

END NOTE

UKRAINIAN PRESIDENT REVAMPS CIS, OBTAINS RUSSIA'S BACKING FOR
2004
ELECTIONS

By Taras Kuzio

The presidents of Ukraine, Belarus, and Kazakhstan arrived in Moscow on 22-23 February for talks with their Russian counterpart Vladimir Putin that focused on the planned creation of a free-trade zone. At the informal CIS summit in Kyiv in late January, Ukrainian President Leonid Kuchma said the best way to revitalize the Commonwealth of Independent States (CIS), which he had long criticized as moribund, was to shift from a political focus to an economic one. He added that expediting the creation of a CIS free-trade zone -- which has been discussed since 1994 -- is crucial in that respect.

At their talks in Moscow, the presidents of the four "core" CIS states defined as their ultimate objective a single economic space within the CIS, which the other eight CIS states were invited to join. They also agreed to establish an Organization for Regional Integration, to be based in Kyiv and headed by a Kazakh, that would

oversee the creation of that single economic space, in stages, through the establishment of free-trade zones.

Such free-trade zones call for deeper integration than that envisaged within either the CIS Customs Union or its successor, the Eurasian Economic Community (EEC), which Kuchma had always ruled out Ukraine joining. Russian Minister for Economic Development and Trade German Gref said the free-trade zone would require synchronization in the customs, currency, legislative, and budgetary spheres.

When Kuchma was elected head of the CIS Heads of State Council at its Kyiv summit last month, he stressed that this would not result in any changes in Ukraine's policy of pursuing integration into Euro-Atlantic structures. On 31 January, the Ukrainian Foreign Ministry said in a statement that integration with Russia and within the CIS "is an important guarantee of the successful implementation of Ukraine's policy of European and Euro-Atlantic integration."

This "To Europe with Russia" foreign-policy ideology has been assiduously promoted since 2000 both by Kuchma's oligarchic allies and by Russia itself. Vyacheslav Igrunov, deputy head of the State Duma Committee on the Commonwealth of Independent States, said after last weekend's summit, "We [Ukraine and Russia] need to integrate the post-Soviet space so that we can both integrate together to Europe. Integrating to the East, we are [simultaneously] integrating to the West." This assertion was paraphrased by the "Ukrayinska pravda" Internet publication as "To Europe through Vladivostok."

Opposition Ukrainian politicians, however, take issue with both the Ukrainian Foreign Ministry and Igrunov's reasoning. Former Ukrainian Foreign Minister and Our Ukraine parliamentary deputy Borys Tarasyuk believes a CIS free-trade zone conflicts with Ukraine's goal of EU membership and the creation of a free-trade zone between Ukraine and the EU. Our Ukraine deputy Yuriy Kostenko added that Kuchma's support for the new initiative showed Ukraine has no

foreign-policy concept at all. He added that such moves "discredit Ukraine both in the West and in the East. Nobody understands a country that demonstrates an absence of any kind of [foreign-policy] vector."

Ukraine's deeper integration into the CIS will, Ukrainian critics have pointed out, become a negative influence on the country's democratization process. Democratization throughout the CIS since the late 1990s has been in reverse. Given that most CIS states are superpresidential regimes, will deeper integration in the CIS not negatively affect Kuchma's program of political reform that is aimed at transforming Ukraine into a parliamentary-presidential republic, Kyiv Mohyla Academy Professor Oleksandr Derchachov wondered in "Ukrayinska pravda" on 24 February.

But Ukrainian officials continue to insist that a CIS free-trade zone will not contradict Ukraine's "European choice." Serhiy Pyrozhkov, deputy head of the National Security and Defense Council, believes that if the free-trade zone helped Ukraine and Russia join GATT this would also, in turn, assist their integration into the EU. Russia, however, unlike Ukraine, has never expressed an interest in joining the EU (or NATO).

Gref has, moreover, admitted what Russian and Ukrainian officials, including Kuchma, denied -- namely that, "If these moves are synchronized in the economy, this could encourage needed political changes." Suspicions within Ukraine have been aroused as to the real aims of Russia's concessions in allowing Kuchma to head the CIS and create a CIS free-trade zone. Volodymyr Malynkovich, a liberal Russophone critic of both the national democrats and Kuchma, called the new steps "political speculation." This was because Ukraine would never benefit economically from such a zone, which would, on the contrary, condemn it to be a second- or third-rate country dependent on Russia. Malynkovich believes that political

integration would inevitably follow closer economic integration within the CIS. Similar opposition from the Ukrainian liberal spectrum came from a statement by the Yabluko Party headed by Mykhaylo Brodskyy.

The "political speculation" to which Malynkovych referred is an anticipated attempt by Kuchma and Putin to influence the outcome of the October 2004 Ukrainian presidential elections, using the same tactics as Kuchma used in the 1994 and Boris Yeltsin used in the 1996 Russian elections. In 1994, Kuchma appealed to the more numerous East Ukrainian vote to back his calls for tighter economic integration with Russia. Both Kuchma (1994) and Yeltsin (1996) sought to take the pro-CIS integration card away from the Communists.

If Viktor Yushchenko, a favorite for the 2004 elections, opposes the CIS free-trade zone, he could risk losing support in East Ukraine -- where his popularity is already lower than in the west and central regions. In the March 2002 parliamentary elections, Yushchenko's Our Ukraine failed to reach the 4 percent threshold in the two Donbas oblasts, which are home to one-fifth of Ukraine's population. Former Donetsk Governor and Prime Minister Viktor Yanukovych could potentially gain from a repeat of Kuchma's 1994 tactics if Kuchma backs his candidacy in 2004.

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