

Ukraine and the West: Moving From Stability to Strategic Engagement

TARAS KUZIO AND JENNIFER D. P. MORONEY

This article surveys the West's engagement with Ukraine during the last decade and argues in support of a more robust, coherent and committed policy towards Ukraine. The West's ambivalent policy towards Ukraine was matched by Ukraine's amorphous and declaratory policy towards integration into Trans-Atlantic and European structures. This weakly defined foreign policy was matched by an unclear commitment domestically to reform.

The article is divided into six sections that cover Ukraine's strategic importance to the West and the rise of geopolitical pluralism in the post-Soviet space. It then surveys Ukraine's reform record and the role of national identity in Ukraine's foreign policy. The article also discusses the ambivalence in both Western policy towards Ukraine and Ukraine's policy towards 'returning to Europe'. Finally, the article makes six policy recommendations for Western governments to increase their strategic engagement with Ukraine.

UKRAINE: THE 'LYNCHPIN' OF EUROPEAN SECURITY

Ukraine has not always been so central to US national interests and to European security. In the early 1990s Ukraine was viewed by the West as an unwelcome addition to the world community of nations. A combination of Russo-centric views and exclusive focus upon nuclear weapons led to poor relations between Ukraine and the West until 1993. Zbigniew Brzezinski's celebrated article in a 1994 edition of *Foreign Affairs* called upon the West to promote 'geopolitical pluralism' instead of a Russo-centric agenda in the former USSR.¹ From 1994 until the end of the decade Western support helped to secure Ukrainian independence, territorial integrity and sovereignty. By 1999 all of Ukraine's borders were recognized by its neighbors and Russian-Ukrainian relations had considerably improved. A growing consensus among Ukraine's elite's backed a foreign policy course aimed at a deepening of cooperation and eventual integration with Trans-Atlantic and European structures.

Geopolitical pluralism in the post-Soviet political space has created a balance of forces and regional stability. Nevertheless, Russia has not reconciled itself to geopolitical pluralism. On his first foreign international trip after being elected Russian President Putin stopped in Ukraine on his way back from the UK. Putin proposed that the military-industrial complexes of Russia and Ukraine cooperate, offered relief on large gas debts, greater military cooperation between both countries' armed forces and sought to relax Ukrainian controls over the Black Sea Fleet's ability to operate out of the Ukrainian port of Sevastopol. In 2000 Ukraine took part for the first time in 'Commonwealth-2000' CIS air defense exercises.

Western policy towards the Newly Independent States did, indeed, change after 1994, and the main beneficiary of this was Ukraine. By the mid-1990s Ukraine was being described as the 'lynchpin' of European security by then UK Foreign Minister Malcolm Rifkind and a host of other Western leaders.² Support for Ukraine's independence, territorial integrity and sovereignty have become enshrined in the Trilateral Agreement of the US, Russia and Ukraine, security assurances provided by the world's five declared nuclear powers, the NATO-Ukraine Charter and the European Union's Partnership and Cooperation Agreement (PCA) and Common Strategy of the European Union on Ukraine.

Nevertheless, despite all-embracing political support, the West has been unable to outline coherent strategic objectives towards Ukraine. The West merely knows what it does not want Ukraine to do and its support is a means by which to encourage it to *not* contemplate joining any new Russia-backed unions. But such a policy is insufficient. Indeed, it is only half a policy. It does not answer the more fundamental question of where Ukraine should fit into the newly emerging Trans-Atlantic and European security architecture. The West's ambivalence towards Ukraine's strategic objectives is matched by an equally ambivalent Ukrainian security foreign policy of 'multi-vectorism' and active non-bloc neutrality that is increasingly becoming untenable.

It is now widely recognized that an independent Ukrainian state is a key factor in US national interests and plays a strategic role in European security and stability in four areas.

First, by preventing the re-emergence of a new Eurasian union the post-Cold War peace dividend is ensured. If Russia were to officially articulate its intention to rebuild such a union, NATO and Western governments would be forced to increase their military spending and re-evaluate their strategic options. A Russia bent on territorial expansion and a desire to dominate her neighbors would, as former Secretary of State Henry Kissinger recently warned, lead to a new Cold War.³

Second, by preventing the emergence of such a union Russia is encouraged to build a nation-state within its borders – and not an empire.

Third, an independent Ukraine, which borders Poland, Slovakia, Hungary and Romania, provides stability in the strategically important region of central-eastern Europe.

Finally, as a status quo power Ukraine supports a post-Cold War Europe and Eurasia that emphasizes international stability through territorial integrity and state sovereignty, as well as increased regional cooperation.

