s hopes in NATO exceeded NATO’s potential, yet NATO’s actual potential was never realised. This is the second paradox characterising Ukraine’s relations with the West. Is Ukraine finally drawing the necessary conclusions from it?

Until recently, the paradox was not an obvious one. Between 1994-8, much of Ukraine’s political establishment rightly perceived that the NATO-Ukraine relationship was establishing networks which institutionalised as well as personalised NATO’s commitment to enhance what the former Secretary of the National Security and Defence Council (NSDC), Volodymyr Horbulin, called Ukraine’s ‘role in ensuring European political and economic stability’. These networks in turn reinforced the standing of those inside Ukraine who believed that national security structures, without losing their distinctiveness or their pertinence to local conditions, should evolve in ways compatible with NATO patterns of co-operation, professionalism, transparency and democratic civilian control. Not least of all, such networks appeared to reduce the risk that Ukraine would find itself isolated in disputes with neighbours and correspondingly increase the risk that threats to Ukraine would set off alarms throughout the ‘common European house’. Indeed, it was hoped that NATO’s enlargement, along with the scale and depth of NATO’s defence co-operation with Ukraine (and the Baltic states) could gradually
blur the practical distinction between full PFP participation and NATO membership, particularly if NATO continued to acquire more of a military-political and less of a military orientation.

Yet as Ukraine’s focus shifted from interstate threat to integration and economic well-being, the limitations of this relationship became more apparent. The limitation is not only straightforward, it is unalterable. NATO is a security organisation, and it is doomed to remain one. NATO-Ukraine cooperation cannot make Ukrainian goods competitive in European markets, stimulate domestic entrepreneurship or decrease unemployment. Moreover not even a comprehensive and intimate NATO-Ukraine relationship will attract Western finance to Ukraine, let alone enable Ukraine to integrate with Europe in the terms that matter most – through business, trade and investment. The success of Ukraine’s most committed partner, Poland – a NATO member state since March 1999 – only reinforces the point, for the formula which produced the ‘Polish miracle’ was economic transformation and security, with security being the dependent variable.

But of far more dramatic moment was the Kosovo conflict. If NATO had manifestly strengthened Ukraine’s security between 1994-7, NATO’s decision to intervene in this conflict weakened it. From the vantage point of Kyiv, the launch of Operation Allied Force had three deleterious effects. First, and for the first time, it presented NATO in a provocative and even threatening light to a population which for the most part had viewed it in benign, favourable and even protective terms — and which had been encouraged to do so by a government firmly convinced that NATO ‘projected security and stability in Europe’. Misconceived this shift of perceptions might have been, but it was based, as in Russia, on sentiments of Slavic (and Orthodox) kinship, on deep fears of any state or coalition prepared to violate the sovereignty of small powers and (contrary to hysterical accusations of ‘Ukrainisation’ by Russian nationalists) by the disproportionate influence in the country of the Russian media and its slanted portrayal of events. Second, it raised the fear that continued cooperation with NATO could put Ukraine and Russia diametrically at cross purposes. Third, it exposed Ukraine’s impotence: its failure to influence Western ‘partners’ (and be included in the decisions that matter), the failure to ‘integrate’ in anything more than cosmetic terms and the failure of these partners to treat Ukraine’s ‘pivotal’ role in European security as anything more than a slogan.

By the close of the operation, these effects were supplemented by three additional ones.

- The operation sharply heightened concerns that Ukraine could be drawn involuntarily into disputes and conflicts outside its borders. Russia’s dispatch of a ‘humanitarian’ convoy to Yugoslavia (halted on the Hungary-Ukraine border) in April 1999, its redeployment of the intelligence ship Liman (and initial preparation to redeploy other vessels) from Sevastopol to the Adriatic and its plans to transit Ukraine with Airborne Troops reinforcements after the ‘brilliant dash to Pristina’ in June 1999 provoked anxiety and, in some quarters, alarm.

- It created precedents which Ukraine feared could be used by other states to weaken its own sovereignty in the name of human and minority rights. Shortly after the bombing campaign commenced, the staff of the NSDC undertook an examination of scenarios for
possible employment of coercive diplomacy by the Russian Federation in the event of a separatist challenge in Crimea.

• It created concern that the scale and complexity of commitments in the Balkans could diminish NATO’s attentiveness to Ukraine and its responsiveness to pressures which other states might put upon it.

Yet within a year, it was clear that the NATO-Ukraine relationship was reviving, if in a different form than hitherto. The first reason for this revival was President Kuchma’s defeat of his key rivals, the Socialist Oleksandr Moroz and the Communist Petro Symonenko, in the first and second round of the Presidential elections respectively (31 October/14 November 1999). This success led to a reconstitution of forces in the Verkhovna Rada (parliament) and the formation of a pro-President majority—a reconstitution strengthened by the (dubiously convincing) results of the 16 April 2000 referendum. This post-election political configuration explains what would have been unthinkable in 1999: ratification of the Open Skies Agreement and the Status of Forces Agreement (whose entry into force just prior to Exercise Cooperative Partner, NATO’s largest combined arms exercise with Ukraine, was no accident), as well as authorisation of KFOR deployment for the Ukrainian element of the Ukrainian-Polish battalion.

But an equally significant reason was the President’s decision to embark upon a second round of defence and security reform. Ukraine’s relative swiftness after 1991 in establishing genuinely national armed forces and command structures, as well as ridding these forces of the most threatening attributes of the former Soviet Armed Forces, had not been followed by sustained measures to produce an integrated and cost-effective national security system, as mandated by the National Security Concept of January 1997. The division of power in the country—made yet more unfavourable by the March 1998 parliamentary elections—rendered the 1997 State Programme of Armed Forces Reform stillborn. By December 1999, the threat of economic catastrophe, the revised security climate and the emergence of what many saw as a new regime in Russia made defence and security reform urgent. On 22 December 1999 Viktor Yushchenko was confirmed as Prime Minister. Exactly one week earlier, President Kuchma issued a decree creating an inter-agency commission charged with producing a new State Programme of Armed Forces Reform and Development in six months. These were not unrelated steps.

