

➤ Ukraine

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The situation in Ukraine is clearly in flux. It is obvious that the current ruling elite under Interim Prime Minister Arsenii Yatseniuk and recently-elected President Petro Poroshenko has quite different positions on the Eurasian integration formats than their predecessors under Prime Minister Mykola Azarov and President Viktor Yanukovich did. Furthermore, with Russia blatantly intervening – militarily and otherwise – in Ukrainian affairs and potentially placing the existence of the Ukrainian state in jeopardy, it is difficult to see how the Ukrainian elite could be at all attracted to these formats in the future, dominated as they are by Russian actors and a Russian agenda.

Nonetheless, structural dependencies on and interests in Russia are built into the Ukrainian political, economic and social landscape. These are not going to disappear unless Ukraine disintegrates into multiple parts, in which case separate analyses for each component would need to be made. In this contribution I assume that the Crimean peninsula, while still legally a part of Ukraine, will remain outside Ukrainian control for the foreseeable future. Crimea will be treated here as having been incorporated by force not only into Russia, but thereby into Putin's 'Eurasian project' and will therefore not be addressed in this contribution.

I further assume that the remainder of Ukraine will stay under the control of the central government in Kiev, even if this seems to be a daring assumption at the time of writing, when a motley assortment of 'separatists', many of them from Russia, have acquired control of parts of the Donetsk and Luhansk regions and are assisting Russian officialdom in creating a narrative which claims chaos and denial of rights to ethnic Russians and/or Russian-speakers in Eastern Ukraine. It currently appears unlikely that Russia is poised to intervene militarily, since it has allowed certain pretexts for doing so to pass unutilised, and has begun a withdrawal of troops to their barracks. However, Russia's goal of keeping Ukraine unstable in order to discredit the central leadership in the eyes of the Ukrainian and Russian populations, as well as of the West, remains unchanged. Although Russia also has effective economic levers at its disposal, which it has been activating, a scenario involving a military component cannot be completely ruled out for the future, particularly because economic instruments may not function as quickly and effectively as Russia desires as a result of Western assistance.¹

As the post-Yanukovich situation is still quite new, I will preface my analysis of current events with a brief assessment of how the Eurasian integration formats initiated by Russia were viewed by political and economic elites in Ukraine during Yanukovich's presidency. The bulk of the contribution will, however, be devoted to investigating what recent developments – both with regard to internal Ukrainian politics and society and concerning the Russian annexation of the Crimea – will mean for the evolution of Eurasian integration.

¹ By all indications, there is already a covert military component to Russia's intervention in Ukraine, in the form of 'little green men' (Russian soldiers without insignia) in some of the Eastern regions.

UKRAINE UNDER YANUKOVYCH

Yanukovych's presidency was characterised by ambivalence towards both Russia itself and the Eurasian integration formats the Russian leadership increasingly sought to impose on Ukraine. At the beginning of Yanukovych's term, the conclusion of the 'Kharkiv Agreement' inclined many observers both inside and outside Ukraine to label Yanukovych as pro-Russian. The agreement, concluded in April 2010, included as its major components a significant discount on the price of Russian natural gas sold to Ukraine in exchange for an extension of the lease of the Crimean ports housing Russia's Black Sea Fleet until 2042 (instead of 2017, as previously agreed). In addition, in the early phase of the Yanukovych presidency, the Ukrainian parliament, dominated by Yanukovych's Party of Regions, passed a law on the principles of domestic and foreign policy which declared Ukraine a non-aligned state.² This removed the threat (from a Russian perspective) of Ukraine becoming a NATO member in the foreseeable future. Thus Ukraine was seen to be taking a clearly pro-Russian stance by numerous analysts.

At the same time, however, Yanukovych did not give up on the country's relationship with the EU. While negotiations on an Association Agreement, which had begun during the Yushchenko presidency, were at first difficult under Yanukovych – with the EU gaining the impression that Ukraine was either unable to or uninterested in pushing the process forward – the talks eventually gathered momentum and the text of the agreement was finalised in autumn 2011. Simultaneously, though, the EU began to be increasingly concerned with Ukraine's apparent lack of commitment to values such as democratic governance and rule-of-law, which were enshrined in the political sections of the agreement.³ This concern led to pressure on the Yanukovych regime to demonstrate its commitment, in particular by addressing the issue of 'selective justice' in the case of former Prime Minister Yulia Tymoshenko, who had been tried and imprisoned for her role in concluding a treaty on deliveries of natural gas from Russia with Gazprom (with the blessing of the Russian government). This pressure did not abate until the Eastern Partnership summit in Vilnius in November 2013, during which Yanukovych refused to sign the agreement despite various last-minute concessions offered by the EU. It appears that in exchange for the signature the EU would have been willing not only to forego its insistence on immediately freeing Tymoshenko but also to agree to a certain package of promises regarding future financial assistance for Ukraine.