Ukraine is central to geopolitical pluralism in the post-Soviet political space, which has created a balance of forces and regional stability. The absorption of Ukraine into a new Russia-dominated union would upset this strategic stability and work against Western interests of promoting geopolitical pluralism and the 'quadruple transition' of democratization, marketization, state-institution and civic nation-building.⁴ A large number of Ukrainians would not accept the 'Belarussian' way of re-integration within Russia's sphere of influence. The likelihood would be that the security forces would divide and possibly disintegrate, nationalist paramilitary groups would violently oppose such a move and therefore, Ukraine would not be re-absorbed by Russia peacefully.

A Ukraine forcefully absorbed into a new Russian-led union would lead to the disintegration of the GUUAM (Georgia, Ukraine, Uzbekistan, Azerbaijan, Moldova) regional group. This would bring to an end geopolitical pluralism in the weak Commonwealth of Independent States (CIS) and make it easier for Russia to pursue its strategic objectives in Moldova and the Trans-Caucasus. The two countries most affected would be NATO members, Poland and Hungary, who would no longer share Ukraine as a buffer state separating them from Russia. In such an eventuality, both have publicly stated that they would petition NATO to have nuclear weapons based on their territories. In April 2000, the Polish State Protection Office issued its latest assessment of security threats to Poland. These included continued instability in the post-Soviet space and a growing imperial mood in Russia. More particularly, it warned that, 'It continues to be the case that a change in the pro-Western direction of the foreign policy of Ukraine into an unambiguously pro-Russian one, which would cause a slowing down of the process of tightening of Polish-Ukrainian links of partnership, cannot be precluded.'

GEOPOLITICAL PLURALISM IN THE POST-SOVIET SPACE

By the late 1990s a combination of both prudent Western policies and a growing gulf between Russian strategic objectives and resources produced a Commonwealth of Independent States (CIS) divided into two equal groups of states. The arrival of 'geopolitical pluralism' in the post-Soviet space provides viable and important strategic opportunities for the US and

Europe to pursue its strategic and national interests in this region. One group of six countries – Russia, Belarus, Armenia, Kazakhstan, Kyrgyzstan and Tajikistan – seeks to maintain close ties to Russia up to, and including, building a new union. This varies between those such as Belarus, which desires nothing less than a new USSR, to those such as Kazakhstan, which backs a new Eurasian confederation of sovereign states. All six countries in this group are members of the now inappropriately-named Tashkent Collective Security Treaty (CST). Uzbekistan left the CST to join GUUAM in April 1999.

A second group of countries united in the GUUAM (Georgia, Ukraine, Uzbekistan, Azerbaijan, Moldova) regional group is backed by permanently neutral Turkmenistan.⁵ GUUAM consists of those CIS states in favor of a ‘civilized divorce’ and which prioritize sovereignty and, therefore, oppose the transformation of the CIS into a new union led by Russia with supra national structures. All GUUAM members restrict their activities within the CIS primarily to economic issues only.

GUUAM members have in the past backed a foreign policy strategy first outlined by Ukraine in 1996 of ‘Integration with Europe, Cooperation with the CIS’. Such a strategy seeks to cooperate in a broad manner with Western governments in bilateral and multilateral frameworks. The main vehicle for this cooperation has been through NATO and bilaterally through ‘in the spirit of PFP’ (Partnership for Peace) military cooperation with the US, UK, Germany, Poland and Turkey. Poland has played a key role during the last decade in helping to secure Ukrainian security. Such a relationship has buttressed the independence and sovereignty of GUUAM members and served to strengthen their maneuverability within the post-Soviet space in relation to Russia.

Ukraine is the leading country within GUUAM and built the model upon which GUUAM and its members have subsequently desired to uphold their sovereignty in the CIS. This model sought to maintain pragmatic economic ties with Russia while promoting political and security integration with Trans-Atlantic and European institutions and individual Western governments. The ‘multi-vectorism’ pursued by Ukraine and other GUUAM members, therefore, opposes political or military integration in a Russia-dominated the CIS while developing these very same ties with the West in a bilateral and multilateral context.

Ukraine’s promotion of the GUUAM regional group has been equally matched by its support for other regional groups which, unlike the CIS, are not dominated by Russia. These include the Polish-Hungarian-Ukrainian axis and ever-increasing security ties between Poland and Ukraine. A new Polish-Ukrainian peacekeeping battalion (PolUkrBat) was deployed to KFOR in the American zone of responsibility force in Kosovo in summer

2000, and Ukraine hosted two PfP exercises annually – ‘Peaceshield’ and ‘Sea Breeze’. Ukraine has also worked to support Moldovan territorial integrity and sovereignty through cooperation with Romania.

