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Friedrich Naumann STIFTUNG FÜR DIE FREIHEIT



UKRAINE - THE EUROPEAN UNION



KEY THEME ANALYSIS

EXPECTATIONS OF THE EU, UKRAINE AND RUSSIAN FROM THE 'MINSK MEMORANDUM' AND THE 'BRUSSELS COMPROMISE'

The 'Minsk memorandum' was signed on September 19 2014 by the members of the contact group on the crisis in Eastern Ukraine and provided for a withdrawal of heavy weapons to the distance of at least 15 km on each side, a ban on the use of weapons and a withdrawal of all foreign armed forces and mercenaries from the territory of Ukraine. However, this new Minsk document has been performed only by the Ukrainian side, as well as the previous ceasefire protocol of September 5. Pro-Russian guerillas have not withdrawn heavy weapons and continue fire attacks on Ukrainian positions. Russia continues to supply heavy weapons and 'volunteers' to separatists, albeit Moscow temporarily abandoned the large-scale use of its regular troops. In fact the suspension of the large-scale offensive of the Russian regular army is the only real difference between the current 'truce' and the previous hostilities.

It is obvious that the EU, Russia and Ukraine set different goals when agreeing to such a nominal 'truce'. The European Union demonstrates the desire for peace at any cost (for this cost has to be paid mostly by Ukraine). The EU has passed through its 'Munich', when it forced Kyiv to agree to the postponing of the DCFTA and to adoption of a law which opens the way for the legalization of the separatists' control over the captured territory of Donbas (de facto it will be under the Kremlin's control). Moscow understood that its armed blackmail works and began to demand further concessions, namely the legal execution of postponing the DCFTA, as well as amendments to the EU-Ukraine Association Agreement (AA). The European Council has already performed the first part of the Kremlin's new requirements and decided officially to postpone the implementation of the DCFTA provisions to the end of 2015. Nevertheless, the Russian Prime Minister Dmitry Medvedev has signed a decree on the introduction of import duties on Ukrainian goods, which will take effect if Kyiv begins applying the economic provisions of the AA or adaptation of the Ukrainian legislation to European standards. In fact, Russia requires the blocking of reforms in the Ukrainian economy with the silent consent of the EU. At the same time, Brussels continues to insist on reforms as a precondition for its financial assistance to Kyiv.

Russian Foreign Minister Sergey Lavrov in an interview with Russian television did not conceal that the war in Donbas is payment for the obstinacy of Ukraine and the EU, which finally had to agree to the initial Russian requirement of not enforcing the DCFTA: "To come to the same result (which was available in November 2013, when Viktor Yanukovych said that he had postponed the signing) in ten months, but at huge cost of human lives and destruction. This will not be positively assessed by those who started all this."

¹ Глава МИД РФ: у России нет никакого желания продолжать войну санкцій. - http://itar-tass.com/politika/1472477.

Among Vladimir Putin's further requirements, outlined in his letter to European Commission President José Manuel Barroso, is the "systematic adjustment of the **Association Agreement.**" It is possible that Berlin and Brussels will agree to comply with these demands, trying to submit it as Kyiv's request – the same way they did with the postponement of the DCFTA. The European Parliament in its Resolution called for the EU to consider excluding Russia from civil nuclear cooperation and the Swift system³, but these threats are unlikely to be realized, for some European politicians are calling already for the abolishing of even the present limited sanctions. The unfavorable trends for Ukraine are indicated by the personal changes taking place in European diplomacy. The passive position of the new Polish Prime Minister Ewa Kopacz on the Russian-Ukrainian conflict raises the suspicion that the real purpose of electing Donald Tusk to the President of the European Council was to remove from power in Poland the pro-Ukrainian Tusk-Sikorski tandem undesirable for Berlin and Paris. Another friend of Ukraine, Swedish Foreign Minister Carl Bildt will leave his post in the near future as well. Under such conditions the statements of the Ukrainian authorities on plans to apply for EU membership in 2020 looks more like pre-election rhetoric than a real action plan. It is unknown whether the DCFTA will ever work comprehensively, not to mention membership.