Yanukovych clearly demonstrated that he was most comfortable prolonging the uncertainty prevalent in the Kuchma period with regard to Ukraine's foreign policy orientation and playing Russia and the EU off each other to gain benefits for Ukraine (and for the ruling clique in particular) from both sides. While negotiating with the EU he also entered into a CIS Free Trade Agreement and agreed on a limited form of observer status for Ukraine within the Russian-dominated Customs Union.⁴ The lack of preparation undertaken by Ukrainian political leaders and the bureaucracy in the months prior to the Vilnius summit indicates that implementation of the Association Agreement, had it been signed, would have been patchy at best. This is due in part to the lack of political will by Yanukovych and his cronies, who saw the Agreement as an additional card to play in negotiations with Russia, and in part to the inadequate professionalism of the Ukrainian bureaucracy, which is simply not equipped to deal with the complex tasks contained in the DCFTA. While attempting to play

² For more information on both the Kharkiv Agreement and Ukraine's non-aligned (or non-bloc) status, embedded in an analysis of Ukrainian foreign policy since 1994, see Serhiy Kudelia, 'Ukraine's Credibility Gap as a Perennial Foreign Policy Problem,' Johann Pucher and Johann Frank (eds.), *Strategie und Sicherheit 2012: Der Gestaltungsspielraum der österreichischen Sicherheitspolitik*, Vienna: Böhlau-Verlag, 2012, http://www.academia.edu/1510447/Ukraines_Credibility_Gap_as_a_Perennial_Foreign_Policy_Problem (accessed 12 June 2014).

³ For the most clear and detailed expression of this concern, see the Council Conclusions of 10 December 2012, http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/EN/foraff/134136.pdf (accessed 12 June 2014).

⁴ See e.g. 'Ukraine closer to Customs Union?', an analysis of the Centre for Eastern Studies (OSW), Warsaw, 5 June 2013, <http://www.osw.waw.pl/en/publikacje/analyses/2013-06-05/ukraine-closer-to-customs-union> (accessed 12 June 2014).

games with both the EU and Russia, Yanukovych further weakened the already damaged Ukrainian economy by allowing his supporters to plunder state coffers by means of corrupt public procurement schemes and other equally problematic methods.⁵ He thereby reduced the attractiveness of Ukraine to its partners in East and West and thus significantly impaired his own bargaining power.

Thus in the run-up to Vilnius, faced with strong Russian economic pressure (see below), Yanukovych was not in a position to accept an EU offer which did not promise him immediate financial relief. Rather, he succumbed to Russian pressure in exchange for an eventual offer of carefully dosed credits and investments,⁶ without, however, committing himself (at least publicly) to intensifying relations with the Customs Union or the Single Economic Space. In some ways Yanukovych's decision ran counter to his own interests and those of both his clan ('the family') and most influential Ukrainian oligarchs. These businesspeople were (and are) not interested in increasing their dependence on Russia, whose own oligarchs are as a rule financially much stronger than their Ukrainian counterparts and keen on obtaining attractive Ukrainian assets. Correspondingly, most Ukrainian oligarchs were not excited about Ukraine joining Eurasian integration formats which would have placed Russia in a better position to dominate Ukraine both economically and politically. However, the majority of oligarchs have diversified holdings, with interests in Russia as well, so they were (and are) not necessarily wholehearted supporters of the Association Agreement with the EU either.⁷