The Black Sea Economic Cooperation Organization (BSECO) is led by Turkey and Ukraine, both countries with similar strategic interests in the Caucasus and the Black Sea region. Ukraine, Georgia and Azerbaijan have strongly backed the new Turkish initiative for a Caucasian Stability Pact. Ukraine is also an observer in the Baltic Council. Clearly, Russia is no longer the only attractive pole of integration in post-communist Europe, reflecting the arrival of geopolitical pluralism in the region.

DOMESTIC REFORM: MIXED RESULTS

Domestic advances initially matched these foreign policy successes. Ukraine managed to avoid ethnic conflict and resolved the delicate question of the Crimea peacefully. By 1998 the Crimean constitution supported its inclusion within Ukraine’s legal space. Under President Leonid Kuchma national integration progressed and regionalism, which was a real threat under his predecessor, Leonid Kravchuk, has ameliorated. In 1996 Ukraine adopted a widely-praised democratic constitution and new currency. Economic reform launched in late 1994 led to financial stabilization, low inflation and moderate privatization. The Chernobyl nuclear power plant, the site of the world’s worst nuclear disaster in April 1986, closed in December 2000.

While making these important advances in its ‘quadruple transition’ Ukraine has still a long way to go before it can ‘re-join Europe’. Economic reform stalled after 1996 and went into stagnation under Prime Ministers Pavlo Lazarenko and Valery Pustovoitenko. There has been little progress in privatization of large enterprises and land or much structural reform. Corruption and the proportion of the GDP produced in the shadow economy have grown to staggering proportions. The International Labor Organization warned on 25 April 2000 that the monthly average income in Ukraine had declined from \$37 in 1998 to \$25 in 1999, that industrial firms were operating at only 44 per cent capacity, down from 66 per cent in 1995, and that approximately one-third of the workforce was unemployed. In 1999 and 2001 Ukraine was also singled out by the Committee to Protect Journalists for its restrictions upon independent media.⁶

Under President Kuchma Ukraine’s economic independence has progressively eroded and thereby its ability to preserve its independence. By prioritizing strategic considerations Western policy has inadvertently served to undermine Ukraine’s security by not prioritizing economic and political reform, particularly in the highly corrupt energy sector.

Because Kuchma's policies have made Ukraine unattractive to Western investment, the President has had few choices but to increasingly turn to Russia. Unable to pay the country's energy debts, Ukraine has been forced to allow Russia to take over its strategic economic assets, such as the Mykolaiv Aluminum plant, or has provided other goods, such as strategic nuclear bombers inherited from the former USSR. Unless Ukraine is assisted by the West to restructure its energy sector, the number of goods and assets available in Ukraine for the repayment of energy debts to Russia will run out. This would be to Russia's strategic advantage and, therefore, against the West's interests.

A poll in the Ukrainian newspaper *Den* in (6 May 2000) posed the following question to the Ukrainian population: 'Do you believe that control by Russian capital over large Ukrainian enterprises threatens the national interests of Ukraine?' The results tabulated were 76 per cent responding 'yes', because this would lead to Russia having greater political influence in Ukraine; 20 per cent responding 'no' because the creation of jobs is more important; and 4 per cent were undecided. This poll shows that Kuchma's political and economic policies are slowly eroding Ukrainian independence, something, which concerns the majority of Ukrainians.

In 2000–2001 the economy showed its first growth in gross domestic product since 1990, registering an increase in the first quarter of this year of 10.4 per cent in industrial output. Nevertheless, the economy still remains Ukraine's Achilles heel. The credit for these economic advances goes to former Prime Minister Viktor Yushchenko, Ukraine's first reformist Prime Minister since independence. His government's progress was praised by international institutions and Western governments, but attacked by a curious alliance of oligarchs, resentful at his drive to make economic affairs more transparent and less corrupt, and communists, who see him as too pro-West. His government fell in April 2001.

Kuchma was re-elected for a second and final term in November 1999 on an amorphous platform that did not call for radical reform or, surprisingly, integration into Trans-Atlantic and European structures. Whether Kuchma can be trusted to pursue the policies that he neglected in the second half of his first term remains to be seen. Nevertheless, Western support is vital in ensuring that these policies do not run out of steam, as they did in 1995–96.

As in the early period of Kuchma's first term, the signs look good. Kuchma has now launched radical economic and political reforms in privatization and state institutions. Leftist control over parliament, which helped to de-rail reform from 1994–99, has been replaced by a coalition of centrist and center-right forces who are supportive, to varying degrees, of the reform process.

Still, there are also ominous signs. The independent media remains under heavy pressure. In April 2000, a referendum held under highly dubious and suspicious conditions approved four questions that are likely to vastly increase the powers of the executive at the expense of parliament. The International Monetary Fund (IMF) was also initially reluctant to provide Ukraine with further assistance after auditors found that it had deliberately exaggerated its gold and hard currency reserves in 1997–98 to obtain IMF loans. Nevertheless, after a year of Yushchenko's government the IMF and World Bank began to again disperse assistance to Ukraine.