Kyiv does not hide its intention to use the reduction in the scale of fighting for restoration of the combat readiness of the Ukrainian army, which lost a significant part of its resources during the offensive of Russian regular troops at the end of August. However, the absence of personal decisions on the military command staff after the crushing defeat at Ilovaisk and the inefficient use of budget funds for the ATO make doubtful the rapid correction of the situation. The amount of UAH 63 billion (approx. \$5 billion), announced by Iryna Herashchenko, head of the Parliamentary temporary investigative commission on verifying the use of public funds allocated to the Armed Forces⁴ is in sharp contrast to the reports of journalists and volunteers about the real situation in providing soldiers with ammunition, weapons and equipment.

It is unclear also why the decision of the National Security and Defense Council of Ukraine "On urgent measures to protect Ukraine and strengthen its defense" of August 28, was enacted by the Presidential Decree after almost a month, on September 24?! Given the fact that in war time 'urgent' measures are waiting for a month to be signed, we can suppose that the country's leadership over-estimates the amount of time it possesses to restore the Armed Forces. Russia is increasing the separatist forces at an accelerated tempo, providing them with heavy weapons, including air defense systems, as well as with 'volunteers' from the Russian elite military divisions. Simultaneously Russia is redeploying its regular troops along the Ukrainian border, which indicates the intention to resume the offensive against Ukrainian positions.

It is obvious that the minimum program for <u>Russia</u> is to gain the land passage to Crimea, which includes capturing the Zaporizhia and Kherson regions. Such a plan is indicated by the redeployment in the second half of September of four thousand Russian soldiers with all the military equipment and ammunition closer to the Crimean administrative border with Kherson region. Given the lack of Ukraine's intentions and military capabilities to invade Crimea, it is obvious that *Russian troops are preparing an offensive operation, not a defensive one*. It seems it will be a simultaneous attack from the East, near Mariupol (where Russian militants continue their attacks on Ukrainian positions) and from the South (from Crimea).

Russia is also preserving its plans to implement the maximum program and to occupy the entire Southern and Eastern Ukraine. Such intentions are indicated by the renewal in late September of the pro-Kremlin agents' attempts to organize pro-Russian rallies in Kharkov, Odessa and other cities in South-East Ukraine. Even though the pro-Russian meetings in Kharkiv and Odesa gathered just a few dozen people, while in all the other cities they failed to gather

² Путін вимагає від ЄС масштабних змін до асоціації – 3MI. - http://www.pravda.com.ua/news/2014/09/26/7038957.

³ European Parliament resolution on the situation in Ukraine and the state of play of EU – Russia relations (2014/2841(RSP)). - http://www.europarl.europa.eu/sides/getDoc.do?type=MOTION&reference=P8-RC-2014-0118&language=EN.

⁴ Цьогоріч на АТО пішло понад 63 мільярди гривень – Геращенко. - http://www.ukrinform.ua/ukr/news/tsogorich_na_ato_pishlo_ponad_63_milyardi_griven___gerashchenko_1973384.

anyone, the Kremlin media gave 'information' about 'many thousands' of people. These 'mass' meetings seem to be the prototypes of the 'rebellions' which could give start to the lightning invasion of Russian 'volunteers' or 'peacekeepers' simultaneously from the East, from the South (from Crimea) and the from the West (from Transnistria).

Moscow is still managing to outplay Kyiv and Brussels – the real economic and political concessions of them were answered only with some reduction in the scope of Russia's aggression, without return of the occupied territories. Ukraine and the EU have to make the most of the current time-out, the so-called 'truce', to strengthen the current Ukrainian defensive lines and to prepare a new round of sanctions, which should be critical for the Russian economy and ready to be put into effect if Russia fails to fulfill its part in the peace commitments.



UKRAINE - NATO





KEY THEME ANALYSIS

OBAMA'S REFUSAL TO GRANT UKRAINE THE STATUS OF MAJOR NON-NATO ALLY DOES NOT REMOVE THE NEED TO PREPARE FOR NATO MEMBERSHIP

Petro Poroshenko's visit to Washington on September 18 2014 finally clarified the possible scope of support, which Ukraine can expect from the U.S. and NATO at the time of the Obama Administration. Despite the unprecedented reception level and the standing ovations for the Ukrainian President during his speech in Congress, Ukraine has not been granted the status of major non-NATO ally. In an interview with CNN Petro Poroshenko explained: "He (Barack Obama) said No, because we already have a special status for the level of cooperation between the United States and Ukraine. The level of security and defense cooperation is much higher than just the status of the major non-NATO ally, for example, granted to Argentina."