From the outset, the co-chairs of the interagency commission, Oleksandr Kuzmuk (Minister of Defence) and Yevhen Marchuk (Secretary of the NSDC) indicated that they would welcome NATO’s views, collaboration and support. The ensuing cooperation proceeded through three channels. At the least formal level, a seminar series was established through the auspices of NATO, the National Institute of Strategic Studies (NISS) (then subordinate to NSDC) and Lancaster University in winter/spring 2000. At a semi-official level, the Office of the NATO Secretary General established a ‘ginger group’ of experts to advise Mr Marchuk, with the support of the NATO Liaison Office, the NATO Information and Documentation Centre and the NATO Contact Embassy (until autumn 2000, Canada) in Kyiv. A member of this group was appointed as a Consultant by NATO’s Defence Planning and Operations Division to report on the merits of the programme. But the driving force of consultation and collaboration has been the Joint Working Group on Defence Reform, which was established under the 9 July 1997 NATO-Ukraine Charter on a Distinctive Partnership. In support of this Group, Ukraine established its own High Level Group under Colonel General Viktor Bannykh (Deputy Minister
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of Defence) and Dr Oleksandr Below (Deputy Secretary NSDC and Director, NISS).

For all this collaboration, NATO is mentioned sparingly in the Programme and in more reserved terms than in previous official documents. Whereas Ukraine’s 1998 State Programme of Cooperation with NATO referred to the Alliance as ‘the most effective structure of collective security in Europe’, the State Programme of Armed Forces Reform and Development merely speaks of the importance of a ‘stable relationship with NATO’, which it characterises as ‘a leading organisation in the international security system’. At the same time, however, the Programme calls for the adoption of ‘Euro-Atlantic standards’ in the military sphere, as well as efforts to ‘benefit from the experience of foreign countries’. A reading of the Programme leaves one in no doubt that NATO experience would assist Ukraine in its efforts.

The ‘State Programme of Armed Forces Reform and Development 2001-2005’, submitted to President Kuchma at the end of May 2000 has been drawn up on the premise that Ukraine is unlikely to face the threat of large-scale military aggression within the next five-to-seven years. By the end of this period Ukraine is to possess Rapid Reaction Forces and other Advanced Defence Forces able to eliminate ‘low intensity military conflict’ and ‘neutralise a threat and prevent it escalating into local or regional war’. These armed forces must ‘balance goals, organisation and strength with the threat and available resources’, and they must not be ‘a burden to the nation’. It is not surprising that Kuzmuk and Marchuk believe that NATO has much to offer. The goals which the Programme sets – and the command structures, capabilities and skills which their realisation requires – entail a fundamental departure from the ‘general war’ and ‘mobilisation economy’ ethos of the Soviet period. The Russian Federation, whose own less radical ‘reform’ has proceeded in fits and starts, cannot serve as a repository of experience for building the defence and security system which Ukraine seeks. NATO’s post-Cold War expertise and experience is relevant in at least five respects:

1. **Operations other than war.** Like the authors of the 1997 National Security Concept, those who drew up the State Programme believe that threats to national security are most likely to originate as civil and local crises. Particularly given Ukraine’s vulnerable geopolitical position, it is essential that the defence and security system be integrated and responsive enough to prevent such crises and ‘emergency situations’ from escalating in intensity and geographical scale. This requires a capability to monitor potential threats and, where necessary, pre-empt them or counter them in a timely and proportionate manner. MOD forces designed for general war, Border Troops designed to repel massive armed incursions and MVD forces designed for the heavy handed suppression of internal disorder are ill suited to this challenge.

2. **Jointery.** Ukraine’s three Operational Commands, established in 1998, are strategic joint commands by another name. Within five years, they are required to have the capacity to command ‘multi-component’ forces, including Internal Troops and other formations not subordinated to the Ministry of Defence in peacetime. This not only requires new and more flexible command-and-control systems. It also requires high levels of interoperability and, where possible, joint concepts of training and operations.

3. **Civil-military collaboration.** If civil emergencies are to be forestalled and conflict contained, then it is essential that armed forces
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acquire an understanding of the non-military dimensions of security. Equally, it is essential that other arms of the state, including local government, understand the defence aspects of their own responsibilities. This in turn requires transparency: the ability to know what decisions are made, where they are made and by whom they are made. It also requires what is most difficult to achieve in post-Communist conditions: trust between different military and security establishments, not to say between civil and military institutions.

4. *Professionalisation.* Belying its own principle of 'resolute reductions', the State Programme mandates a military establishment of 295,000 by 2005, exclusive of 'other formations' not subordinate to the Ministry of Defence. Even under the most favourable economic assumptions, Ukraine will be obliged to confine professionalisation to Forward Defence Forces and man its Main Defence Forces through conscription. Does Ukraine have sufficient understanding of the difference between well trained professional forces and the 'contract' system presently employed on a limited basis? Has there been a full and proper airing of the economic and social implications of professionalisation, let alone the implications for training and career development? Have the burdens and demands of mixed manning – in essence, the maintenance of two military systems – been properly examined?

5. *Planning, programming and budgetary transparency.* Does Ukraine as yet possess the ability to 'balance goals, organisation and strength with the threat and available resources'? Is there yet a mechanism or sufficient expertise in place to identify the real costs of manpower, assets and infrastructure?

In the face of reasoned worry about Ukraine’s geopolitical course, meetings at NATO Headquarters of the High Level Group (5 October 2000) and the NATO-Ukraine Commission Defence Ministers (6 December) offered a surprising degree of encouragement. Several areas have been singled out for future NATO-Ukraine collaboration:

- *Rationalisation of defence structure,* notably the creation of a 'unified navy' (whose forces are currently divided between the Navy and Border Troops);
- *Reform of ‘internal security forces’,* including adoption of European norms of national legislation concerning the structure and status of such forces.
- *Reform of Border Troops* to master the methods of state border defence according to the Schengen Agreement;
- *Reducing mobilisation resources and stocks,* including further contraction of the defence-industrial complex;
- *Support in producing and realising a ‘Strategy for Implementing Democratic Civilian Control in the Defence Sphere’;*

and most significantly:
• participation in the NATO Planning and Review Process (PARP), with initial emphasis on areas relevant to professionalisation, education and training and peace support operations.

Rather than diminishing Ukraine’s cooperation with NATO, geopolitical reverses, new priorities and greater realism are imparting a new direction to it. NATO’s political role, hitherto seen as a positive factor of overarching importance, has been greatly de-emphasised since spring 1999. Indeed, in the wake of the Kosovo conflict and in the face of Russian pressure, this role is now seen as problematic for Ukraine. In other respects, too, Ukraine has a far better understanding of NATO’s limitations than it once did. The Alliance is no longer seen as the primary vehicle of integration into Europe. Yet there is no contradiction between these realisations and the realisation that Ukraine has not properly exploited the potential in the relationship which actually exists. In place of geopolitical affinity and romantic attraction, Ukraine is now demonstrating a more professional and concrete interest in cooperation with NATO at working level. In sum, the main aim is to focus NATO-Ukraine cooperation on supporting reform in Ukraine’s Armed Forces.