Whether Kuchma in his second term can be trusted with the enhanced powers he received during the referendum is a difficult question for Western governments. But, the US remains optimistic. On a visit to Ukraine in April 2000 US Secretary of State Albright said, 'I was very impressed by President Kuchma's...desire to move the reform process forward and by the work that the Prime Minister is doing.'⁷ Such views send the wrong signals to Ukraine's leadership, encouraging it to believe that the US supports geopolitics over reform and is willing to turn a blind eye to Kuchma's authoritarianism providing he remained nominally pro-Western. The revelations found in the 'Kuchmagate' tape scandal that hit Ukraine in November 2000 show the degree to which Ukraine under Kuchma had drifted towards a corporatist, lawless and authoritarian state since 1997. This has led to the threat by the Council of Europe to suspend Ukraine's membership.

NATIONAL IDENTITY AND UKRAINIAN FOREIGN POLICY

A close correlation between domestic reform and foreign policy orientation has influenced the development of geopolitical pluralism in the post-Soviet space. Those states, which are pursuing all four aspects of the post-Soviet 'quadruple transition', have also backed integration into Trans-Atlantic and European structures. GUUAM members see the domestic and foreign policy arenas as closely linked. 'Rejoining Europe' in the foreign domain requires a continued commitment in the domestic arena to the 'quadruple transition'. This course of action is even more appropriate for the three Baltic States.

Conversely, states that support integration in the CIS have abandoned all, or most, aspects of the 'quadruple transition'. The US House of Representatives in May 2000 adopted a non-binding resolution, which argued that the Russian-Belarusian Treaty signed on 8 December 1999 and backed by the newly elected Russian President Vladimir Putin, 'undermines Belarussian sovereignty and the prospect of democracy'. The resolution called upon the US executive to raise the issue of financial support provided

by Russia to Belarus and urged the Russian government, 'to fully respect the sovereignty of Belarus, particularly in light of the illegitimate nature of the Lukashenka regime'. A Belarus that has turned its back on the West, is committed to Eurasian integration, is a Belarus disinterested in the 'quadruple transition'.

During the first and second Kuchma terms, Ukraine has continued the strategic direction of its CIS policies, while changing its tactics to achieve them. This has included a continued involvement in bilateral, economic questions, while ensuring that the CIS remains as a loose discussion club rather than evolve into a new geopolitical entity with supranational structures. Ukraine remains only a 'participant' (not a member) of the CIS because it has not ratified its Charter.

Ukraine is undoubtedly the key participating state in the CIS preventing it from evolving into anything other than loose club of states. It is precisely because of Ukraine's encouragement that the GUUAM regional group was established in late 1997. Under Kuchma, Ukraine has adopted additional new tactics vis-à-vis the CIS. Russia is no longer portrayed as a negative 'Other', as it was in the Kravchuk era, but as one of two strategic directions in Ukraine's ambivalent 'multi-vector' foreign policy. At the same time, relations with Russia have been only promoted at the bilateral level and initiatives in GUUAM have attempted to ensure Russia is unable to become a hegemon within the CIS. Ukraine was successful in resolving the border question with Russia prior to the departure of Boris Yeltsin in 2000; although this was undertaken only after granting basing rights in Sevastopol until 2017 for the Russian Black Sea Fleet. This 'temporary base', according to the Ukrainian constitution, ultimately restrains Ukraine's maneuverability in the pursuit of its strategic foreign policy goals.

Ukraine's relations with Central Europe have evolved to a high level and remain positive with all of its neighbors in the region. All border questions between Ukraine and Central Europe were resolved by June 1997 after Romania was the last country to sign a border treaty with Ukraine, although discussions continue over the demarcation of their continental shelf. Poland and Ukraine have overcome centuries of conflict and have established a close strategic partnership where Poland is conscious of the importance of Ukraine's independence to its security. The US and the UK actively encourage this Polish-Ukrainian axis, and the US has specifically championed the trilateral Polish-Ukrainian-American grouping which focuses on defense and military cooperation.

After 1994–95, relations with the West evolved from their low ebb under Kravchuk. Ukraine's four key partners remain – and are likely to remain – the US, the UK, Canada and Germany. Turkey is also an important partner within the BSECO, vis-à-vis energy security within GUUAM and in

assisting in the integration of Crimean Tatars into Ukrainian society. Poland has also acted as an important agent of influence for Ukraine with the West and international institutions.