It should be noted that on September 18, the U.S. Senate Committee on Foreign Relations approved a bill to grant Ukraine the status of major non-NATO ally, as well as to provide Ukraine with weapons for \$350 million. It is unlikely that the Senate Committee understands worse the significance of allied statuses than the Obama Administration does, and therefore the refusal to Ukraine is just the continuation of the foreign policy which has been conducted by Barak Obama for six years, and which allowed Russia to put the world on the brink of World War III.

The U.S. President confirmed his lack of foresight in an interview with CBS on September 28, while commenting on the possibility of Russian aggression against the Baltic States: "No, I don't think there's going to be a military confrontation between NATO and Russia." Such a position of Obama does not contribute to the calmness of U.S. allies. *Lithuanian President Dalia Grybauskaite in an interview with the Washington Post strictly said that NATO's Article 5 "will not stop Putin from his plans if he does not see real actions from European and world leaders"*. Hereinafter Dalia Grybauskaite clarified that she would like Barack Obama to "to show leadership on Ukraine", for now "we see that for some reason we are selling out independent countries."

In his speech to the U.S. Congress Petro Poroshenko called to assist Ukraine with both lethal and non-lethal weapons, correctly noting that "it is impossible to win a war with blankets." However, judging by his comments to Ukrainian journalists, Petro Poroshenko has

⁵ President of Ukraine tells CNN's Wolf Blitzer that U.S. has refused Ukraine's request for weapons. - http://cnnpressroom.blogs.cnn.com/2014/09/18/president-of-ukraine-tells-cnns-wolf-blitzer-that-u-s-has-refused-ukraines-request-for-weapons.

⁶ President Obama, part two. - http://www.cbsnews.com/videos/president-obama-part-two.

⁷ Lithuania's president: 'Russia is terrorizing its neighbors and using terrorist methods'. - http://www.washingtonpost.com/opinions/lithuanias-president-russia-is-terrorizing-its-neighbors-and-using-terrorist-methods/2014/09/24/eb32b9fc-4410-11e4-b47c-f5889e061e5f_story.html.

not managed to convince his American counterpart: "When I came back, I heard the first question: Have you brought the lethal weapons? My friends, I assure you that we do not need the lethal weapons."⁸

It should be noted that Ukraine is responsible also for such a situation, for despite the statements of senior officials and the corresponding decision of the National Security and Defense Council, the Ukrainian Parliament still has not voted on the abolition of the non-aligned status. There is also no formal declaration of intention to join NATO – under the pretext of the reluctance to deteriorate relations with Russia, although the latter has been waging a war against Ukraine for the last six months. On the contrary, the declaration of intention to join NATO might reduce the risks for Kyiv, for it might automatically make the Alliance politically responsible for the fate of Ukraine. And even Barack Obama would find it difficult to explain to U.S. citizens why he refuses to provide arms to a NATO ally.

Kyiv is also responsible for the other significant reason for the Western reluctance to provide Ukraine with military assistance, namely the inefficient use of its own resources and massive loss of weapons during the unorganized retreats. It is difficult to convince the U.S. and Europe to provide weapons to a country which holds dozens of its own tanks in the factory warehouse, whose volunteers have to buy in state-owned enterprises the armored vehicles for the ATO, whose Ministry of Defence has unused billions in its bank account, and where dry rations from the U.S. aid are being sold online. It's not a secret that Ukraine inherited from Viktor Yanukovych corrupted security structures stuffed with Russian agents, but this fact does not deprive the new government of the responsibility to restore immediately order in this field.

