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UKRAINE – THE EUROPEAN UNION



KEY THEME ANALYSIS

RUSSIAN AGGRESSION EXPOSES THE INTERNAL PROBLEMS OF THE EU

The 'response' of the European Union to Russia's aggression in Crimea has demonstrated the weakness of the union. This means not only in the protection of Ukraine as the EU's partner, but **the failure of the values and legal and economic foundations of the European Union.**

The EU's leaders apparently lack the real political will to protect European values, while they widely use these values in their rhetoric to find an excuse for refusal of the prospects of membership to some countries. The EU's readiness for any concessions to avoid a military confrontation with Russia evokes the eve of the Munich Agreement of 1938. Winston Churchill said that in trying to avoid the war, Britain had chosen shame, but would in any case get the war.

The thundering statements of Angela Merkel, José Manuel Barroso and Herman Van Rompuy, the resolution of the European Parliament, and the suspension of the negotiations on visa regime liberalization – are no more than trying to put a brave face on a sorry business. The inaction of the EU and the U.S. means that they have de-facto agreed to the annexation of Crimea by Russia. Putin is satisfied in general with current trading conditions with the EU because the Europeans are already buying Russia's only marketable products – oil and gas. As for visa liberalization – Putin doesn't need it because private trips to Europe undermine the efforts of Russian propaganda about the 'decaying West'.

Statements of some European officials about the need to reduce the dependence on Russian energy supplies are opposed by the 'Gazprom' proposals for the European gas companies to improve the conditions of the existing contracts¹. The European industrial lobbies have far more opportunities to convince their governments to capitalize on Ukrainian problems, if compared to Kyiv's opportunities to achieve the effective support of the EU for the independence and territorial integrity of Ukraine.

European leaders are too afraid to lose the slight signs of post-crisis economic recovery, so they are unlikely to enable **full economic sanctions against Russia**. The interview of Russian president's press-secretary Dmitry Peskov with the newspaper 'Komsomolskaya Pravda' indicates that the Kremlin does not expect serious sanctions: "There are no sanctions, nothing... The statements are no reasons for any adjustments

¹ «Газпром» готовится к возможному введению санкций Европой. - <http://www.vedomosti.ru/companies/news/24033861/gazprom-ischet-podderzhki>.

[to foreign policy]."²

Even the arrest of the Ukrainian oligarch Dmytro Firtash on March 12 in Austria will hardly scare Mr. Putin. The arrest will not affect the position of the Russian oligarchs because while the EU keeps a check on their bank accounts and villas, Mr. Putin keeps a check on their lives (no one prefers the fate of Boris Berezovsky). Vladimir Putin is also not afraid of possible leaks about Firtash's and the Kremlin's corrupted gas schemes, because Russian public wouldn't know this information. After the shutting off from the cable networks of the only opposition TV channel 'Dozhd' ('Rain'), the Kremlin banned even the web pages of the opposition activists Alexey Navalny and Garry Kasparov.

The awareness of the EU's weaknesses has strengthened Putin's hands for the escalation of aggression. Its demonstrative impudence of aggression indicates Russia's deliberate move towards self isolation. Mr. Putin is frightened by the hypothetical possibility of a Maidan in Russia, and he wants to take advantage of the present foreign-policy conflict to crush the remains of the opposition in Russia and to curtain the country from the world. That's why we see his bare-faced lie to western partners, statements about Russia's 'right' to invade Ukraine, the unrecognized 'referendum' in Crimea in the presence of the Russian militaries, and declaring the blatantly rigged voting result – 96.6% in favor of joining Russia.