Two of the four key Western countries with a strategic interest in Ukraine are North American, a factor that has a direct bearing upon Ukraine's relations with NATO and the EU. Relations with NATO are without question far more advanced. Ukraine signed a Charter with NATO in July 1997 and it is the most active member of the former Soviet republics in PFP. The US and UK militaries have extensive bilateral military contacts with Ukraine conducted within the 'spirit of PFP'; (in the case of Britain this is its largest program). Ukrainian-NATO contacts are extensive in a wide range of areas from military and defense reform, civil emergency planning, science and the environment, military standardization, political dialogue and economic security. In March 2000, the North Atlantic Council, NATO's highest ruling body, met in Kyiv for the first time outside NATO member states. The meeting was a clear signal of support to Ukraine on the eve of Russian presidential elections that saw the election of Russian nationalist, Vladimir Putin. US President Bill Clinton paid his second visit to Ukraine in June 2000 as a further sign of Washington's support for Ukrainian independence.

However, relations between the EU and Ukraine are more difficult because of two factors.

First, many members of the EU are unwilling to deal with Ukraine as an independent entity separate from Russia. Indeed, it is not even clear if the EU sees CIS countries such as Ukraine as part of 'Europe' because of their history and culture. Consequently, it is difficult for West Europeans to see Ukraine as a future member if Russia is also not invited to join the EU. This is clearly seen in the case of the 11 countries on the 'fast' and 'slow track' groups of future members, which does not include Ukraine. The inclusion of Ukraine in the 'slow track' group would be purely a political decision signaling the EU's willingness to extend membership to Ukraine if it fulfilled the Copenhagen criteria set forth for membership. Yet, the December 1999 EU Helsinki summit failed to add Ukraine to the 'slow track' group.

Second, Ukraine's efforts at political and economic reform have not been consistent and actually stagnated after 1996-97, and, therefore, Ukraine has not made itself attractive for EU membership. Ukraine has failed to understand that declarations alone, without substantial commitment to its 'quadruple transition', will not lead to its 'return to Europe'. This gulf between domestic policies and strategic foreign policy objectives has to be narrowed by Kuchma in order for integration into Trans-Atlantic and European structures to become achievable and not remain merely declaratory, as it largely was in the 1990s.

WESTERN POLICY TOWARDS UKRAINE: CHALLENGES AND OPPORTUNITIES

Some key questions to consider for US policymakers are the following: what are the policy objectives and national interests of the US, NATO, and the EU vis-à-vis Ukraine? Have those objectives been met? Indeed, what are the appropriate objectives given the changing security environment in Central and Eastern Europe? Do the objectives promote or curtail the development of geopolitical pluralism in the post-communist world? What changes, if any, are necessary?

It is, first of all, crucial for the West and particularly the US to recognize that Ukraine is experiencing a 'quadruple transition'. Ukraine is a country beset with a weak state and national identity which tends to influence both progress in domestic reforms as well as in its foreign policy. The more solidified Ukraine's national identity is, the stronger its pro-Western security policy will be. If the processes of state and nation building begin to take shape, there will be a greater impetus for Ukraine to seek EU and NATO membership. This more proactive foreign policy towards the West would lead to a decline in Ukraine's 'third-way', or those who support Ukraine's neutrality, non-bloc status and 'impartiality' in its foreign policy. The end result would be Ukraine as a more reliable strategic partner for the West.

US policy objectives thus far have only focused on supporting Ukraine's transition to a market economy and democracy, establishing favorable inter-ethnic and inter-state relations in the region, encouraging Ukraine to resolve all border disputes, and supporting Ukraine's territorial integrity and sovereignty. The US has also encouraged Ukraine in its efforts aimed at civil control and democratization of the military through civil-military relations, defense reform and restructuring and arms proliferation. Moreover, the US has made clear its opposition to the creation of any new 'unions' led by Russia by encouraging regional cooperation, encouraging albeit somewhat modestly, such as with PAUCI (Poland, America, Ukraine Cooperation Initiative). These are important gains for US policy towards Ukraine that can be built upon in the coming decade. Ultimately though, the West and international organizations, such as NATO and the EU, cannot force Ukraine to undertake its 'quadruple transition' if there is not domestic political will on the part of Ukraine's ruling elites.

The US has tended to prioritize geopolitics and security concerns over reform and democratic practices in Ukraine, exemplified in the US response to the April 2000 Ukrainian referendum. Secretary of State Albright visited Ukraine the day after the referendum and neither condemned nor condoned it, but rather declared that the referendum was an internal matter for Ukraine. An op ed piece in *The Wall Street Journal* was more critical,

accusing US policy of indirectly supporting a 'dictatorship' in Kyiv.⁸ But this criticism seems to go a bit too far, although it is certainly true that the US has a difficult choice to make between supporting security and reform. At the same time, Europe's 'moral authority', the Council of Europe, refused to recognize it, warning that the referendum would upset the balance between the executive and legislative branches of government.

