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UKRAINE – THE EUROPEAN UNION



KEY THEME ANALYSIS

D-DAY ANNIVERSARY AS A REFLECTION OF THE EU OSTRICH ATTITUDE

The essence of the EU appeasement policy towards Russia was eloquently demonstrated by the fact of the invitation of state-aggressor leader Vladimir Putin to the 70th anniversary of the Allied forces landing in Normandy. Formally it was explained by the fact of the USSR's participation in the war against Nazi Germany in 1941-45, although **it is clear that Putin has as little in common with the liberation of Europe from Hitler as Hitler himself had to the liberation of Europe from Napoleon.** Russian soldiers (along with the other nations of the USSR) in fact fought against the Nazi troops 70 years ago, whilst 130 years before WW2 the Prussians and the Austrians took part in the battles against Napoleon's forces. But it is well-known that Putin's idol Stalin in 1941 was an ally of Hitler, and in this status he entered the Second World War, taking part in the occupation of Poland and of the Baltic States. Only after the German invasion was the USSR forced to defend itself, and later – to 'liberate' Central and Eastern Europe.

Today, Putin is the leader of a revanchist Russia, seeking to regain its former influence in Central and Eastern Europe, which had been conquered by Stalin under the guise of liberation from the Nazis. Reading the papers of the Kremlin ideologists (S.Markov, A.Duhin etc.), it is easy to be sure that it is, above all, about the Baltic countries, Romania, Bulgaria, and Serbia.¹ But the road to the CEE is through Ukraine, and the occupation of the latter is currently the main business of the Russian leader, who was invited to France by François Hollande.

The absence of the Russian leader at the summit of **G-7**, which had been held in Brussels one day before the celebrations in France, in theory should be a blow to Putin's image and should play the role of diplomatic sanctions for the annexation of Crimea and for the sponsorship of terrorism in Eastern Ukraine. However, **the leaders of the major EU countries – Germany, Britain and France hastened to compensate Putin for his absence at the G-7 summit in Brussels on June 4-5, 2014, with meetings in Paris on June 5-6.** European leaders conducted talks with Putin about peace in Ukraine, although it was easy to predict that the only result of those meetings would be the photos and videos for Kremlin propaganda, indicating that there is no international isolation of Putin. The absence of positive results of the brief meeting of the newly elected President of Ukraine Petro Poroshenko with the Russian leader was also predictable.

The flattering questions to Putin, ahead of his visit to France, by the journalists of

¹ Напр, див.: Сергей Марков: "Европеизировать институты, сохранив русскую идентичность". - <http://www.politstudies.ru/extratext/lm/flm003.htm>.

French TV 'TF1' and radio 'Europe 1' are indicative. According to the journalist's words it seems as if Putin is a peacemaker, while the conflict in Ukraine is being provoked by Kyiv and Washington (e.g. such words of the French journalists to Putin as: "we see the tanks, moving from Kyiv ... have you had the temptation to enter Eastern Ukraine, to bring troops there"; "You will talk about peace in Normandy, and Barack Obama at the same time is speaking about the need to arm Europe" etc.).²

Mr. Putin has made the right conclusion from his visit to France – there would be no tough response of Europe to Russian aggression. So it is not surprising that, instead of the decision to ban the use of Russian troops in Ukraine, expected by Mr. Poroshenko,³ Russia began to supply its militants in Donbas with tanks and anti-aircraft installations, which are used to shoot down Ukrainian military aircraft. **The statements of sympathy to Ukraine and the hopeless appeals to Russia to stop the weapons supply to militants – was the traditional 'response' of the European Union to Russia's obvious role in the destruction of the 'IL-76' military transport aircraft with 49 Ukrainian soldiers, that took place on June 14 in Luhansk** (the corresponding statements were made by British Foreign Secretary **William Hague** and European Council President **Herman Van Rompuy**).⁴ Although it has been clear long ago that the Kremlin wouldn't respond to any statements, and only really tough sanctions can stop the Russian aggression.

It is indicative that the Ukrainian aircraft was destructed just one day after the phone conversation in which **President of the European Commission Jose Manuel Barroso** urged Mr. Putin to stop the illegal flow of weapons and militants into Ukraine.⁵ And three days earlier, on June 10, **German Foreign Minister Frank-Walter Steinmeier, after the tripartite meeting with Radoslaw Sikorski and Sergei Lavrov**, said that he saw a "willingness of all the parties to act for the de-escalation of the crisis in Ukraine."⁶ It is obvious, that the head of German diplomacy sees what he wants to see, not what actually is.