The fact that there has been a shift of emphasis in the relationship, rather than a de-emphasis of it, will not be obvious to all. Has the relationship with the European Union experienced a similar metamorphosis?

Ukraine-EU Cooperation: A Bottle Half Full or Half Empty?

Although Ukraine officially rules out any intention of joining NATO ‘in the foreseeable future’, since the time of Ukraine’s independence, membership of the European Union has been proclaimed as one of the country’s most important long-term goals. Yet co-operation with the European Union has advanced slowly when it has advanced at all. To be sure, the EU has not been hostile to Ukraine. As long ago as November 1994, the European Council’s Common Position on Ukraine (CFSP/94/779) emphasised the need for a strong political relationship, support of the country’s independence and territorial integrity, backing for political and economic reforms, improvement of nuclear safety and integration into the world economy. Between 1991-6 EU economic assistance to Ukraine totalled ECU 3.17bn, of which ECU 1.90bn came from member states and ECU 1.27bn from the Community. Moreover, the Partnership and Cooperation Agreement established two new agencies of institutional cooperation: an annual ministerial Cooperation Council and a parliamentary Cooperation Committee.

What the EU can be faulted for is a lack of enthusiasm at working level and a lack of strategic vision at the top. Two contrasts — between the EU-Russia relationship on the one hand and the NATO-Ukraine relationship on the other — have not only been marked, they have induced much disorientation in Kyiv. Given the substantial overlap between EU and NATO membership, the disorientation is understandable. Nevertheless, Ukraine’s foreign policy professionals have learnt from hard experience that, like NATO’s multilateral structures, the EU’s executive bodies foster their own institutional culture and their own ‘habits of co-operation’; they are also recognising that in Western European capitals there is little overlap between officials responsible for carrying out NATO and EU policy. Thanks to this institutional culture, Kyiv has well grounded fears that EU enlargement — in direct contrast to its NATO analogue — could paradoxically distance Ukraine from the West and even endanger the country’s vital economic interests.
Since 1994 Ukraine has faced three general difficulties in its relations with the European Union. First, whereas NATO and national defence ministries have refused to tie co-operation with Ukraine to their level of co-operation with Russia — recognising, were they to do so, that Russia would acquire de facto control over a vital aspect of Ukrainian policy — the EU has never allowed Ukraine to advance closer to itself than Russia and in some cases has kept it well behind, despite the fact that EU membership is not an officially proclaimed Russian goal. Is it purely on economic grounds that whilst Ukraine began to negotiate a Partnership and Co-operation Agreement with the EU six months in advance of Russia, its agreement came into force four months behind that of its eastern neighbour? (Ukraine’s PCA, concluded in June 1994 and ratified by Ukraine in 1995, only entered into force on 1 March 1998). Had the United States not placed the issue on the agenda of the first joint EU-USA meeting in December 1997, even this deadline might have slipped.

The impression of a double standard between Ukraine and Russia is only reinforced by European Council’s 1998 decision to recognise Russia as a ‘market economy’ (along with China) whilst leaving Ukraine’s ‘transitional economy’ status unaltered until October 2000. Although these designations have been closely tied to hidden subsidies of exported products (‘dumping’), the perception of inequity is very strong. The EU’s recent reassessment certainly does not come before time. Whereas Russia’s economic upturn in 1999-2000 is the direct product of the rouble’s devaluation and rising energy prices – factors which do not benefit Ukraine – Ukraine’s upturn this year is the result of market oriented reforms. Nevertheless, as late as the EU-Ukraine summit of 15 September 2000, the EU would go no further than to state that it ‘is considering removing Ukraine from the list of non-market economies in the European Community antidumping legislation and granting it the same treatment as Russia and China in antidumping proceedings’

But even where Russia is not at issue, Ukrainians find themselves perpetually in the role of demandeur, whereas with NATO and bilateral defence programmes the traffic of proposals and initiatives has been vigorous and reciprocal. Even with regard to the December 1996 EU Action Plan — which appropriately linked Ukraine’s integration into Europe’s security structures with integration into Europe’s economy — the main force for implementation has been the United States, thereby prompting the fear in Kyiv that the Plan could be ‘taken out into the woods and lost’ by ‘good EU bureaucracy’. In fact, the EU is now prepared to offer Ukraine substantial assistance with the proviso that in each area concerned, Ukraine institute substantial reforms. Had the EU’s overall approach resembled NATO’s, Ukraine possibly would not misinterpret this insistence on strict conditionality. Today, EU conditionality is not seen as a form of constructive pressure, but as further indication of a negative attitude towards Ukraine’s integration into Europe.

The December 1997 Luxembourg European Council decisions are a further source of vexation, indeed anxiety. The vexation stems from the fact that, in addition to inviting six states to begin accession negotiations with the EU, the Council also identified five second-tier states whose admission would be placed on a slower track: Bulgaria, Latvia, Lithuania, Romania and Slovakia. From the perspective of the EU, the Luxembourg decisions were almost automatic, based on criteria adopted by the 1992 Copenhagen Council, which made the conclusion of Association agreements pre-requisite to accession negotiations. Yet reminders of the absence of a Ukraine-EU Association Agreement have, from the vantage point of Kyiv, merely reinforced the conviction that Ukraine is being excluded: a conviction
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surely not diminished when the March 1998 London Conference, under the British Presidency, rebuffed Ukraine’s plea for a political statement acknowledging and supporting Ukraine’s long-term vocation for EU membership. Although the 1999 Common Strategy moved halfway in this direction, this step has been overshadowed by the special tariff privileges extended on ‘strategic’ grounds to Albania, Macedonia and other members of the Group of Seven after the Kosovo conflict. These decisions merely reinforce Kyiv’s perception that Ukraine is not of strategic importance to the European Union.

Ukraine’s anxieties are probably more realistically grounded than these vexations. As treaty commitments currently stand, the accession of Poland and Hungary to the EU threatens to erect a formidable economic barrier between Ukraine and these two neighbours. This is no inconsiderable worry, bearing in mind that Poland is Ukraine’s third or fourth largest trading partner (when the grey market is taken into account), that thanks to the Amsterdam Treaty, opt-outs from the Schengen agreement on frontier controls are no longer on offer and that these neighbours are now reconciled to joining the Schengen system. Schengen will have a far-reaching impact on two countries whose cross border traffic (until 1999 visa free) recently amounted to 1.7 million people per month.

The divergences between the processes of NATO and EU enlargement are not simply in the eye of the beholder. What then accounts for the difficulties that Ukraine is experiencing?