Therefore, on the level of both the political and economic elites there was a fundamental ambivalence towards not only Russia, but also the Customs Union and the emerging Eurasian Economic Union. This was echoed within Ukrainian society, although here the split was largely geographical, with the inhabitants of the Eastern and Southern regions supporting entry into the Customs Union/Eurasian Union much more strongly than those in the West, with the Central regions occupying a middle position.⁸ Despite repeated Russian attempts, notably by Putin's adviser Sergei Glazyev at the elite level and by Viktor Medvedchuk with his 'Ukrainian choice' campaign targeting Ukrainian society,⁹ it was apparent that as late as summer 2013 Yanukovych was counting on signing the Association Agreement with the EU while continuing to interact with the Eurasian integration formats on some level below that of membership. The Association Agreement was to be used as a means to increase Yanukovych's bargaining power with Putin by demonstrating that Ukraine could pursue a closer relationship with the EU as a viable alternative to Russia and its Eurasian agenda.¹⁰

5 See e.g. Susan Stewart, 'Public Procurement Reform in Ukraine: The Implications of Neopatrimonialism for External Actors,' *Demokratizatsiya* 21/2, Spring 2013, 197-214.

6 For the specifics see Carol Matlack, 'Ukraine cuts a deal it could soon regret,' Bloomberg Businessweek, 17 December 2013, <http://www.businessweek.com/articles/2013-12-17/ukraine-cuts-a-deal-it-could-soon-regret> (accessed 12 June 2014).

7 For an excellent analysis of, *inter alia*, the Ukrainian oligarchs and their relationship to foreign economic policy, see Elena Gnedina and Evghenia Sleptsova, 'Eschewing Choice: Ukraine's Strategy on Russia and the EU,' *CEPS Working Document*, 13 January 2012, <http://www.ceps.eu/book/eschewing-choice-ukraine%E2%80%99s-strategy-russia-and-eu> (accessed 12 June 2014).

8 For a detailed analysis of foreign policy attitudes and the reasons behind them undertaken by the Razumkov Centre in Kiev, see http://www.razumkov.org.ua/eng/files/category_journal/Zhrnl_EC_2013_e_site_rdc_94-132.pdf (accessed 12 June 2014). See in particular pages 112-113 for the regional breakdown of attitudes towards the Customs Union and the EU.

9 This campaign has consisted of advertising in the form of billboards and media coverage supporting Ukrainian accession to the Customs Union. It has been run by former parliamentarian and head of the presidential administration (under Leonid Kuchma) Viktor Medvedchuk, who is close to Putin and was rumoured to be Putin's preferred choice as the next Ukrainian president. However, Medvedchuk has never enjoyed very high support in the Ukrainian populace. See <http://ukrainianweek.com/Politics/54398> (accessed 12 June 2014).

10 For an outstanding analysis of the calculations of the various actors in the run-up to the Vilnius summit, see James Sherr, 'Ukraine and Europe: Final Decision?', Chatham House Programme Paper, July 2013, http://www.chathamhouse.org/sites/default/files/public/Research/Russia%20and%20Eurasia/0713pp_sherr.pdf (accessed 12 June 2013).

THE RUN-UP TO THE VILNIUS SUMMIT AND THE ROLE OF THE MAIDAN

However, starting in August 2013 Russia began to take actions which eventually altered Yanukovych's calculations. The massive problems Russia created on the border for Ukrainian exports entering Russia, as well as the credible threats of further actions to damage the economic side of the relationship should the Association Agreement be signed, made clear that the price of that agreement would be much higher than Ukraine had previously believed.¹¹ Since the benefits of the Association Agreement would be felt only in the medium to long term, while the *de facto* economic sanctions by Russia would have an immediate and strongly negative impact, the Ukrainian economy, weakened as it was by external factors as well as by the corrupt domestic elite, was not in a position to withstand severe short-term damage.

Thus Yanukovych and the Azarov government began an unsuccessful attempt to gain last-minute promises of massive financial assistance from the EU. When it became clear that this assistance would not be forthcoming on the scale desired, Yanukovych refused to sign the Association Agreement and entered into a deal with Vladimir Putin instead. While initial loans from Russia offered the promise of tiding Yanukovych and his cronies over for a few months – and possibly until the next presidential election scheduled for March 2015 – the terms of the loan and of the accompanying gas price discount clearly indicated that Russia had the upper hand.¹² This decision thus propelled Ukraine into a state of increased dependence on Russia, making it more likely that entry into the Customs Union/Eurasian Economic Union would eventually become inevitable. In the end, therefore, the actions of the Ukrainian political and economic elite targeted solely at ensuring their own enrichment ended up dictating the country's foreign policy orientation.

Yanukovych's failure to sign the Association Agreement triggered the major social protests now referred to as 'the Maidan'. These protests quickly went beyond the issue of Ukraine's relationship to the EU and became a struggle against the corruption practiced by the ruling regime and against Yanukovych as the personal embodiment of that regime. With this broader agenda the protests attracted people from all geographical areas of Ukraine, and smaller 'Maidans' sprang up in other major cities as well. However, the most active protesters were to be found in the Western regions, and this fact – along with the starting point for the protests (the unsigned Association Agreement) – alienated a good number of Ukrainian citizens in the East and South, who shared neither the nationalist agenda of some of the more visible protesters nor the goal of a significantly closer relationship with the EU. The Maidan thus contributed to the existing polarisation within the country regarding foreign policy orientation. It also made it impossible for Yanukovych to overtly pursue any kind of rapprochement with the Eurasian integration formats advocated by Russia. In the context of his multiple meetings with Putin, which were largely shrouded in secrecy, official Ukrainian sources repeatedly stated that joining the Customs Union was not on the agenda.

11 See e.g. Roman Olearchyk, 'Russia accused of triggering trade war with Ukraine,' *Financial Times*, 15 August 2013, <http://www.ft.com/cms/s/0/99068c0e-0595-11e3-8ed5-00144feab7de.html> (accessed 12 June 2014).

12 For example, the gas price was to be re-negotiated every three months, giving Russia the opportunity to punish Ukraine for bad behaviour by reducing or abolishing the discount, as has in fact now occurred. See Svetlana Burmistrova and Natalia Zinets, 'Russia raises gas prices for Ukraine by 80 percent,' 4 April 2014, <http://uk.reuters.com/article/2014/04/04/uk-ukraine-crisis-gas-idUKBREA330C520140404> (accessed 12 June 2014).

THE INTERIM GOVERNMENT AND DEVELOPMENTS IN THE EAST

Once Yanukovych had fled the country, the situation changed radically, but the polarisation remained and indeed increased, at least between the ruling elite and parts of Ukrainian society. The closest supporters of Yanukovych either fled as well or disappeared from the Ukrainian political and business scene. Other, less central figures, such as many MPs from the Party of Regions, simply switched sides and began to support the new government, revealing the tendency of many actors to 'go where the power is' rather than adhering to any particular political agenda. The government, formed by a new parliamentary coalition in consultation with then-Acting President Oleksandr Turchynov (simultaneously the Speaker of Parliament), sees itself as transitional and is composed of members of the Fatherland and Svoboda parties as well as numerous ministers with no party affiliation, including three prominent Maidan activists. This government was immediately denounced by Russia as illegitimate and therefore impossible to accept as a negotiation partner. Unsurprisingly, the government is strongly opposed to taking part in any Eurasian integration formats and very much in favour of drawing as close as possible to the EU, as evidenced by Interim Prime Minister Yatseniuk's signature on the political part of the Association Agreement in March 2014.

Not only did the new government express zero interest in the Eurasian integration formats initiated by Russia, it also took a series of steps (along with the parliament) which further alienated those in the Eastern and Southern regions already deeply sceptical of the Maidan and the profound changes in the Ukrainian political landscape it had brought about. The most widely registered of these was the almost immediate decision of the parliament to revoke a change to the language law passed under Yanukovych which allowed those regions with 10 percent or more ethnic minority population to use the minority language alongside Ukrainian on an official level within the region. Although practically this change had had little effect and Russian is in fact very widely used in the East and South, this signal nonetheless unnerved many Russian speakers. Then-acting President Turchynov vetoed the law and it did not come into force, but this failed to reassure those concerned.¹³

In addition, the absence of obvious representatives of Eastern and Southern interests in the government, and in particular the prominent role assigned to Svoboda, a rightist party with strong Ukrainian nationalist tendencies, deepened the cleavage between substantial segments of the Eastern and Southern population and the ruling elite. Measures taken or proposed to deal with the flow of Russian protesters being sent (or coming voluntarily) to Eastern Ukraine to stir up pro-Russian sentiment – such as making the border less porous, introducing visas, or banning certain media coming from Russia – only intensified the belief of numerous citizens that the new government would bring about a serious deterioration in relations with Russia. One aspect of these relations involves the question of Ukraine's participation in Eurasian integration, which is supported by a majority of the population of Eastern and Southern Ukraine.¹⁴ Polls taken since the Russian annexation of Crimea still show 40 percent support or more for Ukraine joining the Customs Union in the Eastern and Southern regions, and a full 70 percent in favour in the Donbas area (Donetsk and Luhansk regions).¹⁵

¹³ For more on the law and the language issue more broadly, see Dominique Arel, 'Double-Talk: Why Ukrainians Fight Over Language,' *Foreign Affairs*, 18 March 2014, <http://www.foreignaffairs.com/articles/141042/dominique-arel/double-talk> (accessed 12 June 2014).

¹⁴ In November 2013 51% of the population in the Southern and 61% in the Eastern regions were in favour of accession to the Customs Union. See 'Poll: Ukrainian public split over EU, Customs Union options,' 26 November 2013, <https://www.kievpost.com/content/ukraine/poll-ukrainian-public-split-over-eu-customs-union-options-332470.html> (accessed 12 June 2014).

¹⁵ The results of this poll, which was conducted jointly by the 'Rating' Sociological Group and the International Centre for Policy Studies, can be found at: <http://ratinggroup.com.ua/products/politic/data/entry/14087/> (accessed 12 June 2014).

There has thus been a shift in recent months, since Yanukovych fled Ukraine and a so-called transitional government was established, along with an acting president. Whereas before both the Ukrainian elite and the society were characterised by ambivalence regarding both foreign policy orientation in general and participation in Eurasian integration formats in particular, there is currently a definite gulf between the ruling elite and part of the population. While the elite is clearly pursuing rapprochement with both the EU and the larger 'West' – meaning not only the United States and other individual states but also traditionally Western-dominated institutions such as the IMF – many inhabitants of the East and South continue to prefer both a close relationship with Russia and Ukrainian membership in Eurasian integration formats such as the Customs Union. These preferences, which have been stable in past years, are based on structural factors which are difficult to alter in the short or even medium term, although visible EU assistance for problematic sectors in the Eastern and Southern regions could contribute to reshaping public attitudes. As for the oligarchs, most of whom are based in the East, they are reorienting themselves after the departure of Yanukovych. While some, such as Ihor Kolomojs'kyj, have clearly positioned themselves on the side of the current government, others, and in particular Ukraine's richest and most influential oligarch, Rinat Akhmetov, have remained more ambivalent.

The structural factors mentioned above are numerous. First, some Ukrainian employers, primarily in the field of heavy industry, are largely dependent on trade and cooperation with Russian partners to survive. Thus a certain number of jobs depend on this cooperation continuing. This industry is concentrated in the Eastern regions in particular.¹⁶ Second, a significant number of Ukrainian citizens, often from the East, work in Russia, either seasonally or year-round.¹⁷ Should the Ukrainian-Russian relationship remain as problematic as it is currently, new bureaucratic hurdles could put their jobs in jeopardy. Third, many, if not most, inhabitants of Eastern Ukraine have relatives and/or friends in Russia whom they visit or whom they receive in their own homes. Should the border regime be changed to involve visas, or even external passports (up to now internal passports have sufficed), such visits could become more complicated. It thus appears unlikely that preferences in favour of further developing relations with Russia (including the Eurasian integration formats) will change in the short to medium term. However, support for these formats seems to be predicated less on the benefits they will bring and more on the negative consequences the rejection of them might entail for the overall Ukrainian-Russian relationship.

These factors, combined with the actions taken by the transitional government as described above, create fertile soil for Russian intervention in Eastern Ukraine. It should, however, be stressed that the situation is quite different from that in Crimea along a variety of parameters and that in past years support for separatism in the East has been marginal at best.¹⁸ We now turn to a brief review of the consequences of Russia's occupation and annexation of the Crimean peninsula for the future Ukrainian approach to the Customs Union and Eurasian Economic Union.

16 For ties e.g. in the military sector, see Charles Recknagel, 'Complex Ties: Russia's Armed Forces Depend on Ukraine's Military Industry,' Radio Free Europe/Radio Liberty, 28 March 2014, <http://www.rferl.org/content/russia-ukraine-military-equipment/25312911.html> (accessed 12 June 2014).

17 It is difficult to find reliable statistics on this migration, since much of it is likely to be illegal or at least informal. However, for a general overview, see Yulia Florinskaya, 'The Scale of Labour Migration to Russia,' Russian International Affairs Council, 13 September 2013, http://russiancouncil.ru/en/inner/?id_4=2343#top (accessed 12 June 2014).

18 For a useful analysis of the complex situation regarding identity and attitudes in the Eastern regions, see Joanna Fomina, *Language, Identity, Politics: The Myth of Two Ukraines*, Policy Brief, Institute of Public Affairs/Bertelsmann Foundation, April 2014, http://www.bertelsmann-stiftung.de/cps/rde/xbcr/SID-CAC3946B-E717251D/bst/xcms_bst_dms_39664_39665_2.pdf (accessed 12 June 2014).

IMPLICATIONS OF THE CRIMEAN CONFLICT

The circumstances of Russia's invasion and occupation of Crimea, as well as of the illegal referendum conducted under Russian auspices and the ensuing annexation of the peninsula by the Russian Federation are well-known and will not be reviewed here. The implications of these events for Ukrainian current and future involvement with Eurasian integration formats are multiple. For one thing, the Ukrainian-Russian relationship has deteriorated in the extreme. Normal diplomatic relations are impossible as long as Russia refuses to accept the new Ukrainian leadership as a legitimate partner. While Russia has agreed to 'respect' the outcome of the 25 May presidential elections, it has fallen short of explicitly recognizing Poroshenko as Ukraine's legitimate president, although the Russian ambassador to Ukraine did attend his inauguration. There are some signs that a dialogue may now be possible on some levels, but for the moment these appear to be more tactical moves than a reflection of a change in Russian ruling elite attitudes. For its part, Ukraine will have difficulty establishing any kind of productive dialogue with a neighbour that has occupied part of its territory and massed armed forces at its Eastern border, as well as contributing to a destabilization of the Donbas, which may have disastrous consequences for the country's further development.

Economic relations are still at least partially intact. However, the Russian side has intermittently raised customs issues on the border, slowing some types of trade.¹⁹ Also, some forms of cooperation and Russian investment in Ukraine are in jeopardy or have already been eliminated, for example in the military sphere. Economic ties to the Crimea have largely been severed, and travel between the mainland and the peninsula is increasingly restricted, with Crimean residents under pressure to accept Russian citizenship.²⁰ So far people-to-people contacts and worker migration from mainland Ukraine to Russia have not been called into question, but measures such as the introduction of visas have been discussed by both sides, and the Ukrainian government is struggling with how to prevent further Russian combatants intent on fomenting unrest in Eastern Ukraine from entering the country, not to mention dealing with those already present. None of these developments speak in favour of Ukrainian interest in Eurasian integration formats any time soon, dominated as these formats are by Russia and requiring as they do a lowering of barriers to trade, labour and capital across participating countries. Rather, the reorientation of Ukraine away from Russia in a number of sectors appears likely.

For another thing, the loss of Crimea means that the balance of political preferences within Ukraine will shift somewhat away from the East and South and towards the West and Centre. This will reduce the number of supporters of Eurasian integration formats significantly, although the dissatisfaction of many citizens in the East, as well as the levers of influence Russia has on Ukraine, will nonetheless require the president and government to attempt to come to some kind of arrangement with the Russian leadership in order to allow for a more or less stable environment for pursuing reforms. Finally, in the medium term, the way political and economic developments evolve in Russian-controlled Crimea will influence how Ukrainians view association with Russia, especially the inhabitants of the Eastern and Southern regions. This in turn can either increase or diminish support for the Customs Union and the Eurasian Economic Union, since these formats are closely associated with Russia in the eyes of the Ukrainian public.

¹⁹ See e.g. Alec Luhn, 'Trade war over Crimea looms as Russia closes Ukrainian-owned sweet factory,' *The Guardian*, 20 March 2014, <http://www.theguardian.com/world/2014/mar/20/trade-war-crimea-russia-closes-ukraine-sweet-factory> (accessed 12 June 2014).

²⁰ On the citizenship issue see Natalya Krainova, 'To Be Russian, or Not to Be Russian? Crimean Residents to Decide on Citizenship,' *The Moscow Times*, 20 March 2014, <http://www.themoscowtimes.com/news/article/to-be-russian-or-not-to-be-russian-crimea-residents-to-decide-on-citizenship/496499.html>; Christian Weisflog, 'Fremd in der eigenen Stadt,' *Neue Zürcher Zeitung*, 15 April 2014, <http://www.nzz.ch/aktuell/international/auslandnachrichten/fremd-in-der-eigenen-stadt-1.18284204> (both accessed 12 June 2014).

CONCLUSION

Ambivalence towards Eurasian integration formats among the Ukrainian ruling elite under Yanukovich has largely given way to aversion within the current political leadership. In some cases this negative attitude was present before (e.g. in the case of the Svoboda party), but to some extent it is pragmatic, as today's Ukrainian leaders see more extensive support under more tolerable conditions coming from the West. What is more, Western assistance is viewed as a bulwark against further Russian encroachment. Even if there were interest on the part of the Ukrainian elite, any sort of engagement with the Customs Union is impossible as long as the Russian leadership refuses to interact with its counterparts in Ukraine on a systematic basis. This may change with the assumption of the presidency of Petro Poroshenko, but at the time of writing (five days after his inauguration) it is too early to tell whether there will be a qualitative shift in the Russian approach. On the societal level, the population remains split, largely along geographical lines. These differences with regard to foreign policy orientation have been further polarised by both the influence of the Maidan and the transitional government on the one hand, and the intervention by Russia in the Crimea as well as (to a lesser but still effective extent) in Eastern Ukraine on the other.

The initial approach of the transitional Ukrainian government and acting president towards Russia was pragmatic, seeking good relations based on mutual equality.²¹ Poroshenko also appears to be prepared to pursue dialogue, although he is unwilling to compromise on issues of Ukrainian sovereignty and territorial integrity. However, Russia's occupation and annexation of Crimea have placed the relationship on a hostile footing and indeed brought the two countries to the brink of war. In this situation the Ukrainian leadership is hardly likely to consider closer cooperation with Russian-dominated Eurasian integration formats in any way attractive, particularly given a viable Western alternative. Indeed, these formats play almost no role in the current Ukrainian political and media discourse. Certainly the situation in Ukraine is currently quite unstable in a number of ways, and it is unclear how things will develop on the domestic and international fronts even in the near future. However, it appears that Russian actions, in particular concerning the Crimea, but also in the run-up to the Vilnius summit, represent a clear shift away from persuasion and towards coercion with regard to Russia's neighbours, in terms of both their relationship with Russia itself and their participation in the Customs Union and emerging Eurasian Economic Union. Despite continuing support for close relations with Russia in Eastern and Southern Ukraine, this shift in Russian methods has alienated many, if not most, on both the elite and societal levels in Ukraine and has damaged – perhaps irreparably – the standing of the Eurasian integration formats Russia has been seeking to promote.

Despite the fundamental unattractiveness of these formats, a scenario in which Ukraine moves closer to or even joins the Eurasian Economic Union cannot be completely ruled out. Should the reform processes now being launched by the government in Kiev fail to gain traction, Ukraine could lose Western support, as has happened before when IMF loans were halted in response to Ukrainian inaction. If this occurs, Ukraine may be too weak to resist Russian pressure to ally itself with its Eurasian integration formats. Thus much depends on the determination of segments of the Ukrainian elite and society to carry out genuine and consistent reforms, as well as on the ability of external actors to support this process in an informed and effective manner. Judging from previous Russian behaviour, the Kremlin will attempt to thwart positive political and economic developments in Ukraine, which will make Ukrainian efforts to reach a compromise with Russia simultaneously less tolerable and more necessary. However, Kiev is currently not in a strong enough position to negotiate an arrangement with Moscow that would allow Ukraine to pursue a stable and sensible path of development while retaining its sovereignty. Because of this, the ability of Western actors to keep channels of communication with Russia open while insisting on changes in Russia's approach to its neighbours will be a crucial factor in shaping the future of both Ukraine and the Eurasian integration process. ■

21 See 'Turchynov promises neighbourly relations with Russia', Interfax, 24 February 2014, <http://www.interfax.com/newsinf.asp?id=483150> (accessed 12 June 2014). See also an op-ed by Turchynov in the *New York Times*: 'Kiev's Message to Moscow: Ukraine's President Rebuffs Russian 'Imperialism'', 11 March 2014, http://www.nytimes.com/2014/03/12/opinion/ukraines-president-rebuffs-russian-imperialism.html?_r=0 (accessed 12 June 2014).