It is also worth noting that High Representative of the Union for Foreign Affairs & Security Policy **Catherine Ashton**, judging by the statements of her representative Maya Kosyanchych, cares more about the coloring of the Russian embassy in Kyiv with brilliant green than of 49 killed Ukrainian soldiers.⁷

On June 14, Petro Poroshenko, in a telephone conversation with Francois Hollande, expressed the hope that if Russia continues supplying weapons to the terrorists in Eastern Ukraine, the European Union will introduce sectoral sanctions against Russia, including the suspension of military-technical cooperation.⁸ The press office of the Ukrainian President reported nothing about the answer of the President of France; therefore we can conclude that there was no answer.

Unlike France, Poland made the right conclusions from 1939, and instead of the invitation of the revanchist leader to the celebrations, Poles propose to impose third level sanctions. **The Polish Sejm MP Marcin Sventsitsky**, in his interview to 'Deutsche Welle', expressed the sober idea: **"Russians would not take any**

² Интервью Путина французским СМИ. - http://ria.ru/trend/Putin_interview_04062014.

³ Порошенко: Очікуємо рішення про заборону використання військ РФ в Україні. - <http://www.pravda.com.ua/news/2014/06/6/7028254>.

⁴ Foreign Secretary condemns attack on Ukrainian plane. - <https://www.gov.uk/government/news/foreign-secretary-condemns-attack-on-ukrainian-plane>; Брюссель критикує Росію за потурання сепаратистам. - <http://www.dw.de/брюссель-критикує-росію-за-потурання-сепаратистам/a-17708149>.

⁵ Баррозу закликав Путіна припинити потік зброї та бойовиків в Україну. - <http://www.pravda.com.ua/news/2014/06/13/7028986>.

⁶ Берлін і Варшава сподіваються, що Росія не пускатиме бойовиків в Україну. - <http://www.dw.de/берлін-і-варшава-сподіваються-що-росія-не-пускатиме-бойовиків-в-україну/a-17695696>.

⁷ В ЄС засуджують події, що сталися біля російського посольства в Києві - офіційний представник. - <http://www.eurointegration.com.ua/news/2014/06/16/7023380>.

⁸ Петро Порошенко провів телефонну розмову з Президентом Франції Франсуа Олландом. - <http://www.president.gov.ua/news/30517.html>.

negotiations seriously without effective sanctions", so "third level sanctions should be implemented immediately." Mr. Svetsitsky also believes that Europe should help Ukraine with arms: ***"Straight help to the Ukrainian army would be completely legitimate."***⁹

It's time for the EU to stop the head in the sand policy of pretending as if Russia is not the aggressor, and as if diplomacy still has a chance without the tougher sanctions on Russia. Signing of the Association Agreements between the EU and Ukraine, Georgia and Moldova, scheduled for June 27, 2014, will be worth nothing if the EU allows Russia to destabilize these countries with hybrid wars and then to occupy them under the guise of peacekeepers. European capitals should not hope that Putin will be satisfied only with the Donbas or even with the whole of Ukraine. Two months ago, they hoped that Putin would be satisfied with Crimea, and 76 years ago they believed that Hitler would be satisfied with Austria and Czechoslovakia. Mr. Putin makes no secret of his claims to restore the Soviet Union's sphere of influence, and the boundaries of the USSR's influence in Europe reached the Berlin Wall.



⁹ Польський депутат: настав час серйозних санкцій проти Росії. - <http://www.dw.de/польський-депутат-настав-час-серйозних-санкцій-проти-росії/a-17707348>.

UKRAINE – NATO



KEY THEME ANALYSIS

NATO: SIMULATION OF SECURITY ENHANCING AT A TIME OF CONSISTENT LOSS OF POSITION?

U.S. State Department official confirmation of the information that tanks and other heavy weapons were supplied to the separatists in Eastern Ukraine from Russian territory¹⁰ should apparently be supported by some concrete measures. The strengthening of the economic sanctions against Russia is difficult due to the resistance of some European 'partners', but nothing prevents the most powerful country in the world from helping Ukraine with military equipment and techniques. Judging by the failures in the anti-terrorist operation, Kyiv needs the expert assistance of the U.S. counterterrorism specialists as well. The Kremlin anyway declares that American commandos are fighting in Ukraine.