Russia's behavior is the result of long years of EU geopolitical improvidence, namely:

1) In chasing cheaper energy, European governments turned a blind eye to the fact that **dozens of billions of EUR, paid for gas, were spent on strengthening the Russian army, while this army threatens the EU;**

2) **All the previous steps of the EU have convinced the Kremlin that the threatening statements had been never been followed by concrete action,** in particular, as happened after the violations during the Russian parliamentary and presidential elections of 2011;

3) For many years **the EU has passively observed the formation of a revanchist authoritarian regime in Russia,** including the crushing of the opposition, total control over the media, chauvinistic propaganda of intolerance towards the EU, the U.S., Ukraine, Poland, the Baltic States, etc;

4) In order to attract more money to the European economy, European officials **turned a blind eye to money laundering in the EU** by the Russian (and not only Russian) oligarchs;

5) In the same way they **turned a blind eye to increasing corruption in the EU, where many current and former politicians earn good money on the cooperation with Russian companies,** first of all by lobbying the interests of Russian gas exports;

6) **The long-term Russian cash injections into the European analytical and media sectors** are also ignored. A number of European 'analysts', 'academics' and 'observers' carry on the Kremlin's propaganda on Russia's grants, misinforming the European public about the real state of affairs in Russia, and performing Moscow's orders to discredit Ukrainian, Baltic, Polish, etc. politicians.

The EU has the real mechanisms to influence Russia, namely:

1) The energy dependence on Russia can be reduced by a system of common pan-European gas purchases; such an initiative has been already mentioned by the Polish Prime Minister Donald Tusk;

2) Accumulated gas in storage facilities allows the EU to reduce temporarily the volume of Russian gas purchases while increasing the supplies from other sources;

² Дмитрий Песков - «КП»: Заявления Запада - не повод для корректировок нашей внешней политики. - <http://www.kp.ru/daily/26207.7/3092238>.

3) The restrictions on the gas supply from Iran should be abolished. Thus the gas prices will be reduced, and Russia's possibilities to gamble on this factor will be narrowed. In fact, the Iranian threat is illusory against the backdrop of the real Russian threat;

4) Half of Russia's trade is trade with the EU, and a significant part of EU exports to Russia can't be compensated for. The temporary loss of income seems to be a reasonable fee for preventing a new World War;

5) Three quarters of foreign investment comes to Russia from the EU. It is reasonable to redirect the investment to other more predictable countries. Investment in Russia is dangerous anyway due to the initiatives of Russia's MPs on the possible confiscation of European and American companies' assets;³

6) Enlisting Ukraine to European initiatives in the field of security and defense as soon as possible will significantly increase the defense capacity of this 'last bastion' in the path of Russia to Europe.

Thus, the EU has significant leverages of influence. The question is whether the EU has the political will and clear-sightedness to protect itself against the greatest threat since the Second World War.



³ СФ готовит законопроект о конфискации активов компаний США и ЕС. - <http://ria.ru/economy/20140305/998222488.html>.

UKRAINE – NATO



KEY THEME ANALYSIS

RUSSIAN AGGRESSION HAS SHOWN THAT THE CURRENT FORMAT OF COOPERATION BETWEEN UKRAINE AND NATO IN NO WAY ENHANCES THE SECURITY OF OUR COUNTRY

NATO's ability to act still depends entirely on the resoluteness of the United States. And President Barak Obama traditionally lacks this resoluteness. The suspension of NATO military cooperation with Russia, small-scale naval exercises of the U.S., Romania and Bulgaria in the Black Sea, and a dozen and a half U.S. aircraft and three hundred soldiers in Poland – are clearly an inadequate response to the invasion of dozens of thousands of Russian soldiers and hundreds of their military vehicles into Ukraine, which is an active partner of the Alliance, and to **the destruction by Moscow of the fundamental principles of international security**. Incidentally, 'the suspension of military cooperation' is also doubtful due to the fact that France continues to build 'Mistral' warships for Russia.

The extraordinary meeting of the North Atlantic Council on March 4, held at Poland's request in connection with Russia's military aggression, predictably 'resulted' in a statement. The meeting of the Prime Minister of Ukraine Arseniy Yatsenyuk with NATO Secretary General Anders Fogh Rasmussen on March 6 'resulted' in a statement as well. The extraordinary meeting of the NATO-Ukraine Joint Working Group on March 12, as well as the meeting of the Euro-Atlantic Partnership Council on March 14 had similar 'results'.

