

# Ukraine



**2016 Country Review**

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# **Chapter 1**

## **Country Overview**

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## Country Overview

### UKRAINE

Ukraine is a country in Eastern Europe, bordering the Black Sea. Most of the territory of what is modern Ukraine was annexed by Poland and Lithuania in the 14th century. Ukrainian peasants who fled the Polish effort to force them into servitude came to be known as Cossacks. The Cossacks established their own colonies and led several revolts against Polish rule, but eventually they turned to the Russians for protection.

During the latter part of the 18th century, most Ukrainian territory was absorbed by the Russian Empire. Ukraine was able to bring about a short-lived period of independence (1917-20) following the collapse of czarist Russia in 1917, but it became a republic within the Soviet Union in 1922.

Ukraine gained independence after the collapse of the Soviet Union in 1991. Shortly after independence, Ukraine named a parliamentary commission to prepare a new constitution and adopted a multi-party system. But democracy remained elusive as the legacy of state control and corruption stalled efforts on economic reform, privatization, and civil liberties. A peaceful mass protest "Orange Revolution" in late 2004 forced the authorities to overturn a rigged presidential election and to allow a new internationally monitored vote that brought Viktor Yushchenko in power.

The "Orange Revolution" did not ensure Yushchenko's lock on power and elections in 2010 brought his main rival, pro-Russian Viktor Yanukovich, to power. As discussed below, a grassroots uprising ended Yanukovich's tenure prematurely in 2014, but ushered in a period of conflict that continues to date, even with the election of a new president -- Petro Poroshenko.

With rich farmlands, a well-developed industrial base, highly trained labor, and a good education system, Ukraine has the potential to become a major European economy. However, Ukraine's economy remains burdened by excessive government regulation, corruption, and lack of law enforcement. And, as discussed here, in recent times, Ukraine's landscape has been dominated by the war in eastern Ukraine against Russian-backed separatists.

### Editor's Note

Ukraine's "Maidan" uprising of 2013 and 2014, resulting in the removal of the pro-Russian Viktor

Yanukovich from office and the dismantling of his authority in 2014, were signs that Ukraine was actively resisting influence from Moscow. They were also clear signals that Ukraine was determined to set its own course -- and quite likely in the direction of Europe. The people of Ukraine were delivering Russia a clear message that they would be the agents of their own self-determination. However, Russian President Vladimir Putin was not in a mood to receive that message.

The invasion and de facto annexation of the Ukrainian territory of Crimea by Russia, under the guise of "protecting" the Russian ethno-linguistic population, showed that Russia felt entitled to stake a claim on Ukraine. For the wider world, this action recalled alarming memories of the Soviet invasion of Czechoslovakia in 1968, under the aegis of the Brezhnev Policy, to subdue the independence-minded Prague Spring. It also evoked suggestions that Putin was attempting to recraft a Cold War Russian quasi-empire in the mold of the former Soviet Union.

While the "Maidan" or Independence Square in the Ukrainian capital of Kiev would be stamped in the history books as "Ground Zero" of Ukraine's 2014 unrest, the battleground had clearly move eastward with Crimea as a new flashpoint. But with fighting going on elsewhere in eastern Ukraine, and with "new Russia" enclaves been declared in Donetsk and Luhansk later in 2014, it was evident that Russia would not end its Ukrainian adventure at the borders of Crimea.

In much the same way as the Turks annexed northern Cyprus from that country in 1976, claiming it was protecting the rights of the Turkish ethnic population in Cyprus, which was home to an ethnically Greek population, Russia has done the same in eastern Ukraine. To date, Cyprus has remained divided by the so-called "Green Line," with an internationally recognized Cyprus encompassing most of the island, and a Turkish enclave to the north, which does not enjoy international recognition. A similar Ukraine/Crimea division could materialize as the likely outcome of this unfolding crisis. But with an alternative scenario unfolding that takes Russian ambitions beyond Crimea, possibly in pursuit of the gas pipelines that traverse wider Ukrainian territory, a tidy solution was unlikely.

At stake were Russian ambitions to regain territory lost following the collapse of the Soviet Union. The reality was that Russia was attempting to destabilize Ukraine by supporting pro-Russian cabals in eastern Ukraine, and with an eye on establishing southern and eastern Ukraine as part of Vladimir Putin's "new Russia."

It was to be seen if the landscape in eastern Europe represented the foundation for a renewed Cold War between the East and West. Given the geopolitical and geostrategic stakes, the outcome was clearly being textured by bloodshed and tears. Russian President Putin was banking on the West's rationality and its reluctance to be drawn into another conflict -- especially one on European soil. From the point of view of United States President Barack Obama, the very notion of a Cold War being in the offing was to be dismissed. According to President Obama, Russia was no longer a

superpower and was now operating from a position of weakness as it intimidated neighbors such as Ukraine. But the tragic downing of a commercial airliner in eastern Ukraine in July 2014 raised the geopolitical stakes, and has since spurred the West to apply economic sanctions to Russia.

Economic pressures may have played a hand in forcing Russia to the negotiating table and the forging of two separate ceasefire agreements in the Belarusian capital of Minsk. But, to date, neither Minsk ceasefire agreement has managed to stem the flow of blood, and the encroachment of pro-Russian forces into eastern Ukrainian territory.

In the long run, the outcome to this story was yet to be written.