However, according to the NATO Secretary General *Anders Fogh Rasmussen's interview to the '1+1' TV channel*, Ukraine should not rely on quick assistance from NATO. Mr. Rasmussen said that, responding to the "new style of war", introduced by Russia, the NATO foreign ministers will discuss at the end of June the aid package to Ukraine, which will include aid in defense sector reform, development and modernization of the armed forces, and increased participation in NATO exercises.¹¹ *Deputy Secretary General of NATO Alexander Vershbow in the newspaper 'Day'* promised long-term cooperation on defense reform and support to the Armed Forces of Ukraine in the fields of logistics, command, management of procurement, and strategic communications.¹²

The question is whether Ukraine survives till such long-term help, as the Russian direct military aggression continues. **Statement of the Russian MFA on June 14 about the alleged "provocations of the Ukrainian side" on the Russian-Ukrainian state border**¹³, is reminiscent of similar statements by Nazi Germany in 1939, and indicates the Kremlin's preparation for the formal 'justification' for a full-scale military invasion. *The Russian president's adviser Sergei Glazyev talked recently in Moscow about the urgent need to destroy the armed forces of Ukraine with air strikes*, otherwise Ukraine would build a strong

¹⁰ Russia Sent Tanks to Separatists in Ukraine, U.S. Says. - <http://www.nytimes.com/2014/06/14/world/europe/ukraine-claims-full-control-of-port-city-of-mariupol.html>.

¹¹ Генсек НАТО розповів про новий стиль війни від Росії та про допомогу Україні. - <http://tsn.ua/politika/gensek-nato-rozpoviv-pro-noviy-stil-viyni-vid-rosiyi-ta-pro-dopomogu-ukrayini-353658.html>.

¹² Александер Вершбоу: «Ми сподіваємося на те, що зусилля Президента Порошенка, спрямовані на стимулювання політичного вирішення конфлікту, матимуть успіх і можна буде уникнути подальшого кровопролиття». - <http://day.kiev.ua/uk/article/den-planeti/ukrayina-nato-plan-diy>.

¹³ Заявление МИД России в связи с нарушениями Украиной режима российско-украинской границы. - http://www.mid.ru/brp_4.nsf/0/83DC97FA5544C86A44257CF7004A3770.

army by the end of 2014, and it would be impossible to destroy it then.¹⁴ Those who believe that the words of this odious politician should not be taken seriously must remember that in 2013 it was Mr. Glazyev who ‘predicted’ the Russian trade war against Ukraine and Kyiv’s refusal to sign the Association Agreement with the EU. In early 2014 Glazyev in his interviews actually demanded from Yanukovych to disperse EuroMaidan with brutal force, and Yanukovych tried to do it. The moving of 200 Russian military vehicles toward the Ukrainian border on June 16 also indicates the preparations for a full-scale invasion.¹⁵

As for improving NATO’s own security – the decisions taken during the meetings of the Ministers of Defence on June 3, 2014 in Brussels could have been considered acceptable one or two years ago, in peacetime. But at the time of the dynamic proliferation of Russian aggression it looks more like the simulation of activities than the real steps to improve the security of the Alliance, not to mention its partners. The Ministers approved Germany’s initiative on ‘Framework Nations’, which will help boost multinational cooperation to develop the forces and capabilities needed to meet NATO’s requirements and cope with new security challenges; welcomed the decision by Denmark, Germany and Poland to start work to raise the readiness of Multinational Corps North East in Poland; decided to extend the anti-piracy operation ‘Ocean Shield’ to the end of 2016; agreed a new cyber-defence policy, recognising cyber as part of NATO’s collective defence. It was also agreed that a Readiness Action Plan, to be developed by the Wales Summit in September 2014, will include measures aimed at enhancing the NATO Response Force’s level of responsiveness and NATO’s intelligence and awareness; to pre-position equipment and supplies; and to focus NATO exercises even more on specific defence challenges.¹⁶