Taking into account all the above mentioned factors, we should not underestimate the importance of the planned U.S. military assistance of about \$350 million, including the equipment for border control, transport, thermal imagers, night vision equipment, patrol boats, radars, ammunition, the help of advisors on counterterrorism and training of Ukrainian troops. NATO members Germany, Latvia, Lithuania, Poland and Slovakia are providing medical assistance to Ukrainian soldiers injured in the ATO. The U.S., Greece, Estonia, Slovenia, Hungary, and the Czech Republic have expressed their willingness to provide similar assistance. Poland has declared its readiness to sell drones to Ukraine.

On September 19 2014, in Warsaw, the agreement to establish the Lithuanian-Polish-Ukrainian Brigade was signed (this issue has been under negotiation since 2007). Under the agreement, signed by the Defense Ministers of three states, the Brigade will consist of around 4,500 soldiers with standard weapons and equipment; the central headquarters will be located in Lublin. Ukraine will provide to the LITPOLUKRBRIG 545 soldiers (airborne battalion and sustaining units), there will be 3000-3800 Polish soldiers and 150-350 Lithuanian soldiers. It is assumed that other states can join the Brigade.

Currently the Ukrainian government is trying to use the limited 'window' of opportunities which it has, given the non-aligned status. But it would be much more efficient to work through the 'door' which is open for Ukraine, NATO leaders repeatedly say. All the recent polls indicate that most Ukrainians support joining NATO. In September 2014, 52% of respondents told GfK Ukraine that they would vote 'for' Ukraine joining NATO if the corresponding referendum was conducted, while only 15% would vote 'against'. Under such circumstances, the delaying in cancellation of the non-aligned status means the violation of the will of the Ukrainian people.

Ukraine needs to rapidly reform its armed forces in accordance with NATO standards. Even the current U.S. Presidential Administration is ready to help with this. It is necessary also to intensify the work with the Republican and Democratic parties of the U.S. to be sure that in two years both presidential candidates will support Ukraine's joining NATO.

⁹ Більше половини ймовірних виборців за вступ України до НАТО та проти миру на умовах передачі територій під контроль Росії. - http://www.qfk.com/ua/news-and-events/press-room/press-releases/pages/politics-290914.aspx.

⁸ Порошенко: Нам не потрібна смертельна зброя. - http://www.pravda.com.ua/news/2014/09/25/7038917.

FOREIGN POLICY OF UKRAINE



RUSSIAN AGGRESSION HAS REVEALED THE SECURITY VACUUM IN EASTERN EUROP, AND THERE IS NO ONE TO FILL IT IN RIGHT NOW

The Wales Summit of the North Atlantic Treaty Organization indicated that the current leadership of the United States and of 'old' Europe lacks the political will to create military bases in Eastern Europe which could actually protect the region against possible Russian aggression. Let's analyze whether there are any other alternatives to ensure regional security.

It seems that the **European Union** should take care of security in the region as the EU's Eastern European members and partners are in the greatest danger. Three Eastern Partnership countries, Moldova, Georgia and Ukraine, have already become the victims of Russian aggression (Ukraine was under attack specifically because of the signing of the Association Agreement and DCFTA with the EU). The Baltic States, Poland and Romania are the next possible victims of invasion, and the likelihood of aggression against Latvia and Estonia is very high, because 25-26% of the population in these countries are ethnic Russians (significantly more than in Ukraine, where there are 17% ethnic Russians, including Crimea), and the integration of Russians into local societies in Latvia and Estonia is much worse than in Ukraine. But since the times of Javier Solana the EU does not care systematically for the issues of common defence and security policy. The European Defence Agency with its budget of only €30.5 million is unable to create the security mechanisms. Without the NATO (actually the U.S.) military umbrella, the EU cannot protect its members, not to mention partners.

The Organization for Security and Cooperation in Europe (OSCE) actually plays along with the aggressor state. At first, under OSCE mediation, a truce on Russian terms was signed, and only the victim of aggression, Ukraine, took responsibility for its fulfillment. Systematic violations of the truce by Russia and its guerillas do not lead to any formal protest of the OSCE. At the end of September, the OSCE has not complied with its commitment to provide drones, and Petro Poroshenko had to attract the attention of German Chancellor Angela Merkel to this fact. The OSCE drones could fix the constant movement of arms and militants from Russia into Ukraine, as well as the numerous attacks of separatists on Ukrainian positions. Hennadiy Moskal, the Chairman of Luhansk Regional State Administration, stated bluntly that "the OSCE mission, which is supposed to monitor the cease-fire, unfortunately stands aloof of its duties."