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## Key Data

Key Data	
<b>Region:</b>	Eastern Europe
<b>Population:</b>	44008508
<b>Climate:</b>	Temperate continental; winters vary from cool along the Black Sea to cold farther inland; summers are warm across the greater part of the country. Hot in the south.
<b>Languages:</b>	Ukrainian Russian Romanian Polish Hungarian
<b>Currency:</b>	Hryvna used
<b>Holiday:</b>	Independence Day is 24 August (1991), Orthodox Christmas is 7 January
<b>Area Total:</b>	603700
<b>Area Land:</b>	603700
<b>Coast Line:</b>	2782

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## Ukraine

### Country Map



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## Eastern Europe

### Regional Map

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# **Chapter 2**

## **Political Overview**

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## History

### Early History

The first identifiable groups to populate what is now Ukraine were Cimmerians, Scythians, Sarmatians, Goths, and other nomadic peoples who arrived throughout the first millennium before the common era (B.C.E.). These people were well known to colonists and traders in the ancient world, including Greeks and Romans, who established the trading outposts that eventually became city-states.

Slavic tribes occupied central and eastern Ukraine in the sixth century in the common era (C.E.) and played an important role in the establishment of Kyiv. Situated on lucrative trade routes, Kyiv quickly prospered as the center of a powerful state of Kyivan-Rus. In the 11<sup>th</sup> century, Kyivan-Rus was, geographically, the largest state in Europe.

Christianity reached the coast of the Black Sea and the lower Danube in the early years of the Christian era. From there it spread slowly northward, carried by merchants and other travelers. There is no doubt that in the course of the ninth century the Christian faith was well-rooted in the chief commercial cities of Ukraine or Kyivan-Rus. Greek Orthodox missionaries, sent to Rus in the ninth century, baptized so many people that shortly after this a special bishop was sent to care for their spiritual needs.

### St. Volodymyr the Great

In Kyiv, the capital, in the early 10<sup>th</sup> century, there were many Christians, including Grand Princess Olha, the wife of Grand Prince Ihor. History has recorded that his army included both pagan and Christian warriors. Olha attempted to persuade her son, Sviatoslav, a well-known warrior who succeeded his parents on the throne of Kyivan-Rus, to accept Christianity but he declined. However, his children, who remained in the court with their grandmother, were imbued with Christian ideas. Among them was Volodymyr, who came to be known as St. Volodymyr the Great. In his adult years, many missionaries approached Volodymyr, each urging him to accept their religion. Volodymyr decided to find out for himself which was the best religion and sent envoys to many lands to gather information and report to him. Those sent to Constantinople found

Greek Orthodoxy the best.

Among Volodymyr's campaigns were successful attacks against Greek settlements in Crimea. Emboldened by his victory, Volodymyr sent an envoy to the joint Byzantine Emperors, Basil and Constantine, to demand their sister, Anna, in marriage. They consented on the condition that he is baptized. Volodymyr gladly accepted, having already convinced himself that Orthodox Christianity suited him.

In 988 Volodymyr was baptized and married Anna. He also had his entire realm baptized, thus marking the acceptance of Christianity by ancient Ukraine. Volodymyr is also known to have conceived on the trident (tryzub) crest, which he had imprinted on Kyivan-Rus coins. This crest came to be the state emblem of today's Ukraine.

### 11th-18th Century Developments

Throughout the early years of the second millennium Kyivan-Rus was a strong empire. However conflicts among the descendants of Volodymyr the Great weakened Kyivan-Rus and left it vulnerable to attacks by Polovtsians, Mongols and princes of Suzdal in the North. One of them, Andrei, of the Yury Monomakh house, founders of the later Muscovite dynasty, took advantage of the disarray among the early Ukrainian princes and sent an army in 1169 to destroy Kyiv. The attack was successful and for many days the victors pillaged the churches and monasteries. The soldiers carried away icons, rare books, vestments, and killed many of the inhabitants.

Most of the territory was annexed by Poland and Lithuania in the 14<sup>th</sup> century; however, during that time, Ukrainians began to conceive of themselves as a distinct people, an identification that survived subsequent partitioning by greater powers over the next centuries. Ukrainian peasants who fled the Polish effort to force them into servitude came to be known as Kozaks (Cossacks) and earned a reputation for their fierce martial spirit.

The Kozak era began in the 16<sup>th</sup> century. The rulers, or hetman, of Kozak Ukraine sought to liberate Ukraine from Russian, Polish or Asian subjugation. One of the more heroic battles was one in which the Kozak army of Hetman Ivan Mazepa was defeated by the Russian Army in the Battle of Poltava in 1709 and by the late 18<sup>th</sup> century eastern Ukraine was subjugated by Russia.

### Nationalism and Independence

The 19<sup>th</sup> century found the region largely agricultural, with a few cities and centers of trade and learning. The region was under the control of the Austrians in the extreme west. The Russians

were in control elsewhere. Ukrainian writers and intellectuals were inspired by the Spring of Nations in Europe and the nationalistic spirit stirring other European peoples existing under other imperial governments. The literature they created strove to revive Ukrainian linguistic and cultural traditions and establish a Ukrainian nation-state. The Russians, in particular, through the Ems Decree, imposed strict limits on attempts to elevate Ukrainian language and culture, even banning its use and study.

When World War I and the Bolshevik revolution in Russia shattered the Hapsburg and Russian empires, Ukrainians declared independent statehood. In 1917 and 1918, two separate Ukrainian republics declared independence. The Ukrainian National (People's) Republic, with its capital Kyiv, issued four declarations of varying levels of autonomy and sovereignty, culminating in the formal break with Russia on Jan. 22, 1918.

The Western Ukrainian National (People's) Republic declared its independence from the Austro-Hungarian Empire on Nov. 1, 1918. Armies of both republics sought to defend independence. On Jan. 22, 1919, both republics merged into one united, indivisible Ukrainian National Republic. By 1921-22, however, the western part of the traditional territory had been incorporated into Poland, and the larger, central and eastern part became part of the Soviet Union.