Alexander Vershbow’s speech at the Wroclaw Global Forum in Poland on June 6 indicated that NATO leaders still have not realized the essence of the challenges facing the Alliance. On the one hand, Mr. Vershbow rightly said that due to the Kremlin’s “seeking to recreate a sphere of influence based on a dangerous new doctrine of limited sovereignty for countries that form part of the so-called Russian World”, “it comes to shaping transatlantic security and defense in a post-Crimean world”. On the other hand, his words that, despite the need to “go back to basics”, NATO intends to continue paying attention to the North Africa, the Middle East and the Asia region, and to deepen the ‘Smart Defense’ cooperation,¹⁷ indicate the inadequacy of the estimations of the current level of partnership within NATO, as well as of the organization’s opportunities. Why extend the jurisdiction of the Alliance throughout the whole world, while NATO can’t guarantee the safety of its partners even in Europe? Why enhance the interdependence of security of the Allies through the ‘Smart Defense’ cooperation under the conditions of the absence of consensus within NATO? After all, if one of the ‘Smart Defense’ participating countries suddenly refuses to perform its duties because of the disagreements in the views on security issues (for example, if France decides that the emergence of ‘green men’ in the Baltic States is not a basis for the application of Article 5) – then all the relevant direction of the entire Alliance will fail to function.

NATO’s weak knees policy in Europe results in a ‘domino effect’ loss of positions in other regions of the world. Thus, in June 2014 the armed groups

¹⁴ Советник Путина предложил ударить по украинской армии, чтобы не дать ей окрепнуть. -

<http://www.unian.net/politics/926969-sovetnik-putina-predlozil-udarit-po-ukrainskoy-armii-chtobyi-ne-dat-ey-okrepnut.html>.

¹⁵ 200 одиниць російської військової техніки рухаються до українських кордонів (ВІДЕОФАКТ). -

http://espresso.tv/news/2014/06/16/200_odynyc_rosiyskoyi_vyskovoyi_tekhniky_rukhayutsya_do_ukrayinskykh_kordoniv_videofakt.

¹⁶ NATO steps up collective defence, support for reforms in Ukraine. - http://www.nato.int/cps/en/SID-CF62A753-8C9B5BDA/natolive/news_110609.htm?selectedLocale=en.

¹⁷ Reshaping Transatlantic Defense and Security for a post-Crimean world. - http://www.nato.int/cps/en/natolive/opinions_110902.htm.

of extremists of the 'Islamic State in Iraq and the Levant' captured Mosul, the second large city of Iraq; and now they are making preparations to march on Baghdad. While NATO chief Anders Fogh Rasmussen was explaining that NATO has no mandate to operate in Iraq,¹⁸ and U.S. President Barack Obama was considering the other (than military) options of the United States' possible help to Iraq,¹⁹ – the President of Iran Hassan Rouhani expressed the willingness to provide military aid, more than two thousand Iranian soldiers entered Iraq, and Qassem Suleimani, commander of the Quds force of the Iranian Revolutionary Guard Corps, came to Baghdad to assist with defence of the Iraqi capital. Whatever the conflict result, **the U.S. and NATO are likely to lose Iraq**. Given the Washington and Brussels commitment to 'diplomacy' at the time when their allies are on fire, one should not be surprised if soon the Iranian 'green men' help Bashir Assad to ultimately win in Syria, if Chinese 'green men' land in Taiwan, while Russian ones in Moldova and in the Baltic States, and if anti-American forces prevail in Afghanistan.



¹⁸ Генсек НАТО: у альянса нет мандата для урегулирования ситуации в Ираке. - <http://itar-tass.com/mezhdunarodnaya-panorama/1254857>.

¹⁹ США пока не собираются выдвигать войска до Ираку. - <http://www.dw.de/сша-поки-не-збираються-вдвигати-війська-до-іраку/a-17706058>.

FOREIGN POLICY OF UKRAINE



KEY THEME ANALYSIS

RUSSIA PREDICTABLY SHUT OFF GAS SUPPLIES TO UKRAINE

On June 16, 2014 the event, which had been expected by everyone since the victory of EuroMaidan finally happened – Russia resorted again to its favorite energy weapon, shutting off gas supplies to Ukraine. Formally, it was called ‘transfer to prepay’, but in the absence of the agreement on gas prices, it actually means the shutting off of supplies.