After the meeting of the EAPC, the Head of the Ukrainian Mission to NATO Igor Dolgov told reporters that there was "no legal basis" for the NATO peacekeeping mission in Ukraine because Ukraine is not a member of the Alliance.⁴ However, **it is unclear – which 'legal reasons' prohibit helping a sovereign state at the request of its government and parliament? Moreover, the U.S. and the UK are obliged to protect Ukraine under the Budapest Memorandum.**

Besides refusing to provide military assistance to Ukraine, the U.S. refused also to provide military equipment, which had been requested by the Ukrainian government. **25 thousand military rations – that is all the assistance which Washington agreed to provide to Ukraine⁵, whose military forces take part in all the NATO peacekeeping missions.** The former chairman of the Mejlis of the Crimean Tatar People *Mustafa Dzhemilev* rightly criticized NATO: *"The UN or NATO begin to*

⁴ НАТО не буде вводити війська в Крим, – глава місії України при НАТО. -

http://espreso.tv/new/2014/03/14/nato_ne_bude_vvodyty_viyska_v_krym_hlava_misiyi_ukrayiny_pry_nato.

⁵ США розглядають прохання України про військову допомогу і залишають авіаносець у Середземномор'ї. - <http://www.radiosvoboda.org/content/article/25297500.html>.

*use their military forces only after large-scale bloodshed ... We would like them to use their forces before we are slaughtered."*⁶

It is obvious that the U.S. and Ukraine have different priorities. **Washington might be interested in allowing Putin to make Russia isolated and to involve it in long and tedious territorial conflicts.** It would weaken Russia in the midterm, while the world's request for American leadership would be strengthened. And Ukraine needs the immediate assistance to preserve its independence and, of course, Kyiv doesn't want to be a 'price' for the collapse of Putin's Russia.

In recent years NATO's priorities have been substituted. Instead of supporting the countries which could possibly join the block and strengthen its position after relatively inexpensive help (Ukraine and Georgia), the Alliance has wasted enormous resources on the campaigns in Iraq, Libya and Afghanistan, which would never become true NATO allies. And after all those costly operations NATO interests remain 'protected' at almost the same bad level as before the campaigns.

The NATO policy of 'appeasement' towards Russia leads to the opposite effect. A few years ago no one could imagine the Russian military invasion of Ukraine, just as no one could have imagined that **Moscow would threaten "to turn the U.S. into radioactive ash"** (the Kremlin mouthpiece Dmitri Kiselev announced such a possibility on March 16, on the main Russian TV channel).⁷

NATO inactivity against the backdrop of UN and OSCE helplessness creates a truly threatening situation in the world. On March 15 Russia predictably blocked the UN Security Council resolution on Ukraine, despite the fact that it was supported by 13 members of the Security Council (and China abstained).

Apparently realizing the unsafe nature of relying on the guarantees of the international organizations, on March 14 the Ministers of Defence of the Visegrad Group countries (Poland, Hungary, Czech Republic, Slovakia) signed an agreement to coordinate military planning and to create a joint combat unit.⁸ After the end of the present conflict Ukraine should join this initiative.

According to current circumstances the Ukrainian side may take the following steps:

1) Not to ask, but to demand from the U.S. and the UK to fulfill their obligations under the Budapest Memorandum – if not by military force, then at least by weapons and the military equipment, maybe under the conditions of a free lease or a lend-lease;

2) To seek for military assistance to neighboring countries which are directly interested in preserving the independence of Ukraine (first of all to Poland, which could assist Ukraine with the weapons);

3) To invite NATO members' forces to take part in urgent joint exercises in Ukraine;

4) To inform the UN and NATO about Ukraine's intention to withdraw immediately from all its peacekeeping military forces and to return them to protect Ukrainian territory.

⁶ Джемільев: війська ООН чи НАТО мають втрутитися до того, як нас почнуть різати. - <http://www.radiosvoboda.org/content/article/25297014.html>.

⁷ Рупор Кремля Кисельов погрожує США ядерною зброєю. - <http://www.pravda.com.ua/news/2014/03/16/7019187>.

⁸ Венгрія, Чехія, Польща і Словаччина розширюють військове співробітництво через події в Україні. - <http://interfax.com.ua/news/general/196056.html>.