### Stalinism

The Ukrainian national idea persevered during the inter-war years, and Soviet reaction was severe, particularly under Stalin, who imposed terror campaigns, which ravaged the intellectual class. As part of his forced collectivization policies and confiscation of foodstuffs and grain, Stalin also created famines that killed millions of previously independent landowners and farmers and others throughout the country; estimates of deaths from the 1932-33 famine alone range from three million to seven million. Despite denials by *The New York Times'* Pulitzer-prize winning correspondent Walter Duranty, European newspapers told the story of famine deaths in Ukraine with articles and photographs. After the independence of Ukraine in 1991, the first president of Ukraine -- Leonid Kravchuk -- made clear the full story of Stalin's plan.

### World War II

Pre-World War II Western Ukraine, incorporated into Poland, felt persecution and repression at the hands of the Warsaw government. Through its campaign called "Pacification," Poland intended to destroy all vestiges of Ukrainian culture in its domain.

Ukrainians did not wait passively for a general war in Europe to press forward with their war of national liberation. Among the underground institutions formed to further the goal of independence

were the Ukrainian Military Organization (UVO) and the Organization of Ukrainian Nationalists (OUN). World War II formally broke out in September 1939. However the Ukrainian people, residents of the independent Transcarpathian Ukrainian Republic, unsuccessfully fought a war of liberation against Nazi Germany's surrogate, Hungary.

After the German and Soviet invasions of Poland in 1939, the western Ukrainian regions were incorporated into the Soviet Union. When the Germans invaded the Soviet Union in 1941, many Ukrainians, particularly in the west, welcomed them, but this did not last. The military wing of the OUN, Ukrainian Insurgent Army (UPA) waged war against both the Nazis and the Soviets. On June 30, 1941, the leadership of the OUN declared the reestablishment of the independence of Ukraine.

German brutality was directed principally against Ukraine's Jews (of whom one million were killed), but also against many other Ukrainians. Nearly 100,000 Jews and Ukrainians, along with the Kyiv Dynamo soccer team, were shot and buried in Babi Yar, near Kyiv, on Sept. 30, 1941. Kyiv and other parts of the country were heavily damaged. Armed resistance against Soviet government forces continued as late as the 1950s. The commander-in-chief of the Ukrainian Insurgent Army, Roman Shukhevych-Taras Chuprynka, died in battle with MVD troops in March 1950.

### Post-War Ukraine

Little changed for Ukraine over the following decades. During periods of relative liberalization - as under Nikita Khrushchev from 1955 to 1964 - Ukrainian communists pursued national objectives. The historical proximity of the armed resistance of World War II and this period of a thaw in Soviet repression gave rise to an era of intellectual resistance to Soviet rule and the campaign for national independence. This era was spearheaded by so-called writers or intellectuals of the 1960s, 1970s and 1980s and culminated in the establishment of the Ukrainian Public Group to Promote the Implementation of the Helsinki Accords. These greater and lesser-known dissidents sooner or later met their predecessors in the Soviet concentration camps. In the years of perestroika, under Union of the Soviet Socialist Republics (U.S.S.R.) President Mikhail Gorbachev, Ukrainian officials again advanced national goals.

### Independence and Sovereignty

By a majority vote of the Verkhovna Rada, Ukraine became an independent state on Aug. 24, 1991, which was followed by the dissolution of the Soviet Union. Ukraine, Russia and Belarus became founding members of the Commonwealth of Independent States (CIS), a loose association of the former Soviet republics, whose intention was to ease the effects of the collapse of the

U.S.S.R.

Shortly after independence, Ukraine named a parliamentary commission to prepare a new constitution. It also adopted a multi-party system and adopted legislative guarantees of civil and political rights for national minorities.

*Note on History: In certain entries, open source content from the State Department Background Notes and Country Guides have been used. A full listing of sources is available in the Bibliography.*

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## Political Conditions

### Civil Rights and Freedoms

Law guarantees freedom of religion, although religious organizations are required to register with local authorities and with the central government. Minority rights are respected in accordance with a 1991 law guaranteeing ethnic minorities the right to schools and cultural facilities, and the use of national languages in conducting personal business.

In Crimea and eastern Ukraine, areas with significant Russian minorities, Russian is permitted as a language of official correspondence. It is also recognized as an official language in Crimea.

### Crimea

Ethnic tensions in Crimea during 1992 prompted a number of pro-Russian political organizations to advocate secession of Crimea and annexation to Russia. (Crimea was ceded to Ukraine in 1954, as a gift from Khrushchev to mark the 300th anniversary of Ukrainian union with Russia). In July 1992, the Crimean and Ukrainian parliaments determined that Crimea would remain under Ukrainian jurisdiction, while retaining significant cultural and economic autonomy.

Crimea held its first presidential elections in January 1994, electing Yuriy Meshkov, a Republican Party of Crimea member who advocated closer ties to Russia. The results of a non-binding poll on March 27, 1994, demonstrated voters' overwhelming support for: greater powers for Meshkov; dual Russian-Ukrainian citizenship for Crimeans and a treaty to govern relations between Crimea and Ukraine on a more equal basis. On March 17, 1995, however, the Ukrainian parliament abolished the 1992 Crimean constitution and dissolved the local presidency.

See "Special Report" below as regards the landscape in Crimea in 2014.

### The Ukrainian Government and Economic Reform

The 1996 constitution recognizes the right to private ownership of land and property. It also strengthens provisions on the rule-of-law and provides for a more independent judiciary, promising more effective legal protections for investors. It could also help facilitate passage of a long-delayed new Civil Code, which contains a Western-style commercial code.