¹¹ У Слов'яносербському районі нацгвардійці відбили атаку трьох танків, пошкодивши два з них, а в Попаснянському районі терористи з "Градів" обстріляли школу. - http://www.moskal.in.ua/?categoty=news&news_id=1125.

¹⁰ Президент України продовжив телефонні консультації з Канцлером Німеччини. http://www.president.gov.ua/news/31307.html.

The 69th session of the General Assembly of the <u>United Nations Organization</u>, held in the last week of September 2014, indicated that this previously respected institution has finally turned into a contest of rhetoric. Barack Obama, Arseniy Yatsenyuk and Sergei Lavrov competed in eloquence during their speeches to the GA, but they hardly hoped for any real decision of the General Assembly. Mr. Lavrov proposed an 'interesting' idea to adopt the General Assembly Declaration "on the non recognition of coups as a means of regime change." Thus Moscow publicly seeks to return to the nineteenth century, when the Russian Empire as a 'gendarme of Europe' suppressed revolution in neighboring countries. Arguably, the Kremlin also seeks to make itself safe from a possible people's uprising against their current idol Putin in case of economic collapse due to the sanctions.

The UN Secretary-General Ban Ki-moon actually keeps aloof from the Russian-Ukrainian conflict. He just occasionally refers to Russia with calls "to use its influence to secure a sustainable cease-fire." Ukraine does not insist on bringing the UN into resolving the crisis, saying that it does not require international peacekeepers in Donbas. It is obvious that Kyiv is afraid to see Russian 'peacekeepers' among the UN 'blue helmets'. But it is too late to be afraid of the presence of Russian troops in Donbas, for they are already there, and they will not go away, regardless of whether they have the official chevrons of the Russian army or they act under the guise of the 'volunteers'. The official presence of international peacekeepers might help stop the genocide of the Ukrainian people which is carried out in the territories controlled by separatists and Russian 'volunteers'.

Another structure, which supposedly should take care of the security issues in the region, the Collective Security Treaty Organization (so-called Tashkent Pact), is actually just a tool of the legitimation of the Russian military presence; in fact it is about the voluntary consent to the occupation.

So, despite all the shortcomings of NATO, there is no other alternative for security in Europe today and in the foreseeable future. Ukraine and other countries of the region should take in mind this reality, while conducting security policy. They have to seek for opportunities within the existing Alliance mechanisms and to work hard on creating new possibilities, not just appealing for the help of the United States. Signing of the agreement to create a new rapid reaction force by seven NATO countries (Britain, Denmark, the Netherlands, Norway, Latvia, Lithuania and Estonia) at the Wales summit indicates the existence of the opportunities to create the new security mechanisms without waiting for the consent of all the Alliance's members. The advantage of such an approach is that the member states know exactly which partners they can rely on in case of aggression.

East European countries should increase over time their defense spending, which in Latvia, Lithuania and Romania is currently just about 1% of GDP. Even more this is vital for Moldova, whose defense spending is less than 0.5% of GDP. Ukraine is now paying the penalty for its previous 'saving' on its own army; and Kyiv declared its intention to increase defense spending to 5% of GDP. NATO will be ready to contribute to the development of strong armed forces in Eastern Europe, if it sees their real desire and willingness to spend their own effort and money on this goal.

The Eastern European countries have to fill in themselves the security vacuum in their own region under the aegis of NATO, to fill it by their own armed forces and military bases, always ready to take the allied forces of the Alliance. Otherwise, this vacuum will be filled in by Russia soon.

³ Генсек ООН закликав Лаврова вплинути на бойовиків на Донбасі. - http://www.pravda.com.ua/news/2014/09/27/7039117.

 $^{^{12}}$ Выступление Министра иностранных дел Российской Федерации С.В.Лаврова на 69-й сессии Генеральной Ассамблеи ООН, Нью-Йорк, 27 сентября 2014 года. - http://www.mid.ru/brp_4.nsf/0/42A12ECFF2162A4B44257D6000655B82.