First there is the model of integration which the EU has adopted. The aim of the European Union is not to soften barriers with non-members, but to deepen integration between members. In practice, ‘ever closer union’ is a project designed to achieve further harmonisation amongst member states whose legal systems, employment practices, welfare provisions and economic policies are, by post-Communist standards, remarkably harmonised already. Therefore, the challenge for a non-member is not simply one of catching up, but catching up with a moving target. This contradiction — between the ‘deepening’ of Europe (the further integration of those already inside it) and its widening — can be directly attributed to the European model itself. Those whose preferred model of ‘Europe’ is one of intimate co-operation between states which remain diverse, pluralistic are not in the driving seat.

Second, and very much contrary to conventional wisdom, the EU has changed less than NATO since the division of Europe ended. As the quintessentially cold war institution, NATO came under pressure to transform or dissolve. Its principal response to this pressure, Partnership for Peace, has served — far more than its advocates first supposed — to soften the distinction between membership and non-membership of the Alliance. NATO’s professed aim, therefore, is to lower barriers between insiders and outsiders, and its 250 activities with Ukraine testify to the attention which the goal receives. But as a non-military institution, the European Union has largely escaped these pressures. Yet its model of integration, no less than NATO’s model of defence, originated in the Cold War and, at least in part, reflected Cold War concerns: the need to give (economic) substance, definition and integrity to an emerging security community in Western Europe then very much under threat from another part of Europe. The mechanisms to this end, protectionist as well as communautaire, were devised by governments whose aim was to contain the encroachments of the East rather than enlarge the domain of the West. Now that the tables have turned, the Western model of integration risks damaging new allies as well as scoring ‘own goals’ for the West itself. If a widening Europe does not
reconsider the logic of ‘deepening’, then EU enlargement could well become the process of moving barriers east. Paradoxically, then, the EU rather than NATO will ‘create new dividing lines’ in Europe, if not the economic equivalent of an iron curtain between the West and countries in whose welfare and security it has a profound stake.

To be sure, the contradictions between deepening and widening do not affect Ukraine alone. Yet there are two specific dynamics of European integration which place Ukraine at a particular disadvantage. The first arises from the Franco-German relationship: a relationship which since its inception has been based upon a *mutual* fear of Germany. These fears have only advanced since unification moved Germany’s centre of gravity east. Given what France regards as inevitable in these conditions — a special relationship between Germany and Russia — France is determined that Europe should have a special relationship with Russia, both to keep Germany ‘locked into’ Europe and to persuade Moscow that its real partner is not Germany, but Europe as a whole. Measured against these strategic calculations, Ukraine’s importance is questionable in French eyes and Ukraine’s aims risk becoming a complication for French policy.

Second, the French and many other EU members are convinced that there will be no European union worthy of the name until Europe acquires its own defence capabilities. In the official French conception, recently reaffirmed at the Nice European Council, a European defence entity should complement NATO, but should not be integral to it. Unofficially – and not only in France – many perceive that Europe must become a genuinely independent counterweight to the United States. This too increases the attractions of a Paris-Bonn-Moscow axis, but it also adds to the inconvenience of a NATO-friendly Ukraine.

The looming realities of enlargement and European Defence threaten to make a difficult relationship all the more complicated. As in the case of its approach to NATO, Ukraine is turning away from transcendental causes – ‘integration’ – and seeking to extract from these processes what can be extracted. Now as in the past, the constraints are far more obvious than the opportunities.

**Enlargement.** Pursued with intelligence and care, the enlargement of the European Union could turn out to be the greatest single stimulant to the methodical and sustained reforms which ‘aid’ and diplomacy have had such limited success in fostering. For this to be so, however, frontier arrangements and other provisions of the *acquis* need to be introduced in a sequence and a manner which strengthen EU influence in Europe as a whole and to Europe’s general benefit. If these provisions are imposed rigidly and rapidly on the basis of timetables drawn up to suit the convenience of Western Europe, reformers in Ukraine will be undermined rather than strengthened.

Without conceding any points of principle, there are signs that Brussels is becoming grudgingly sympathetic to this mode of reasoning. Having received the 1,000 page Schengen document, the Poles have discovered that it affords them more autonomy than they anticipated and considerably more flexibility than they feared would be permitted. To be sure, today’s non-visa regime – which Poland stiffened in 1997 – will soon be replaced by a visa requirement for all non-EU citizens who enter Polish territory. Yet it appears to be up to Poland – and one presumes the same is true of other new EU entrants – to determine its own charges for visas and, to a large extent, its own conditions for issuing annual multi-entry visas. Under any conditions, the new requirements will reduce border crossings by a definite amount,
but it is far from clear just how much traffic will be curtailed. In principle, even a fair proportion of shuttle traders from Ukraine (or Kaliningrad Oblast') could reasonably meet the conditions under which Poland proposes to issue multi-entry visas at $15 per visa. Upon examining the Schengen document, Polish experts had a further surprise. According to the procedures, new members, indeed old established ones, retain the right to issue a certain proportion of 'national', non-Schengen visas. Is this too good to be true?

Perhaps. The object of Schengen and the 'logic' of it is to have one external frontier for the entire European Union and complete freedom of movement within it. If countries can vary their visa requirements considerably and even issue national visas, then what perils are they imposing upon their EU neighbours? This is certainly a critical question, given the perception – accurate or exaggerated – that East-Central Europe is a theatre of operations, not to say transit, for criminal enterprise, organised and spontaneous. It is worth recalling that the UK opted out of Schengen because, in its view, Schengen controls were not strict enough. Given these Europe-wide concerns, it is not astounding that Poland has had a further surprise. Despite the 'logic' of Schengen and Poland's status as a Group 1 entrant to the EU, it appears that the Germans are modernising the Polish-German frontier rather than dismantling it. If the appearance is borne out, this would be an ironic twist. As noted above, Schengen is designed to eliminate internal borders in the EU. The corollary of staying out of Schengen is, naturally and reasonably, the preservation of such borders. Why should new members face 'double jeopardy': the burden of imposing Schengen on non-EU neighbours and the insult of confronting internal frontiers between themselves and the older members of the Union? Would this not be a two-tier Europe by definition? Strenuously as the European Commission rejects the principle of a 'multi-speed' Europe, would they not be imposing it by stealth?

Therefore, Ukrainians should be prepared to expect:

- that in the short-to-mid term they will confront a much more hospitable visa regime than they feared: inconvenient to be sure, but very far from the 'iron curtain' which many dread;
- that their closest advocates and partners might pay a price for such hospitality in the form of internal borders and other forms of de facto junior status which they could come to resent;
- that in the mid-to-long term these partners might feel compelled to impose strict, Western European requirements as the quid pro quo to becoming full members of the European club which they have moved heaven and earth to join.

The lesson would seem to be obvious. Any respite which Poland or Hungary secure for Ukraine is likely to be temporary. Unless Ukraine uses this interval to reorientate itself aggressively towards European standards of law, business and trade, it will find itself shut out of the 'greater Europe' which it has sought to join as a matter of 'strategic choice' and principle since becoming an independent state.

But the dilemmas are obvious as well. If Poland’s eastern frontier is to be a hospitable frontier, it stands to reason that Ukraine’s western frontier will need to be a European frontier, both in terms of the regime imposed upon it and the
A Failing Partnership? Ukraine and the West

character of movement across it. It is an open secret that the northern and eastern
frontiers of Ukraine – the borders of Belarus and Russia – ‘are the subjects of
increasing waves of illegal migrants, contraband arms and drugs’. If the corollary to
a permissive frontier with Europe is a strict frontier with Belarus and Russia, will
this not have consequences for Ukraine’s trading relationships, not to say its
political relationships with these key ‘strategic partners’? If President Kuchma is
obliged to bow to Russian pressure in other areas, who will have the strength to lay
down such a policy and implement it?

The still greater dilemma is posed by the ‘European process’ itself, a process of
harmonising legal, economic and social standards across the continent. It is for this
reason – to Ukraine’s evident irritation – that the EU dialogue with Ukraine is not a
dialogue about the latter’s foreign policy, but its internal policy. Given the nature of
EU enlargement and the European Union itself, ‘moving closer to Europe’ implies by
definition a growing involvement of the EU in Ukraine’s internal affairs. Will the
pillars of presidential power in Ukraine be prepared to countenance this?

European Defence: Defining the Unknowns. Viewed as its most ardent
proponents would like to view it, the agreements to establish and give substance to
a Common European Security and Defence Policy at Cologne (April 1999), Helsinki
(December 1999), Lisbon (March 2000), Feira (June 2000) and Nice (December
2000) are logical and necessary steps on the path to full European union. But
sceptical insiders as well as interested outsiders, like Ukraine, can be forgiven for
believing that the initiative raises more questions than it answers. The positions of
the principal co-architects of ESDP, the UK and France, might be individually
coherent, but they are not always consistent. Do the various European Council
communiqués provide clear statements of ends and means, or merely collections of
words and phrases designed to keep the effort moving forward? From the
standpoint of Ukraine, four questions should be uppermost.

First, how will ESDP affect the EU’s view of itself? Until 1999, one could harshly but
fairly say that the internal culture of the EU had been focused on economics, rather
than security and on ‘deepening integration’ rather than expanding influence. Will
ESDP shift the focus and reinforce those who believe that the security of the
European Union cannot be divorced from the security of Europe as a whole? Or will
ESDP’s prime significance be to revive arguments about US dominance and the
need for a European counterbalance to it? The parallel, if coincidental development
of EU enlargement is hardly of incidental importance. Like it or not, by undertaking
to admit new members, the EU has enlarged its definition of itself and its
commitments, not to say its vulnerabilities. For these new members, the
connection between the security of Europe and the stability and tranquillity of
Eastern Europe is axiomatic. In the context of an enlarged Europe, the development
of ESDP might not be an unfavourable development for Ukraine.

The second question is how the ESDP will affect trans-Atlantic relationships. The
inherent risks of a more discordant relationship are surely not diminished by the
emergence of a new administration in Washington, likely to be both more proactive
and less Europhile than its predecessor. Nevertheless, the dependency of a
European defence entity upon NATO assets and resources will provide Europeans
with a definite incentive to avoid such discord. An enlarged EU will have an even
greater incentive. Poland and the majority of other Group 1 and Group 2 states are
more Atlanticist in their thinking than many of the EU’s current members. Their
apprehensions of a Europe dominated by France and Germany are strikingly
reminiscent of De Gaulle’s fear of an Atlantic Alliance dominated by the United
States: that such an entity will reach understandings with Russia over their heads and at their expense. The most likely of such understandings would be a tacit agreement to limit EU enlargement – and block further NATO enlargement – in deference to Russian wishes. Thus far, only the United States has acted as if the continuing enlargement of the Western community is of transcendental importance. New members will certainly add strength and numbers to those loath to see ESDP develop in an anti-American direction. Indeed, their admission raises an intriguing possibility: that a more Atlanticised European Union will develop in parallel with a more Europeanised NATO. Such a possibility reinforces the conclusion that Ukraine should not approach ESDP from a position of a priori pessimism.

The third question is how Ukraine’s relationship with the security and defence institutions of Europe will affect its relationship with NATO. There should be no doubt about one point: the former cannot substitute for the latter. Partnership for Peace and bilateral Programmes of Cooperation ‘in the spirit’ of PFP have no analogue in ESDP. In devising PFP, NATO’s clear concern was how it could contribute to the security of non members. To the extent ESDP takes non members into account, the question posed thus far has been what they can contribute to European security. The Feira European Council outlined a mechanism for involving non-members in future ESDP tasks, but devoted no consideration to creating mechanisms whereby Europe could provide assistance to them. To be sure, such assistance is now being provided in a limited number of softer security projects, many of which – like the pilot programme for modernising Ukraine’s border system – have considerable potential for expansion. But it would be unrealistic to presume that the EU will find the will or the means to match the scope and intensity of NATO’s assistance in the domains of defence and security reform, interoperability and civil democratic control.

The fourth question is what Ukraine can contribute. Ukraine could contribute in principle, and with determined action on its part, it could contribute in practice. The attributes identified in the November 2000 EU Capabilities Commitment Conference – flexibility, deployability, mobility and sustainability – are the very attributes emphasised in Ukraine’s programme of defence reform, which like the Helsinki headline goals, places emphasis on operations other than war. Ukraine has also expressed a commitment to reform Ministry of Interior forces. Under the heroic assumption that ‘reform’ leads to the transformation of these forces in ethos as well as capability, they would be well suited to the types of operations which the EU contemplates. Finally, Ukraine already has airlift capabilities surplus to its own requirements which Europe could utilise, producing cost savings for itself, as well as economic benefits for Ukraine. But in each sphere, the EU’s interest will lie in Ukraine’s capabilities, not its programmes or declarations. Unlike NATO, it is unlikely to value Ukraine’s participation for its own sake. If programmes once again become a substitute for action, Ukraine will be given few opportunities to exploit.

The United States: An Overbearing or Ineffectual Patron?

Through the combination of its assistance, its commitment and its power, the United States has put itself in a position of influence rivalled only by Ukraine’s most problematic ‘strategic partner’, the Russian Federation. For this reason, the United States is the only country which does not border Ukraine to receive the designation ‘strategic partner’.