These principles, while laying the groundwork for market-economy reforms, are thus far more theoretical than practical. A lack of legislation in many areas of economic activity, as well as the absence of a reliable system to enforce existing legislation, are obstacles to achieving an investment climate that will attract substantial foreign investment. Key questions, such as land ownership, land purchase by foreigners, privatization conditions, and taxation reform remain unresolved.

In line with Ukraine's agrarian land reform policy, President Leonid Kuchma issued a decree on Dec. 3, 1999, abolishing collective farms. The three-page document raises the urgency level of privatizing the land, previously used by collective farming organizations. The decree notes that farmers who worked on the collective farms or other individuals are entitled to buy the land for their own farming needs.

Increasing corruption and crime, while not as serious a problem in Ukraine as in Russia, is a significant factor inhibiting legitimate business activity and foreign investment in Ukraine. President Kuchma has declared the fight against organized crime to be one of the top priorities of his administration, but up to this point little real progress has been made.

There is a broad understanding of these problems within Ukrainian official circles and a general consensus among reformers on the need to ensure that foreign investors are greeted with a more favorable legal and regulatory climate in the future. The hard work of translating that consensus into law is one of the most important challenges facing the Ukrainian political system today. Ensuring that these laws are effectively executed is an equally great challenge.

### Post-Independence Elections

In their first free, democratic elections, held in December 1991, the Ukrainian people voted by 91 percent in support of independence and elected Leonid Makarovich Kravchuk president.

In July 1994, Leonid Danylovych Kuchma was elected Ukraine's second president, replacing

Leonid Kravchuk. Earlier, in March 1994, Ukraine had elected its first post-independence parliament. Between the parliamentary elections of March 1994 and March 1998, there were several changes in government.

Following the elections, Vitaliy Masol was chosen prime minister. Economic policy disputes led to the resignation of Prime Minister Masol one year later, in March 1995. Kuchma then appointed Yevhen Marchuk as prime minister. Marchuk remained in office a little over a year; he was dismissed in May 1996 and replaced by Pavlo Lazarenko. Lazarenko also lasted only a little more than a year; he was removed from office by President Kuchma in June 1997 and replaced by Valeriy Pustovoitenko. Marchuk and Lazarenko's failure to reform and improve the Ukrainian economy is seen as the reason for their removal. Pustovoitenko fared somewhat better than his three predecessors, lasting the longest of the three in office. He remained prime minister until late December 1999, when reformer Viktor Yushchenko, former chairman of the National Bank of Ukraine, replaced him.

During Pustovoitenko's tenure, the second post-independence parliamentary elections were held (in March 1998). Non-partisans won 136 seats. The Communist Party of Ukraine won 123 seats; the People's Movement of Ukraine Rukh won 41 seats; the Socialist Party and the Peasants' Party combined for 29 seats; and the People's Democratic Party of Ukraine won 28 seats. The All-Ukrainian Association Hromada won 20 seats; the Green Party won 19 seats; and the Progressive Socialist Party and the United Social-Democratic Party each won 14 seats. Other electoral alliances and parties won 26 seats.

In the 1999 presidential elections, 13 candidates stood in the first round. Because no candidate received an absolute election majority, a run-off was held between the top two vote recipients, President Leonid Kuchma and Communist Party leader Petro Symonenko. In the second round, Kuchma defeated Symonenko, garnering 56.3 percent of the vote to Symonenko's 37.8 percent. After the presidential elections, President Kuchma attempted to re-appoint Pustovoitenko, but the Verkhovna Rada rejected this proposal. President Kuchma then nominated Chairman of the National Bank, Viktor Yushchenko, whom the Verkhovna Rada confirmed.

In an effort to strengthen the Office of the President of Ukraine, to demonstrate popular support and to browbeat a defiant and uncooperative parliament, President Kuchma called for a controversial referendum that was held April 16, 2000. Despite some pundits' predictions that the population's weariness with elections and frustrations with economic woes would lead to a low voter turnout, more than 81 percent of the electorate, or 29,780,768 people, appeared at polling booths across the country, according to the Central Elections Commission. The voters by an overwhelming majority cast their ballots in support of expanding the president's authority.

While Kuchma sought to have six questions placed on the ballot, the Constitutional Court of Ukraine declared two to be unconstitutional.

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The first question pertained to expanding the president's authority to disband parliament. It asked the voters to support dissolution of parliament if lawmakers do not form a practical majority within one month of the new session or if the lawmakers do not adopt the state budget within three months of its submission to parliament. This issue was supported by 84.72 percent of the voters. The next question asked the electorate to support curtailing deputies' parliamentary immunity by allowing them to be indicted or detained on criminal charges without permission of parliament. The issue was favored by 89.01 percent.

The third question dealt with decreasing the number of people's deputies from 450 to 300 legislators. Nearly 90 percent of the voters supported this question. Finally, the fourth question asked for the establishment of a bicameral parliament, with the new chamber to consist of representatives of the regions. This question was supported by 81.71 percent of the voters. In hailing the outcome, Kuchma indicated that this would not be the last referendum in Ukraine.

### The Communists

Ukraine's communists won a victory on Saturday, Dec. 29, 2001, when a high court rejected as unconstitutional a blanket ban imposed on the Soviet-era Communist Party a decade ago but they failed to win control of its predecessor's vast assets. Communists were allowed to continue political activity in independent Ukraine despite parliament's ban in 1991 and now represent the largest group in the 450-seat assembly. But the revamped communist party had been pressing for full legalization.

The ban was imposed on the Ukrainian communist party in the aftermath of the failed 1991 hard-line coup against Soviet President Mikhail Gorbachev. However, in its ruling, the Ukrainian Constitutional Court rejected calls for communist assets to be returned to the party. It said the new Communist party had no right to the vast amount of property amassed by the communists in the Soviet era that includes scores of government buildings, rest homes and sanatoria. Nationalists, patriots and democrats, who played a key role in the process of securing independence for Ukraine, have repeatedly said that re-legalizing the Communist Party was tantamount to pardoning decades of religious and cultural oppression from Moscow.

### National Identity

Ukrainian President Leonid Kuchma on Dec. 2, 2001, strongly dismissed the possibility of Ukraine giving up its independence to restore the Soviet Union. Speaking at a national history museum ahead of the 10th anniversary of the break-up of the USSR, he described independence as Ukraine's historic choice.

The question of language remains a hot topic in Ukraine with the President being called on regularly to explain his position on it. Western Ukrainians demand the sole predominance of the Ukrainian language in Ukraine, while residents of other regions favor an equal status between the Ukrainian and Russian languages. When asked in December 2001 by a reporter, "What is your position on the language issue and the status of Russian," Kuchma said he explained that, according to the Ukrainian Constitution, there was one state language, Ukrainian. Secondly, I have always said this and will say it again: Russian should not feel like a foreign language in Ukraine. Otherwise we would be much too deprived in every respect, from the Russian heritage, Tolstoy, Pushkin, Dostoyevsky, to everything else. The more languages we know, the better."

### Constraints on Media Freedom

Ukraine's evolving status as a democratic state continues to provoke various political alliances and so-called oligarchs into using the media as a staging base for promoting personal or partisan agendas and beating the opposition.

Kuchma has denied accusations that press freedom does not exist in Ukraine and noted that individual citizens had the right to judicial recourse when the media libels them.

Adrian Karatnycky, president of Freedom House, the U.S. human and civil rights monitor, said a relatively free press exists in Ukraine, or at least one that is diverse enough to offer a wide range of ideas. He indicated that the competition among the oligarchs' media offers a variety of points of views for the people. However, harassment of journalists also exists, he said.

Nonetheless, the September 2000 disappearance of young Internet journalist, Heorhiy Gongadze, underscores the tenuous position of Ukraine's newsmen and women, who persistently investigate, analyze and criticize the activities of the political or business oligarchs.

Gongadze operated a Ukrainian website, called "Pravda" (Truth), [www.pravda.com.ua](http://www.pravda.com.ua), in which he expressed views critical of the powerful elite. In September 2000, he disappeared. In mid-November of that same year, Kyiv police found the decapitated body of a male that was partially destroyed by acid. Gongadze's associate, Olena Prytula, and his family believe that body is that of the missing journalist. Officials did not want to positively identify the body until after the medical examiner inspected the remains.

The reporter's disappearance has turned into the single most serious threat against Kuchma's presidency. The incident turned into a scandal when a KGB-trained member of the presidential security team, Major Mykola Melnychenko, managed to tape Kuchma talking in anger with his closest associates and saying that it would be better if Gongadze disappeared or was given to the

Chechens. Kuchma himself said that the voice seems to resemble his own while independent scientific examination failed to prove or disprove that it was the president's voice. The tape was revealed in December 2000 by Alexander Moroz, a member of parliament and head of the Ukrainian Socialist Party. Melnychenko and the political opposition claimed that the words on the audio recording were proof that President Kuchma implicitly gave orders to eliminate the Internet journalist.

Parliamentary hearings were held in the wake of the revelation of the tape's existence. The groundswell of opposition to Leonid Kuchma's presidency increased throughout the early months of 2001. The people did not believe his claims that he had nothing to do with the disappearance of Georgi Gongadze and, consequently, calls for his resignation spread across Ukraine.

Meanwhile, DNA tests, investigators in Ukraine and Russia were not able to state definitively that the body was that of Gongadze. The matter was further complicated by German technicians at the Genedia lab who said they too were unable to positively identify the corpse. However, in the spring, medical examiners from the FBI and the U.S. Armed Forces Institute of Pathology arrived in Ukraine to conduct their own tests. They joined many groups, among them Reporters Without Borders, who went to Ukraine to investigate Gongadze's disappearance. The U.S. team confirmed on May 8, 2001, that the body was that of Heorhiy Gongadze.

The ad hoc group, Ukraine without Kuchma, organized a tent city in Kyiv, with hundreds of participants from around Ukraine demanding the President's removal. Thousands of people came out to demonstrate against Kuchma in January, February and March. The latter one, attended by some 10,000 demonstrators, was the scene of numerous violent scuffles between protesters and police. Demonstrators took to throwing rocks and other missiles at the police while officers responded with what was considered by many as excessive force. Dozens were injured on both sides.

In a unique attempt to convince Ukrainians and the international community of his innocence, President Kuchma wrote a letter to the editor of the *Financial Times*, which was published in the Feb. 27, 2001, edition of the British publication. Kuchma wrote in part: "I was not acquainted with Mr. Gongadze but was certainly aware of the articles he wrote criticizing my policies. In fact, there are many professional journalists who criticize my government more viciously than Mr. Gongadze did. The death of a journalist, although tragic, is not grounds for my political adversaries to accuse me of murder.

Kuchma ultimately fired without explanation the country's leading security officials, whose voices were also heard on the Melnychenko audio recording: Minister of Internal Affairs Yuriy Kravchenko, head of the National Security Service of Ukraine Leonid Derkach and Volodymyr Shepel, head of the State Guard Department.

### The 2001 Political Crisis

From late 1999 to early 2001 the Ukrainian government was headed by Prime Minister Viktor Yushchenko, appointed by President Kuchma and approved by the Verkhovna Rada, on Dec. 22, 1999. Prime Minister Yushchenko, former Chairman of the National Bank of Ukraine, promised economic reforms, including increased privatization, a lessening of the government's role in the economy, land reform (privatization), and a tightening of fiscal policy.

In attempting to see through these reforms, Prime Minister Yushchenko needed substantial cooperation from the Verkhovna Rada. The potential for such cooperation looked rather slim in January 2000, when the Verkhovna Rada literally split in two. Approximately 240 center-right, pro-reform deputies walked out of the parliament, elected their own "parliamentary speaker," and met separately from the leftist deputies, led by parliamentary speaker, Oleksander Tkachenko. (The pro-reform deputies had attempted to vote Tkachenko out of the chairmanship; he had refused to step down). The parliament had resumed meeting normally and had elected a new speaker, Ivan Plyushch, but the new government was unable to persuade the national legislature to vote for the necessary economic reforms.

While President Kuchma was being pressured to resign, Ukrainian Prime Minister Viktor Yushchenko was fighting off attempts by the country's left-wing politicians to bring down his government. The coalition, led by Petro Symonenko, head of the Ukrainian Communist Party, claimed that Yushchenko's policies virtually ruined the nation's well being.

The West, led by the United States, had supported Yushchenko economic reforms and, in fact, the country's welfare has improved. His market and democratic-oriented policies also infuriated influential Ukrainian politicians due to their calls for national transparency. Nonetheless, left-wing parliamentarians pressed for a vote of no confidence.

The crisis surrounding the prime minister's position was the latest in a series of ministerial upheavals. President Kuchma first fired in early January 2001 Deputy Prime Minister Yulia Tymoshenko on charges of corruption. She was incarcerated and judicially released a couple of times and ultimately hospitalized. Kuchma ultimately fired without explanation though, in the wake of the revelation of the Gongadze case, a number of the country's leading security officials.

### Events of 2002

By early 2002, rumblings of dissatisfaction from the opposition, mainly from an odd alliance of communists and those parties connected to powerful businesses or oligarchic parties, toward the reformist Prime Minister turned into loud roars of condemnation. On April 26, Prime Minister

Yushchenko received a vote of no confidence and he and his cabinet resigned, though he still remains a popular public figure. On the day of the no-confidence vote, 15,000 Yushchenko supporters rallied outside the Verkhovna Rada building. President Kuchma accepted the vote and said a new prime minister would be nominated by mid-May.

While most of the members of the cabinet accepted a caretaker status, Yushchenko said he was leaving government work and pledged to return at a later date. Democratic opposition parliamentarians, including dismissed minister Tymoshenko, are jockeying to convince Yushchenko to lead them. There was already talk of Yushchenko running for the next presidential election, something that analysts claimed to be the source of Kuchma being nervous. Some analysts suggested Kuchma's beleaguered support of Yushchenko was a disguised attempt to discredit Yushchenko's political reputation.

After a week of negotiations with the Communist Party and other political parties, President Kuchma formally nominated 46-year-old Anatoliy Kinakh, head of the Union of Industrialists and Entrepreneurs, for the post of prime minister. The parliament voted on Tuesday, May 29, by a vote of 239-2 with 12 abstentions in favor of Kinakh.

In his address to the Verkhovna Rada, Kinakh promised to foster close cooperation with legislators and regional authorities. Kinakh also said Ukraine's relations with such organizations as the International Monetary Fund could be reviewed. This was seen as an attempt to appease Communists and their allies who consider the IMF an instrument of Western pressure on Ukraine. Kinakh pledged to continue reforms and promote Ukraine's economic integration in Europe and the world. He also said increasing salaries and fighting against poverty would be his top priorities.

## 2002 Elections

Thirty-three political parties and blocs vied for 225 contested seats in the March 31, 2002, parliamentary elections.

Virtually all Ukrainian political parties remain dominated by many key personalities and have not yet developed into mature organizations such as those in many Western democracies. That said, ideological and nationalistic divisions do exist across the Ukrainian political party spectrum. Some of the main political blocs and parties are discussed below.

### *Our Ukraine Bloc (NU)*

The bloc consists of 10 right-wing and liberal parties and is led by the popular former Prime Minister Victor Yushchenko. The reform minded bloc is pro-West, pro-democracy and pro-market economy. It has vowed to fight corruption and increase privatization. Our Ukraine was established in 2001 and received the highest percentage of votes in the 2002 proportional parliamentary poll

with 24 percent of the votes.

*Communist Party of Ukraine (KPU)*

Ukraine's strongest party organizationally, the Communist Party, is anti-Kuchma and anti-reform. The Communists constitute the largest single faction in the Verkhovna Rada but were unable to elect their leader, Petro Symonenko, to the post of Verkhovna Rada Chairman. The Communists generally oppose the 1996 Constitution and, in particular, privatization. They would also like to see a return to some form of central planning, the nationalization of the banking system, the abolishment of the presidency, and closer ties with Russia. The party's primary base of support lies among disillusioned elderly and middle-aged voters. The Communists received 25 percent of the vote in the March 1998 party-list Verkhovna Rada elections. The party fared worse in the 2002 proportional parliamentary poll, as it only received 20 percent of the votes.

*For a United Ukraine Bloc (ZYU)*

Led by Volodymyr Lytvyn, the bloc consists of four parties. This party has close ties with President Kuchma, who endorsed the bloc with his own vote in the 2002 elections and as such is often called, "the party of power." The bloc stands for a strong and united Ukrainian state, integration in the European community, and economic policies based on free market state regulation. The bloc received 12 percent of the votes in the 2002 proportional parliamentary poll.

*Tymoshenko Bloc (JT)*

The reform minded and outspoken critic of President Kuchma, Juliya Tymoshenko, heads this bloc. The JT is fiercely anti-corruption, anti-Kuchma, pro-NATO and EU and supports reform of the energy sector. In the 2002 elections, JT received seven percent of the proportional parliamentary poll.

*Socialist Party of Ukraine (SPU)*

Led by former Verkhovna Rada Chairman Oleksander Moroz, the Socialist Party was formed in 1991 to circumvent the government's ban on the Communist Party. The Socialists are less Marxist-Leninist in orientation than the KPU, and Moroz has hinted that he would like to move the party in the general direction of European social democracy. Rank and file members, however, still favor state control of key industries and closer ties to Russia and the Commonwealth of Independent States. The Socialists ran in an electoral bloc with the leftist Peasant Party in the March 1998 parliamentary elections; the bloc received eight and a half percent of the party-list vote. The bloc split in October 1998. For the 2002 elections, the party won seven percent of the proportional parliamentary poll.

*Social-Democratic Party of Ukraine (United) [SDPU(O)]*

This small party grew in stature prior to the March 1998 elections by attracting former President Leonid Kravchuk and former Prime Minister Yevhen Marchuk to its electoral slate, and received four percent of the party-list vote in the March 1998 elections. The SDPU (O) is business-oriented and favors a "socially-oriented market economy," using market economics to generate resources for better social protection. The party deposed its former leader, former Justice Minister Vasyl Onopenko, in October 1998, and Marchuk left the party's faction in 1999 after the SDPU(O) declared its support for Kuchma's re-election. Currently led by Victor Mededchuk, SDPU(O) received 6.3 percent of the proportional parliamentary poll in the 2002 election.

*Green Party of Ukraine (PZU)*

The Green Party, formed in the early 1990s, supports environmentally friendly policies, such as the closure of the Chernobyl nuclear power plant and energy conservation. The party supports Ukraine's neutrality in most foreign policy matters. The Greens have benefited from an influx of new businessmen who also favor overhauling Ukraine's tax system to better accommodate business and consumer interests. The party's success in the March 1998 elections came as a surprise to most observers; it received roughly five and a half percent of the party-list vote. However, in the 2002 elections the party failed to receive the four percent needed to gain seats in the parliament.

*Women for the Future (ZM)*

The ZM is a social-values oriented party, which values the rights and well being of every man, woman and child regardless of nationality, faith or political affiliation. The ZM is pro-social reform, wants more women participating in politics and seeks Ukraine's closer integration within the European community. President Kuchma's wife, Lyudmyla, has ties to this party, which is led by Valentyna Dovzhebko. The party failed to receive the four percent needed in the 2002 elections.

Violence darkened the election atmosphere on a number of occasions. The Our Ukraine office was repeatedly vandalized; candidates and their supporters were assaulted and threatened. A number of candidates and political activists, including Juliya Tymoshenko, were injured in car accidents, and a few were killed in car-related accidents. On March 30, the eve of the election, Social Democrat candidate Mykola Shkriblyak was shot dead outside his home.

Independent domestic and international election observers noted a number of election irregularities during the months preceding and during parliamentary elections. The most common complaints in regards to the election campaign included charges that: candidates and political parties did not receive equal exposure in the media; political rallies would have "mysterious" power outages; there were some instances of voter intimidation; candidates names were removed from the ballot at the

last minute, and ballots were falsified.

Prime Minister Anatoliy Kinakh continued with his post as the country's premier. Our Ukraine, although the winner in the 2002 elections, had to try to form a coalition with other parties to gain a majority in parliament. This would prove to be difficult, as Victor Yushchenko had to strategically determine the parties with which he could work with the least amount of conflict. While some parties announced solidarity on certain issues, such as the Communists and Yulia Tymoshenko's bloc jointly declaring that they will begin impeachment proceedings against Kuchma, the chances of strong and politically succinct coalitions were slim.

In late 2002, Kinakh was dismissed and was replaced by Viktor Yanukovich. No reason was given for Kinakh's dismissal, although Kuchma was increasingly under public pressure (as discussed in the following section.) The new prime minister, with experience as a regional governor, was viewed as a tough individual. As such, he was viewed as being able to deal with Ukraine's troubled political scene.

### Calls For Kuchma's Resignation

The infamous tapes which suggested Kuchma's involvement in the death of a journalist (discussed above) resurfaced and took on new significance. As well as incriminating the country's leader in the murder of the journalist, the tape recordings also produced another finding -- that Ukraine had allegedly sold Iraq a "Kolchuga" early warning radar defense system. Both revelations turned the government of Ukraine -- and the presidency of Kuchma -- into something of a pariah internationally. Particularly noteworthy is the fact that bilateral relations between Ukraine and the United States plummeted after the sale of the defense system to Iraq was discovered. Later, poor bilateral relations were further strained when the United States said that Ukraine was not cooperating with the investigation on the matter. By August 2003, presumably in an effort to repair the damaged relationship with the United States, Ukraine sent peacekeepers to Iraq.

Domestically, President Kuchma fared no better. From 2002 through 2003, regular mass protests calling for the Ukrainian president's resignation became the usual fare. Beleaguered and politically battered by the constant call for his resignation, in March 2003, Kuchma offered a package of policy reforms aimed at devolving presidential powers slightly while affording parliament greater authority. The issues surrounding the murder of journalist, Georgiy Gongadze, as well as the complaints of media harassment and intimidation, however, did not nothing to diffuse popular discontent.

In one of the most sizable protests in March 2003, organized by the group "Rise Ukraine!", as many as 50,000 people took to the streets of Kiev. Co-organizers included the party of former Prime Minister Viktor Yushchenko as well as Yulia Tymoshenko's centre-right block. Communists

and Socialists also joined the demonstration. Although several organizers were arrested, the dissenting groups of allied protestors promised to keep up the calls for Kuchma's resignation. In addition to protesting the president's involvement in the two aforementioned scandals, people were also upset about the economy, most especially the loss of their savings and pensions.

### Developments in 2003 and 2004

In late 2003 and the first part of 2004, relations with Russia took center stage. In October 2003, a border dispute occurred with Moscow when Russia began to construct a causeway across the Kerch Strait between the coast of Russia and Ukrainian island of Tuzla off the Crimean coast. The Kerch Strait also separates the Black Sea from the Azov Sea. In response, Ukraine sent troops to Tuzla.

At the end of the year, Ukrainian President Kuchma and Russian President Vladimir Putin met to resolve the issue and lessen tensions. At a meeting in Crimea, they signed an agreement on the joint use of Kerch Strait and status of Azov Sea. The matter of Tuzla, however, was reportedly not included in either the discussions or the agreements made. In April 2004, the agreements were ratified.

Meanwhile, on the domestic front, in December 2003, the Ukrainian Constitutional Court ruled that President Kuchma could run for a third term in 2004. Earlier in 2003, Kuchma faced intense opposition over a few high profile scandals, attempts to control the media and economic woes.

In April 2004, amid opposition protests, the Ukrainian Parliament ratified membership of a free trade zone with Russia. The agreement effectively introduced a common tax code and terminated trade tariffs.

Also in the first part of 2004 was the parliamentary vote on proposed changes to the constitution that has only been in effect for less than a decade. The decision to change the relatively young constitution as well as the proposed reforms have not been well received by the international community and has been decried vociferously by members of the opposition. At issue were provisions that would weaken the powers of the presidency and even allow the presidency to be chosen by parliament instead of by popular vote. That particular provision (voting on the presidency within the parliament) was removed from the table as a consequence of domestic and international pressure.

By the time the changes were finally put to a vote in parliament, the bill fell six votes short of the necessary 300 votes. (Note: In order for constitutional reforms to be passed, there has to be a two-thirds majority vote.) The defeat of the bill on the parliament was not the end of the issue of constitutional reform. Political experts said it could yet be put to another vote ahead of the

election.

In June 2004, a parliamentary committee in Ukraine called for the impeachment of President Kuchma over the murder of an internet journalist, Georgiy Gongadze. The committee, which had been investigating the case, also said it would recommend that criminal charges be brought against the Ukrainian leader. The report by the committee was yet to be presented to the Ukrainian parliament but the timing was expected to be crucial since the presidential elections were only months away. Although President Kuchma was not standing for re-election, the report would undoubtedly influence the fate of his successor, Prime Minister Viktor Yanukovich.

### The "Orange" Revolution

In November 2004, the presidential election was held and official election returns suggested a victory for Prime Minister Viktor Yanukovich, the apparent successor to Kuchma. Those official results, however, did not coincide with exit polls, which indicated that opposition candidate Viktor Yushchenko had actually garnered more support from the voters. As such, there were claims that the elections had been marred by fraud. International election observers also reported rampant vote rigging. An additional twist to the story was added when it was reported that Yushchenko was poisoned with a high dose of dioxin after attending a meeting with Ukrainian security service chiefs in September.

The contestatory nature of the results, as well as the growing controversy about efforts to thwart a victory by Yushchenko, set off protests by thousands of people for several weeks. The protest action launched by Yushchenko and the mass public was dubbed the "Orange Revolution." Calls for new elections resonated with the Ukrainian parliament, which responded by voting to void those election results. Although the vote in parliament was non-binding, a judgment by the Supreme Court set in motion a course for new elections in December 2004.

In December 2004, the people of Ukraine returned to the polls to once again choose their leader following the voiding of November election results. In the wake of those new elections, early suggestions were that Yushchenko was set to grab a massive victory. Early election returns showed Yushchenko leading with over 52 percent and Yanukovich with 44 percent. While Yushchenko addressed his supporters with a victory speech, Yanukovich's party prepared for the prospect of its new role as the opposition. The official results showed that the early exit polls had been correct -- Yushchenko had 52 percent and Yanukovich had 44.2 percent.

In January 2005, Viktor Yushchenko was sworn in as president. The formalization of his new role came after the country's Supreme Court rejected a challenge by Yanukovich. A month later in February 2005, Yushchenko's nominee, Yulia Tymoshenko, was convincingly approved as prime minister by parliament.

### Developments in 2005

In March 2005, former Ukrainian President, Leonid Kuchma, returned home from the Czech Republic after hearing the news about the death of his former interior minister, Yuri Kravchenko. The former interior minister was found dead just before his scheduled testimony in the infamous 2000 case of the murder of outspoken journalist, Georgiy Gongadze (see details above). The murder has consistently evoked claims that the Kuchma government was involved in some way. The emergence of tape recordings in 2001 possibly implicating the government of Kuchma did nothing to stop the claims. Further speculation is expected to rise as a suicide note by Kravchenko blaming Kuchma has been uncovered. For his part, however, Kuchma has denied any involvement in the murder of Gongadze. Meanwhile, prosecutors have said that they know who ordered the killing of the journalist who often spoke out against the government.

On September 8, 2005, Ukrainian President Viktor Yushchenko sacked his government saying that it had become consumed by a power struggle. He also explained his rationale by saying that he sought to preserve the ideals of the Orange Revolution, which had brought him to power following contestatory elections against Viktor Yanukovich.

Although several members of the sacked cabinet were expected to secure new jobs in the new administration, a notable absence was to be that of the outgoing Prime Minister Yulia Tymoshenko. For her part, she placed the dissonance in the cabinet on aides to Yushchenko, whom she accused of unjustly scheming against her. There was some speculation of a feud between Tymoshenko and the head of the Security and Defence Council, Petro Poroshenko. She railed against the spirit of conflict and disunity which had been spurred as a result, and vowed not to go into the next elections with the new administration. Meanwhile, the acting Prime Minister, