

UKRAINE: ACC would abandon pro-Western orientation

July 18, 2006



EVENT: The Anti-Crisis Coalition (ACC) set out its foreign policy goals in the coalition agreement publicised on July 14.

SIGNIFICANCE: If the ACC of Viktor Yanukovich's Party of Regions, the Communists and the Socialists comes to power, it will shift foreign policy onto a more pro-Russian path.

ANALYSIS: The defection of the Socialist Party (SPU) from the Orange Coalition after three months of negotiations, and its formation with the Communist Party (KPU) and the Party of Regions of a so-called Anti-Crisis Coalition (ACC) has plunged Ukraine into crisis.

Confrontation. The foreign policy section of the ACC's programme, like the coalition itself, was drawn up hastily following the collapse of the Orange Coalition. The ACC wants new legislative guidelines on foreign policy, in which it will come into conflict with President Viktor Yushchenko, who will not countenance any change in foreign policy. Under the amended constitution, the president conducts foreign policy.

Yushchenko nominates the foreign, defence and interior ministers. Borys Tarasyuk and Anatoly Hrytsenko, respectively the acting foreign and defence ministers, advocate Ukraine's NATO and EU membership, and are critical of Russian policies towards Ukraine and the CIS. Interior Minister Yuri Lutsenko, who has resigned from the SPU, has said he will be unable to work inside a Regions government headed by Viktor Yanukovich.

Russia. The ACC stresses an "equitable and good-neighbourly" relationship with Russia, with which it wants to repair relations. Regions blames a deterioration in relations unfairly on the Yushchenko administration. This ignores Russia's intervention in the 2004 elections in support of Yanukovich and continued Russian hostility towards Ukraine and Georgia since their democratic revolutions.

The Orange Coalition programme calls for deepening the "strategic partnership", but in the same sentence calls for such partnerships with Poland and the United States. It also points to the need to complete negotiations with Russia over outstanding border issues.

Gas. Russia has reacted to the emergence of the ACC by not raising gas prices in July, as it was entitled to do in the gas agreement reached in January (see [UKRAINE: Higher gas prices may have positive effects - January 23, 2006](#)). The ACC is unlikely to abrogate the agreement, a step which Yulia Tymoshenko planned to take once reinstated as prime minister with US backing.

Regions would probably continue negotiations over putting Ukraine's pipelines into an international consortium of Ukraine, Russia and Germany. Its SPU partners have traditionally opposed this. Regions would probably accept the continued intermediary role of non-transparent RosUkrEnerg.

NATO. The ACC programme barely mentions NATO, except to say that any step towards membership would have to be endorsed by referendum. During former President Leonid Kuchma's second term, support for NATO membership declined from one-third to less than 20%; opposition has grown from one-third to over 50%. The ACC does not clarify where it stands regarding the Kuchma-era level of cooperation with NATO, when Ukraine was the most active CIS country within NATO's Partnership for Peace programme.

Yushchenko and his Our Ukraine bloc continue to back NATO membership. The Orange Coalition programme outlines the need for continued cooperation and government support for an information campaign on NATO. Like the ACC, it advocates a referendum on NATO membership.

Since all three ACC parties oppose NATO membership, Ukraine is unlikely to receive an invitation to the Membership Action Plan (MAP) at the Riga summit in November. Ukraine joined the 'intensified dialogue on membership' in 2005, following Yushchenko's US visit. Until the political crisis, Kiev was expecting an MAP this year, an invitation to full membership at the 2008 summit and accession in 2010. Anti-NATO demonstrations in the Crimea in June that led to the ! cancellation of exercises with US forces have cast doubt on this timetable. NATO may now postpone the enlargement summit, which President George Bush's administration had wanted for its last year in office, beyond 2008.

EU. The ACC programme barely mentions the EU. Its call for membership resembles similar Kuchma-era calls which were empty rhetoric without the domestic reforms to make such a step feasible. The Orange programme outlines bringing Ukrainian legislation into line with the EU, successfully implementing the 2005-07 European Neighbourhood Policy Action Plan and meeting by end-2006 all Council of Europe requirements. It goes into detail on the steps Ukraine should take, beginning with immediate negotiations to create a free-trade zone with the EU following WTO membership.

Other international groupings. The ACC programme sets the Russian-backed CIS common economic space (CES) above the regional alliances promoted by Ukraine with US support! :

- **GUAM.** The ACC is not interested in continued participation in either the pro-Western GUAM (Georgia-Ukraine-Azerbaijan-Moldova) regional group in the CIS ([see CIS: Lack of purpose will inhibit GUAM's development - June 7, 2006](#)), or the broader Commonwealth of Democratic Choice. The Orange Coalition programme spoke of transforming GUAM into a "fully fledged international organisation" by end-2006.
- **WTO.** The likelihood of Ukraine joining the WTO this autumn may slip, as the left-wing SPU and KPU oppose the legislation required for WTO membership. Regions voted against WTO-required legislation during the 2002-06 parliament. The ACC programme fails to mention the WTO. The Orange Coalition programme, by contrast, outlines the need to complete the adoption of the necessary legislation in 2006.
- **CES.** The ACC programme says it wants to "complete" creating the CES, but goes no further. During the 2004 presidential and 2006 parliamentary elections, Yanukovych and Regions campaigned for CES membership without clarifying whether this would be at the full level of integration between Russia, Belarus and Kazakhstan. Kuchma had opposed stages two and three -- monetary and customs union. The KPU has a long-standing position of full CIS integration, but the SPU might balk at going beyond stage one.

If the ACC sticks to just a free-trade zone, Moscow will oppose this, arguing that CES members must agree to all three stages. If the ACC were to back down, it would imperil Ukraine's participation in a customs union with the EU, which Brussels has offered after Ukraine joins the WTO. No country can be in two customs unions at the same time.

Possible compromises. In the April-June negotiations ! to create a grand coalition between Regions and Our Ukraine, possibly with the SPU ([see UKRAINE: President risks destroying his support base - June 19, 2006](#)), Regions compromised on a number of foreign policy issues. Regions is a typical CIS formation, an ideologically vacuous lobbying and self-defence group, not a real political party.

Regions is primarily interested in three strategic domestic priorities:

- no further reprivatisations;
- sanctity of property rights; and
- no criminal prosecutions stemming from the Kuchma regime.

On such a basis, Regions was willing to support WTO membership, whether Russia joins or not, and to continue the traditional policy of stopping at CES stage one. It also compromised over NATO. Regions and Our Ukraine agreed to not oppose participation in an MAP and to hold a referendum closer to the date of an invitation to join NATO -- not immediately, but in 4-5 years' time at the earliest.

CONCLUSION: If the ACC establishes a Yanukovych-led government, foreign policy will move towards a pro-Russian, multi-vector stance. An Orange coalition looks unlikely after the SPU's defection and infighting between Tymoshenko's party and Our Ukraine. A pro-Western foreign policy may be only maintained if the ACC is replaced by a grand coalition including Our Ukraine but excluding the KPU.

Articles referenced

[see UKRAINE: Higher gas prices may have positive effects - January 23, 2006](#)

[see CIS: Lack of purpose will inhibit GUAM's development - June 7, 2006](#)

[see UKRAINE: President risks destroying his support base - June 19, 2006](#)