Previously the tripartite talks of the representatives of Ukraine, Russia and the European Union took place, and Kyiv agreed to the compromise proposal of the EU Commission for energy Günther Oettinger, which was to set the price at \$385 per 1 thousand cubic meters in winter and at \$300 in summer; to pay immediately \$1 billion of Kyiv’s ‘debt’ to Moscow and to pay the rest in six additional payments till the end of the year.²⁰ **The Kremlin traditionally tried to cheat the partners with the proposition to reduce the price to \$385 only through the mechanism of the so-called ‘discount’** (due to the cancellation of export duties), which should be subject to the Government’s decision and consequently might be cancelled at any time (as happened previously, on April 1, 2014). The Ukrainian side refused to be in limbo, reasonably assuming that the Kremlin would cancel its ‘discount’ just before the winter, when the bargaining position of Ukraine would be much weaker.

Immediately after shutting off the gas supplies, both sides filed lawsuits to the Stockholm Court of Arbitration. Russian ‘Gazprom’ demands \$4.5 billion ‘debt’ from ‘Naftogaz of Ukraine’ for the supplied gas, while ‘Naftogaz’ claims for the return of \$6 billion which Ukraine overpaid to ‘Gazprom’ since 2010 because of the nonmarket price. Experts suggest that Kyiv has all the chances to win the case, because in 2009 Moscow with pressure and blackmail forced the Ukrainian side to sign an unfair gas deal. However, one should not underestimate the ability of the Kremlin to make favourable offers to the ‘incorruptible’ Europeans, and it is hardly possible that Moscow has wasted the time, won due to the predictably unpromising negotiations with Kyiv and Brussels.

According to the experts’ estimations, the existing stocks of gas in Ukrainian gas storages together with possible gas-reverse supplies will fully provide Ukraine till

²⁰ Україна погодилася на компромісне вирішення газового конфлікту з Росією, запропоноване ЄС. - <http://tyzhden.ua/News/112280>.

December 2014. 'Naftogaz' chief Andriy Kobolev requested the European Commission to assist in expanding gas-reverse through Slovakia, he also continues the relevant negotiations with the German RWE, 'Gaz de France' and other possible suppliers. Prime Minister Arseniy Yatsenyuk instructed the National Electricity Regulatory Commission of Ukraine to establish the reasonable rates for Russian gas transportation through the territory of Ukraine. European Commissioner Günther Oettinger suggested that European companies could help Ukraine to fill its underground gas storages, de facto creating the strategic reserve for the Ukrainians.

The Ukrainian experts believe that **Kyiv should more actively engage the EU to resolve the gas crisis, because it is not just our problem. Ukraine has no legal obligations before the European countries concerning gas transit, and the political responsibility must be mutual.** *Energy expert of the Razumkov Centre Volodymyr Omelchenko* reasonably considers that Ukraine should demand from the EU and the U.S. to implement third phase sanctions in response to the Russian aggressive actions, and to use the potential of the European LNG-terminals, which are currently filled to only 35% of capacity, although they can take 200 billion cubic meters of gas per year.²¹ In addition, Ukraine has to reduce the energy intensity of its GDP, which is now 2.5 times higher than in the EU.

Expert on Energy Security Bohdan Sokolovsky rightly recommends considering gas issues in the general context of relations with Russia.²² Indeed, **it is unclear why the issue of Ukrainian gas 'debt' is considered separately from the issue of Russia's stealing of 2.2 billion cubic meters of gas which had been previously purchased by Ukraine for the Crimean "Chornomornaftogaz"?**²³ The same is about the issue of the appropriation by Russia of Ukrainian property in Crimea for hundreds billions of dollars, including the investments in the development of the gas shelf, the enterprises, the hotels, the sea fleet, the military equipment, etc. (not to mention the cost of the land itself).

And the EU should consider seriously the proposal of the Polish Prime Minister Donald Tusk on the creation of the European Energy Union, and forever deprive Moscow of the possibility to use gas as a weapon.

²¹ Експерт: Україна може позбутися залежності від російського газу. - <http://tyzhden.ua/News/112343>.

²² Газові переговори на паузі. Що далі? -

http://www.bbc.co.uk/ukrainian/business/2014/06/140612_gas_talks_reaction_az.shtml.

²³ Росія вкрала 2 мільярди кубометрів українського газу – Яценюк. -

<http://www.radiosvoboda.org/content/article/25400732.html>.