FOREIGN POLICY OF UKRAINE



KEY THEME ANALYSIS

THE UKRAINIAN GOVERNMENT SHOWS WEAKNESS, RELYING TOO MUCH ON THE INEFFECTIVE ASSISTANCE OF THE WEST

As in the times of EuroMaidan, Ukrainian politicians (who were the opposition previously and are the authorities now) put too high hopes on the 'assistance' of the West; and this led to mistakes in determining the priorities. After de-facto losing Crimea, the authorities have done virtually nothing to protect the rest of Ukrainian territory. **The military forces still guard the western border, which is not in danger, while the borders with Russia and Belarus remain unprotected.**

Despite the repeated warnings of the politicians and the experts, including the statement of the former Mejlis chairman Mustafa Dzhemilev on March 12, about the possible Russian occupation of the water and electricity supply facilities in the Kherson region, the proper protection of these facilities has not been organized. After three days, on March 15, Russian forces landed in the Kherson region and took control over the gas distribution station.

On March 11 the Acting Minister of Defence of Ukraine Ihor Tenyukh made a statement which might demoralize the Ukrainian army and strengthen Russia's confidence in a cheap victory.⁹ In particular, he said that from 41 000 of Ukraine's ground forces only 6000 were ready for battle. He said also that the Armed Forces of Ukraine "have no legal right" to launch a military operation in Crimea due to the absence of the "de jure open aggression of Russia".¹⁰

Trying not to give Russia any excuse for the aggression, the Ukrainian government did not provide adequate resistance to the Russian raiders who are destabilizing the situation in the Eastern and Southern regions. At the same time, the Crimean events have proven that Moscow does not need any excuse for aggression. Even the murder of the press-secretary of the 'Svoboda' party in Donetsk on March 13 by Russian extremists was used by the Russian Foreign Ministry to make a statement on Russia's right 'to protect' its compatriots and citizens in Ukraine.¹¹

Russian media does not mask **the plans to use the Crimean scenario to conquer other Ukrainian regions which border Russia, first of all the**

⁹ Російські ЗМІ: армія України не готова воювати з Росією. -

http://www.bbc.co.uk/ukrainian/press_review/2014/03/140312_foreign_press_12march_hk.shtml.

¹⁰ Чи є в Україні міністр оборони. - <http://tyzhden.ua/Politics/104631>.

¹¹ Заявление МИД России в связи с трагическими событиями в Донецке. -

http://www.mid.ru/brp_4.nsf/newslines/6F745B0774C71C9644257C9B00362EB6.

Donetsk region.¹² It is clear that Moscow counts on the help of local separatists, backed by some MPs from the Party of Regions who actually control the situation in the Donetsk, Luhansk and Kharkiv regions. Under the police inactivity, in these regions the separatists capture government buildings and attack peaceful demonstrators who support the territorial integrity of Ukraine. On March 17, fifty pro-Russian separatists blocked the entrances to the border units in Mariupil and Novoazovsk. At the same time, the MPs from the Party of Regions appealed to the law enforcement bodies with requests to release on bail the separatists and provocateurs who had been arrested by the Security Service of Ukraine for public calls to bring Russian military forces to Ukraine.

The Ukrainian authorities have the ability to take more resolute measures in domestic and foreign policy, namely:

1) To close the borders with Russia and Belarus, stopping the flow of Russian extremists and provocateurs; and to implement immediately a visa regime with these countries;

2) To redeploy military forces closer to the borders with Russia and Belarus; and to strengthen the appropriate boundaries;

3) To enhance the information policy, providing the citizens in the Eastern and Southern regions of Ukraine, as well as the public in other countries (first of all Russia), with accurate and truthful information on the situation in Ukraine. Creating a satellite TV channel broadcasting news in Russian, English and other languages should be among the priority tasks;

4) To persuade the Chinese government to support the territorial integrity of Ukraine (our country is able to promise China many projects in return for such support). The position of Beijing is now more important to Moscow than the position of Washington;

5) To intensify bilateral cooperation with the CIS countries, in particular, to persuade them to support the territorial integrity of Ukraine. They must understand that they might become the next victims of the Kremlin in its willingness 'to protect the Russian-speaking population';

6) To form a set of proposals which might become a real precondition for the negotiations with Moscow.

¹² Следующий за Крымом... Донецк? - <http://www.kp.ru/daily/26207.7/3092179>.