The scale of US assistance is only partially expressed by the fact that until 1997,
when Bosnia-Herzegovina surpassed it, Ukraine received more foreign aid from the United States than any other country apart from Israel and Egypt. Today, direct bilateral aid has declined only slightly in absolute terms ($195 million in 1999, $179 million proposed for 2000) as well as relative terms, with Ukraine now officially placed alongside Colombia, Nigeria and Indonesia as one of four key democracies warranting special levels of attention and assistance. But it is the weight of the US contribution to the operating and lending budgets of the IMF and IBRD which makes that contribution so substantial. Before the IMF suspended its loans to Ukraine in September 1999, it had boosted its Extended Fund Facility to $2.6 billion. For its part, the World Bank has tied an additional $1.9 billion in project assistance to the IMF lending programme, which only resumed on 19 December 2000.

The commitment is expressed by the declaration of President Clinton in his public address at Mykhaylivska Square in Kyiv on 5 June 2000: ‘We reject the idea that the eastern border of Europe is the western border of Ukraine’. It was this commitment which more than any other factor induced Ukraine to sign the Tripartite Agreement of January 1994 and, in accordance with it, complete its unilateral nuclear disarmament by June 1996. The determination to support Ukraine’s efforts to leave ‘former Soviet space’ and become part of Europe has been one of the most consistent leitmotifs of the Clinton administration, distinguishing it not only from much of Europe, but from its predecessor, which viewed Ukraine through the prism of nuclear proliferation and (in the words of the notorious ‘chicken Kiev speech’) ‘suicidal nationalism’.

The commitment also reflects the power of the United States, which is institutionalised in Europe through NATO. This institutionalisation is sufficient to explain why the tenor and character of NATO’s approach to Ukraine has differed so markedly from that of the European Union. The substantial overlap in membership between these two bodies may be less significant than the fact that Ukraine’s most consistent supporters, the United States and Canada, do not belong to the EU (Canada itself being of hardly incidental importance, as its assistance relative to per capita GDP and population outstrips that of any other country). This is true despite the fact that, until the launch of Putin-Blair diplomacy, the firmness of British support for Ukraine was unquestioned and the quality of that support sufficient and distinctive enough to persuade Kyiv that the UK (in the words of its former Foreign Secretary, Douglas Hurd) ‘punched above its weight’. To this day, Britain’s official Bilateral Programme in defence remains second in size only to that of the United States. Nevertheless, even when the UK-Ukraine relationship was at its height, Ukraine often perceived that, as an outsider, the United States wielded more influence over the European Union on Ukraine’s behalf than Britain did as a member.

Assistance, commitment and power have not only given the United States influence, they have given it authority. As a result, the United States has had unique opportunities to pressure Ukraine, and it has used them. The Gore-Kuchma Commission not only provided a standing forum for assistance, it institutionalised US involvement in Ukraine’s economic decision making and, hence, its internal affairs. During his last Washington summit following his re-election (December 1999), Kuchma came under intense pressure to free the economy – and his own administration – from the dominance of oligarchs and accept much stricter conditionality for, and tighter monitoring of aid and assistance. It is an open secret that this pressure induced Kuchma to appoint Viktor Yushchenko to the post of Prime Minister, and there is little doubt that US pressure has thus far played an
instrumental role in keeping Yushchenko in place.

The past two years have seen US pressure increase to an unprecedented scale. Although the IMF is no tool of Washington, its grounds for suspending its disbursements – and the conditions attached to their resumption – appear to be entirely consistent with Clinton administration thinking. Secretary of State Madeleine Albright and other official visitors have not only been blunt in their criticisms, they have expressed very clear views as to who should and who should not serve in the government and Presidential Administration. Through a variety of ways, more and less subtle, Washington has occasionally acted as if its real partner in Ukraine is Yushchenko, rather than Kuchma. Yushchenko’s reception in Washington in May 2000 was uniquely warm and in some respects more appropriate to a head of state than a head of government. Clinton’s Mykhaylivska speech lauded Yushchenko without even mentioning Kuchma. The reasons for US pressure are obvious: mounting evidence that the key pillars of presidential power in Ukraine are threatened by reform and opposed to it – and reasoned conviction that the status quo is synonymous with the country’s ruin.

Has US pressure exhausted its possibilities? Shortly before the dismissal of Borys Tarasyuk – a figure whom the Americans backed almost as overtly as Yushchenko – US Ambassador Steven Pifer and three others wrote to Kuchma to express their concern at the latter’s failure to carry out commitments on state budget formation. Three days later both the newspaper Fakti i Kommentariy and a policy analyst reflecting presidential thinking published the letter, attacked it in very sharp terms, and linked it with Tarasyuk’s dismissal.

The West is lobbying the government’s interests and interfering with Ukraine’s internal affairs. This interference has an anti-Ukrainian and an anti-presidential nature as well.

In fact, the letter provided a good pretext to implement an undertaking which probably dates from Kuchma’s meeting with President Putin on 18 August. In the event, the decree on Tarasyuk’s dismissal was signed by the President two days before the letter of the four was received. Nevertheless a linkage between this decision and Western policy has been publicly and privately drawn. Indeed, on the morrow of Tarasyuk’s dismissal, some members of the Presidential Administration went so far as to characterise it as a ‘warning’, which could be followed by other steps, including the dismissal of Yulia Tymoshenko and Viktor Yushchenko himself. (Tymoshenko was dismissed on 19 January 2001).

The telling fact is that US pressure has been increasing precisely at a time when its authority has been declining. To this day, it is doubtful whether Washington fully comprehends the extent to which the Kosovo conflict damaged US standing in Ukraine. But there are other factors. The second factor is energy, as vital to Ukraine’s security as Ukraine’s nuclear weapons were once deemed vital to the United States. The Odessa-Brody pipeline project – completion of which would enable Ukraine both to balance Russian energy supplies and pay for them – has languished for all of the usual post-Communist reasons. Not least of these is the power of a Ukrainian energy oligarchy which owes its wealth to practices which impoverish the country and prolong its dependence on others. It has also languished because Russia has consistently blocked the one step which would make its completion attractive to oil producers: Ukraine’s membership of the Azerbaijan International Oil Consortium. But not least of all, the project has suffered because of Western indifference, an important aspect of which has been
the priority which the United States has given to the Supsa-Ceyhan route. Although Clinton finally decided to back Odessa-Brody, first privately in spring 2000 and then in a somewhat more public manner in June, the fact is that this support is too little and it arrives too late, seven months after Russia imposed its most brutal oil cutoff. Whilst supporting and indeed demanding energy sector reform, in this most vital sector the United States has declined to throw its weight into the scales. President Putin’s reported remark to Kuchma – ‘the West comes here to teach lessons, we offer brotherly help’ – suggests that the point is not lost elsewhere.

The third factor is the Clinton administration’s slowness to recognise both the intensity of Russian policy under Putin and its purpose. Contrary to conventional wisdom, Russia has not called in Ukraine’s debt. It has used debt, and applied unprecedented pressure, to induce Ukraine to make geopolitical concessions. Boris Tarasyuk’s dismissal – which was followed by an immediate relaxation of Russia’s stance on debt has certainly not been the only trophy collected, and within the Presidential Administration itself, the shift in the correlation of forces between Russophiles and Westernisers has become palpable. The Clinton administration appears to have forgotten that, according to the terms of the January 1994 Trilateral Agreement which it was so instrumental in crafting, the United States, Russia and Ukraine not only pledged to respect one another’s territorial integrity, but refrain from ‘economic coercion’. Economic pressure put at the service of geopolitical ends should qualify as economic coercion by any standard. The failure of the United States to provide robust political support to Ukraine at a time of unprecedented ‘brotherly’ pressure has probably had as great an influence on President Kuchma’s thinking as Russian pressure itself.

A Failed or Diminished Partnership?

At some point between his first summit with President Putin in April 2000 and his second (August 2000), President Kuchma decided to re-evaluate Ukraine’s relationship with the West. The role of Russia in this re-evaluation has not been disguised. During his 30 September press conference announcing Boris Tarasyuk’s ‘transfer to other work’, Kuchma stated that the ‘Russian component’ of Ukraine’s policy ‘could not be of secondary importance’. When introducing Tarasyuk’s successor, Arkady Zlenko, to the press corps three days later, he added, ‘It is necessary to find an effective algorithm of work with Russia and to be oriented to mutually advantageous cooperation with this country’. Indeed over one month earlier, Kuchma told leaders of Ukraine’s industrial and energy complex that he would never follow the advice of ‘Ukrainian patriots’ and head exclusively for the West. If Arkady Zlenko was a ‘balanced figure’ (ie acceptable to Russia), Tarasyuk was a ‘patriot’; a figure who never sympathised with Russia, never talked Moscow’s language and never earned its trust. On these grounds alone, it was time for him to go.

Yet from the start, Kuchma also sounded other notes. Tarasyuk had committed ‘miscalculations in implementing European integration’. Moreover,

Today, the situation in the world, in Europe and in Ukraine is somewhat different [from what it was when Tarasyuk was appointed]. Hence, we need different people…Given the current situation, we need a balanced person, a diplomat by nature who will never say either yes or no. (30 September) [author’s emphasis]
To even many of his supporters, Tarasyuk’s ‘miscalculation’ was that he overestimated what Ukraine could achieve in the West. To his more ‘balanced’ detractors, his greater miscalculation was that he believed Ukraine could rely exclusively upon it. By the date of his Kremenchug speech, 28 August, Kuchma had not only concluded that ‘confrontation’ with Russia – ie defiance of it – would be disastrous for Ukraine. He had also concluded that ‘the West is closed for us now’.20

The main reason ‘the West is closed’ is that Ukraine has failed to give substance to its ‘European choice’. Its failure to advance this choice by developing taxation regimes, legal codes, enforcement mechanisms and political institutions conducive to honest business and investment has not only shut Ukraine out of Europe, it has preserved the powers that be in Ukraine. A Polish path of development – the path which Viktor Yushchenko would like to pursue – would challenge these powers and possibly destroy them. But if President Kuchma mounted such a challenge, who would support him? Yushchenko? Poland? Even a president as bold as Kuchma used to be and less wedded to power than Kuchma now is would pose this question. To such a mythical president as much as to Kuchma, the question would answer itself. To oppose power, one requires countervailing power. And if the mythical president were Ukrainian, rather than Polish or Estonian, the odds are that he would not look to his own people for the source of such power, but look outside the country. Today the only possible sources of such power are Europe and the United States.

Within recent years, Europe and the United States have not provided countervailing power. They have provided assistance, ‘lessons’ and good will. Even NATO, which established the Distinctive Partnership in order to support Ukraine’s security and not only its ‘reform’, is reluctant to have Russian pressure raised as a subject in the NATO-Ukraine Commission and twice as reluctant to have it raised in the Permanent Joint Council or other forums of NATO-Russia ‘cooperation’. Yet the absence of countervailing power against Ukraine’s oligarchs and ‘shadow structures’ is proving even more telling to its ‘vector of development’ than the absence of responses to Putin. No Ukrainian president or government will prevail against such structures in the long term unless they can show that the struggle is yielding more immediate benefits. To Ukraine’s Westernisers, the following benefits are conspicuous by their absence:

- IMF assistance within terms of conditionality which Ukrainians (and Ukrainian institutions) can reasonably be expected to meet in the timescales stipulated;21
- steps by the EU to ensure that the eastern frontier of the EU does not become ‘the border of Russia’s economic area’;22
- visible and systematic measures to promote and develop Odessa-Brody and secure a strategic role for Ukraine in the transport of Caspian Sea oil;
- economic assistance to Ukraine analogous to that allocated to the Group of Seven countries surrounding Yugoslavia in light of the economic damage that it has sustained as a result of the Kosovo conflict;
- fulfilling commitments already undertaken, such as the funding of replacement power stations for Chernobyl.23
promoting Ukraine’s power engineering equipment in other markets when, in deference to Western wishes, Ukraine cancels lucrative, employment generating contracts in Iran and other problematic states;

- assessment of the Antonov 70 project on strategic grounds – as a project designed to orient Ukraine’s defence industry (and part of Russia’s) towards Europe – rather than narrowly commercial ones;

- promoting greater integration between the armed forces of new NATO members (which still possess much serviceable Soviet equipment) and Ukraine’s defence industry (which maintains a large repair and modernisation capacity).

If not immediately, then on examination, some of these expectations are unrealistic if not unreasonable. But the West’s failure to meet any of these expectations except belatedly and after arduous negotiation says less about lack of realism in Ukraine than about the West’s own failure to formulate a strategic approach. If the United States or Europe believe that Ukraine performs a ‘pivotal’, ‘key’ or merely ‘important’ role in Europe’s security, then it is exactly such an approach that is called for. In its absence, Ukraine has every right to parry the Western charge that declarations in the relationship have simply become slogans.

In response to Russian pressure, Western disillusionment and its own, President Kuchma has taken a dangerous step as well as a sensible one. The dangerous step is allowing Russia to link the resolution of economic problems to geopolitical concessions. In the midst of Russia’s most extensive campaign of pressure to date, the grounds for taking this step were compelling and the alternative – using international institutions to cry ‘foul’ – would not have been without risk. But the fact is that having allowed Putin to cross this line, it will be very difficult for Kuchma to draw new ones. Even before Tarasyuk’s dismissal, the ground conceded – over Chechnya and the ‘joint struggle against terrorism’, modalities of Black Sea Fleet deployments, privatisation of ‘strategic’ infrastructure and enterprises, joint exercises with Russian and CIS armed forces and, not least important, collaboration and ‘coordination’ in the spheres of security, intelligence and counter-intelligence – has violated earlier prohibitions and set new precedents. Far more important than the concessions themselves – at least more important than what has been conceded to date – is the way Putin and others will interpret them. It is an open secret that Russian presidential circles (not to say unabashedly left-wing ones) would like to see the Russian-Belarussian Union State transformed into a tri-state entity, and CIS Executive Secretary Pavel Borodin – the figure who brought Putin into the Kremlin – has predicted that Ukraine will join this union no later than 2002. Not least important is the way these concessions will be interpreted in Ukraine, where the struggle for the soul of institutions is often more venomous than the struggle for the soul of the country. Ukraine would forget to its peril that the only two instances in which it reached mutually advantageous accommodations with Russia – over nuclear disarmament (January 1994) and the Black Sea Fleet (May 1997) – were instances when it acted from strength (and with Western support) rather than from weakness (and without it).

The sensible measure is the decision to entrust Arkadiy Zlenko, Oleksandr Kuzmuk and others with the task of focusing on areas where Ukraine can advance its own specific interests in cooperation with the West as well as on those, like EU enlargement and ESDP, where professional diplomacy has the potential to limit
damage. Significantly, Kuchma appears to recognise that Ukraine-NATO cooperation produces solid benefit and has given the military establishment the green light to involve NATO in the reform process to the degree that this establishment deems sensible. NATO has every reason to draw comfort from the forthcoming tone and substance displayed by the High Level Group and Defence Minister at NATO Headquarters. Where the EU is concerned, in place of an imposing, ambitious if at times hectoring style of diplomacy which has possibly done more to enhance Ukraine’s profile in Europe than its integration with it, Zlenko is likely to introduce more modest goals and a more concrete, managerial style, focused on results. On examination, this style might produce more of the substance which the EU and other parties in the West seek. Whether that cooperation once again acquires strategic significance depends on the West as much as it does on Ukraine.

ENDNOTES

1 ‘Address of HE Minister of Foreign Affairs of Ukraine Mr Anatoliy Zlenko to the Diplomatic Corps accredited to Ukraine’, 10 October, 2000.
2 Mykola Tomenko, Director of the Institute of Politics, and a figure whose views are usually consistent with those of the Presidential Administration. (UNIAN, 2 October 2000)
3 After the 27 May Tallinn communiqué, Alexei Arbatov, Vice Chairman of the State Duma Committee on Security and Defence Policy, reportedly justified the Black Sea Fleet accords on the grounds that ‘otherwise, Ukraine would join NATO’.
4 The six states were the Czech Republic, Cyprus, Estonia, Hungary, Poland and Slovenia. The Council also placed five additional states on a slower track: Bulgaria, Latvia, Lithuania, Romania and Slovakia.
6 Even some influential organs of the Ukrainian media have presented a highly skewed, geopolitical reading of NATO’s intentions, indistinguishable to that put forward by Russian intelligentsia. See most strikingly, Yulia Mostovaya, ‘50 Years of NATO: Grey Hairs in the Beard’ [50 let NATO: Sedina v Borodu] in Zerkalo Nedeli [Mirror of the Week], 24-29 April, 1999. Amongst the six objectives she postulates for Operation Allied Force are ‘showing a Russia toothless from economic scurvy its place in the world political dispensation’ and ‘unequivocally making China understand…that similar actions can be employed in Tibet’.
7 In the long-term, this structure is to be backed by Main Defence Forces with the capability to wage regional conflicts.
8 A case in point is the UK-Ukraine Programme of Co-operation, which is both larger and of longer standing than the UK-Russian bilateral programme. Russia’s unwillingness to conclude such a programme until recently played no role in Britain’s decision to establish such a programme with Ukraine.
9 ‘The EU stands ready to provide technical assistance in support of Ukraine’s economic and social reform process provided that Ukraine takes steps designed to establish the necessary conditions to make reform possible’. (‘European Council Common Strategy 1999 on Ukraine’)
10 ‘The EU acknowledges Ukraine’s European aspirations and welcomes Ukraine’s pro-European choice’. (Ibid)
11 The Bilateral Programme, the most significant ‘Outreach’ programme of the UK, currently embraces 75 annual activities and projects.
12 The letter was signed by US Ambassador Steven Pifer, Canadian Ambassador Derek Fraser, as well as the heads of the Ukraine offices of the World Bank and the EBRD.
13 Mykola Tomenko, interviewed by the Ukrainian news agency UNIAN, 2 October 2000.
14 For a fuller discussion, see James Sherr, ‘A New Regime? A New Russia?’ (Conflict Studies Research Centre, Sandhurst, July 2000)
15 After the fourth round of Ukrainian-Russian gas talks, held on 30 September, Yushchenko declared that ‘the Russian side has seriously changed a number of its principles or at least has softened them’.
Other personnel changes in the Ministry of Foreign Affairs shortly followed Tarasyuk’s dismissal. Within a fortnight, the pro-Western head of military intelligence was also dismissed.

Ukrainian Television First Programme, 30 September (BBC *Summary of World Broadcasts*). For a fuller discussion of the Tarasyuk affair, see James Sherr, ‘The Dismissal of Borys Tarasyuk’ (*CSRC Occasional Brief*, CSRC, Sandhurst, October 2000)

UNIAN, 2 October (reported in *SWB*)

In Kremenchug, 28 August. Reported in *Intelnews*, 30 August.

The IMF might reasonably be faulted for failing to recognise the difference between its programmes in Russia and Ukraine. Whereas the former have been important, the latter have been a matter of survival. Ukrainians are also puzzled by the fact that when Yushchenko’s predecessor Valeriy Pustovoytenko was in power, there was IMF assistance, but now there are simply demands and pressure.

The worry expressed by Yevhen Marchuk, now Secretary of the NSDC (*Den’ [The Day]*, 26 March 1999)

In December 2000, the EBRD and EU declared that they would provide $215 million and $585 million respectively to finance the Rivne and Khmelnytskyy nuclear power stations, although on 24 January EBRD First Vice President Charles Frank declared that the EBRD grant was still dependent on a satisfactory outcome of negotiations between Ukraine and the Paris Club of sovereign creditors on Ukraine’s debt restructuring, as well as agreement on a privatisation scheme for Ukraine’s 20 regional energy companies.