Further, no international organizations sent observers to oversee the referendum to provide for international legal validity. However, independent international observers registered numerous counts of multiple voting by one person as well as highly-biased media coverage. Voting in the referendum was allowed during the entire two-week period prior to the referendum. Thus, those political parties opposed to the referendum could not get their message out to voters because the bulk of the media was controlled by the government. The stripping of parliamentary immunity, one of the four questions on the referendum, will make it easier for the executive to apply pressure on parliamentary deputies to fall in line with presidential policy. Moreover, unlike in Russia, the proposed upper chamber will consist of un-elected regional governors who have been appointed by the President. This pro-executive upper house, coupled with a smaller lower one, will greatly reduce parliament's ability to balance against the executive. Therefore, the referendum results provide a rather ambiguous outcome for Ukraine's democratic reform that will more than likely lead to a concentration of executive power at the expense of the legislature.

The political crisis that hit Ukraine after 'Kuchmagate' unfolded in November 2000 has forced Kuchma to retreat in his plans to introduce the referendum results through parliamentary changes to the constitution. The non-leftist majority has divided into pro-presidential and pro-Yushchenko factions and the latter will no longer support Kuchma's changes to the constitution. While opposing the left and having supported former Prime Minister Yushchenko the national democrats, together with the Socialists, also back the anti-Kuchma Forum for National Salvation. The oligarchic center is allied on occasion with the right and on other occasions with the communists against the reformers.

During her visit to Ukraine, then Secretary of State Albright indicated that Washington was encouraged by the new government's reform efforts. The US committed \$180 million in technical assistance and raised foreign aid to Ukraine, would lobby the G-7 and the EU to finance the decommissioning of the Chornobyl nuclear plant, and use American influence with the IMF to resume funding and with the World Trade Organization (WTO) to accelerate negotiations with Ukraine. Further, it was stated that the US would create a special working group within the US-Ukraine Commission to deal with these issues. Finally, American policy

towards Ukraine would be fashioned in accordance with the principle: 'the more determined the reform efforts, the stronger our support for those efforts'.

It is important that the US continue to link these two important factors – security and reform – so as not to be tempted to turn a blind eye to some of the means by which the Ukrainian executive is seeking to carry out further political, economic, and institutional reforms. These crucial factors in Ukraine's 'quadruple transition' should not be separated in Western policy. Indeed the process itself will help Ukraine to successfully undertake its 'quadruple transition'.

This is important at a time of growing sense of disillusion and disappointment with Western institutions among Ukraine's ruling elite. This sentiment follows Ukraine's unsuccessful request for associate membership status in the EU, accession to the WTO, and allegations about Ukraine deliberately trying to deceive the IMF. Given that Ukraine has been excluded from full membership in the EU and NATO in the short to medium term, continued neutrality and non-bloc status do not remain tenable for Ukraine. Absolute neutrality in a post-Cold War era is impossible for Ukraine. A Ukraine unaligned and neutral would be an unreliable strategic partner for the West in the region, and a permanent source of irritation for Russia. These questions have not been adequately taken into account by hitherto ambivalent Western policies toward Ukraine.

The GUUAM sub-regional grouping has also so far not received adequate attention from the US since its formation and America has been cautious about the institutionalization of GUUAM. Uzbekistan appears to be veering back to Russia because Washington is not backing its drive to contain Islamic fundamentalism to the level needed. Moldova elected a Communist dominated parliament and president in early 2001, which is also reducing its support for GUUAM. The lack of US and Western support for GUUAM has led to a weakening of Ukraine's commitment to it in the face of Russian opposition, as reflected in the decision to postpone the GUUAM summit in March 2001.

Western promotion of geopolitical pluralism in the region should be seen as supporting Ukraine and the other 'outs' of NATO and the EU in their attempts to bring about institutionalized security in the region. The US could use its influence to tie these new organizations to NATO, for example, in terms of joint military exercises through PfP and increasing political dialogue, thus encouraging those states in the post-communist world which share in Ukraine's pro-Western orientation to band together. The US and NATO remain cautious of GUUAM because Russia remains the strategic priority, and, therefore, the opportunity to promote geopolitical pluralism in the post-Soviet space is slipping away.

UKRAINE'S AMBIVALENT EUROPEAN CHOICE

Although the Ukrainian executive made EU integration the state's official foreign policy goal in June 1998, it is hard to say whether Ukraine's European choice is clear at present. Both Ukraine and the West continue to issue declarations and fall short on implementing agreements, and both have an inadequate knowledge and understanding of one another. While the EU needs patience, Ukraine needs to fully comprehend the complexity and nature of the EU integration process in its entirety.

Overall, European integration is a very complicated process of domestic reform and adaptation of the national legislation to EU standards as well as the full acceptance of the *acquis communautaire*. Thus, it can be said that the EU is a process-oriented institution. Integration is a process that requires far more effort by an applicant than any other international agreement, including joining NATO. While paying most attention to the end result – that is full membership – the Ukrainian executive is more goal-oriented in its approach to joining the EU. As a result, Ukrainian elites often underestimate or neglect many of the commitments and obligations that stem from EU membership and its implications on the domestic level. Ukraine's inability or unwillingness to fulfill the provisions of the Partnership and Cooperation Agreement (PCA), which was brought into force in 1998 is a prime example of how the Ministry of Foreign Affairs is unable to hold other government agencies (e.g., the *Rada*, Ministries of Economy and Energy) accountable to implement the PCA. It is the process itself (i.e., implementing the PCA) that is intended to help Ukraine to develop a more effective democracy and stronger economy. Thus, Ukraine's 'return to Europe' should not be seen as a goal in itself; integration should be viewed as a tool by which to modernize the country, to establish a regulatory framework, and ultimately to successfully undertake its 'quadruple transition'.

The Ukrainian executive fears the processes involved in European integration and hence focuses only upon issuing declarations about its ultimate strategic objective, meanwhile, perhaps not properly addressing the question of how to reach this goal. This is clearly seen in Ukraine's failures to implement various agreements and treaties, and in its preference for issuing political declarations. As a result, Ukraine has settled into a comfortable 'third way', maintaining one foot in Europe and another in Eurasia. This 'third way' option has led to stagnation in the Ukrainian reform process because Ukraine has not committed itself wholeheartedly to joining the EU. The West, unable to provide the ultimate inducement of integration into Trans-Atlantic and European structures, has been therefore, content in achieving its primary strategic objective of a Ukraine acting as a buffer between central-eastern Europe and a resurgent Russia.

The EU has continued to lack strategic vision vis-à-vis Ukraine and continues to view Ukraine and the CIS as a whole as Eurasian and thus not European. Ukraine is also to blame for this image of a country unable to decide if it lies within Europe or the Eurasian CIS. It remains a 'participant' in the CIS, which is confusing to both the West and Russia, and argues that it will 're-join Europe' together with Russia. Russia has never expressed any serious desire to join either the EU or NATO and, therefore, this would be an impossible feat for Ukraine to strategically achieve. By linking Ukraine's 'return to Europe' with Russia, Kyiv is inadvertently ruling out this option and proving that it is merely declaratory. Kuchma's multi-directional foreign policy provides the Ukrainian executive with the means by which it does not have to make a clear European choice. Instead, Ukraine prefers the no man's land of 'third wayism' that has only served to halt 'quadruple transition' and institutionalize partial retrenchment. As a consequence, Ukraine is neither moving forward towards Europe, like the three Baltic States, nor backwards, like Belarus, towards Eurasia.

Ukraine's strategic objectives of 'returning to Europe' are not taken seriously by the West, given that Ukraine prefers to maintain a foot in both Europe and Eurasia. If Ukraine wishes to be perceived as truly European, it must take three steps.

First, it should withdraw its 'participation' from the CIS, which only serves to sow confusion as to whether Ukraine is in or outside the Eurasian CIS. Although it did not ratify the CIS Charter, the international community perceives Ukraine to be a full member of the CIS and, therefore, de facto lying within Eurasia. Although, for example, Ukraine's leaders have eschewed political or military integration in the CIS, Ukraine is a member of both the CIS Inter-Parliamentary Assembly and an associate member of the CIS Air Defense Agreement. By no longer maintaining the fiction of being in the CIS, Ukraine could no longer be defined by the outside world and international institutions, such as the EU, as Eurasian, but instead as central-eastern European. Second, Ukraine should step up its pursuit of economic, political, and institutional reforms. Finally, Ukraine should drop its 'third way' approach to domestic and foreign policies that has led to stagnation and an ambivalent multi-vectorism in its foreign policy.

The laggardness of Ukraine's implementation of domestic reforms has hindered its European choice, and thus has increased the likelihood that Ukraine will continue to be treated as an outsider to Trans-Atlantic and European structures. In the end, *both* Ukraine and the EU do not have clear strategic plans for Ukraine's European integration that goes beyond mere political declarations.

THE WEST'S STRATEGIC OPTIONS

In formulating its national interests and strategically engaging with Ukraine Western policy is faced with a dilemma. On the one hand, the West is interested in Ukraine successfully implementing a more robust and speedy political, economic and institutional reform program. Meanwhile, the West has little positive leverage over Ukraine's reform program because it is unable to offer the inducement of integration into Trans-Atlantic and European structures through membership of NATO and the EU. The absence of such an inducement is likely to mean that Ukraine's reform program will continue to be evolutionary, lack consistency and remain declaratory.

This dilemma raises a fundamental challenge to Western policy makers. The West has a clear idea what it does not want Ukraine to do – namely, support Russia in recreating a new union in the CIS which would lead to the revival of the Cold War and derail reform in both Russia and Ukraine. At the same time, the West does not yet know where Ukraine will fit into the future Trans-Atlantic and European security architecture. If a solution were found to this dilemma, the West would gain greater influence over Ukraine's reform program and help it to move away from mere declarations to fulfilling its strategic objective of 'returning to Europe'.

The resolution of this dilemma for Western policy towards Ukraine rests upon six points.

First, the West should recognize that Ukraine is undergoing four separate, but inter-related, transitions. This 'quadruple transition' is different to that undertaken in regime-based transitions from authoritarian rule in Latin America and southern Europe.

Second, Ukraine has to be provided with sufficient financial and political support to ensure that the new drive for reform under Kuchma is sustainable. The government must be able to deliver both higher economic growth and tangible benefits to the population.

Third, the executive must be encouraged to provide the political will to back the government and reforms. Kuchma wavered in his support for Yushchenko by occasionally supporting the oligarchs. State Television, for example, which is under the control of the Presidential Administration, negatively covered the Yushchenko government's work which led to the then Prime Minister demanding that Vadym Dolhanov, State Television President, be released from his post. Kuchma failed to prevent the oligarchs from voting out the Yushchenko government in April 2001.

Fourth, a broader base of support should be encouraged for reform through a convergence of centrist and center-right political forces. This will be important to ensure that pro-reform forces are able to unite in the next parliamentary elections in two years time in order that those political forces opposed to reform not be allowed to derail this process, as they did in the

second half of the 1990s. Yushchenko has called for such a large democratic bloc to oppose both the oligarchs and the communists.

Fifth, the shadow economy must be brought into the open where it can be taxed and no longer be a source of corruption. Kuchma needs to be more firmly committed to supporting transparency, reducing the shadow economy and fighting corruption. The use of anti-corruption measures against political opponents, such as former Prime Minister Yulia Tymoshenko, should be halted.

Finally, Ukraine should be provided with the inducement to speed up the transition process to integration into Trans-Atlantic and European structures. In this regard the EU should focus upon three key areas as a first step to improve its overall Ukraine policy. It should seriously consider granting Ukraine associate membership status, conclude a free trade agreement, and recognize Ukraine as a market economy in transition (particularly as this status has already been granted to both Russia and China).

The West should also move beyond declarations and formulate a policy towards Ukraine that defines its core national interests. Western interests should support geopolitical pluralism and regional cooperation in the post-Soviet space through regional groups such as GUUAM, narrow the gap between EU and NATO policies and increase their coordination to achieve an overall, coherent Western policy towards Ukraine. The ambivalence that pervaded both Ukrainian and Western policies in the 1990s has outlived its usefulness. The prioritization by the West of Ukrainian independence and sovereignty came at the expense of stagnation in Ukraine's 'quadruple transition' and partial retrenchment of a country stuck in a no man's land between Europe and Eurasia. It is time to move to a second stage in the West's relations with Ukraine that defines the West's national interests in Ukraine and moves towards a qualitatively new stage of strategic engagement in the pursuit of Ukraine's integration into Trans-Atlantic and European structures.

NOTES

1. Zbigniew Brzezinski, 'The Premature Partnership', *Foreign Affairs* 73/2 (March–April 1994) pp.67–82.
2. Edwin J. Mroz and Oleksandr Pavliuk, 'Ukraine: Europe's Linchpin', *Foreign Affairs* 75/3 (May–June 1996) pp.52–62.
3. *The Washington Post*, 17 May 2000.
4. Taras Kuzio, 'The National Factor in Ukraine's Quadruple Transition', *Contemporary Politics* 6/2 (June 2000) pp.143–64.
5. Taras Kuzio, 'Geopolitical Pluralism in the CIS. The Emergence of GUUAM', *European Security* 9/2 (Summer 2000) pp.81–114.
6. Paul D'Anieri, *Economic Interdependence in Ukrainian-Russian Relations* (NY: NY State UP 1999).
7. ITAR-TASS, 14 April 2000
8. See 'Tough talk in Kyiv: The US nudges Ukraine closer to dictatorship', editorial, *The Wall Street Journal Europe*, 17 April 2000.

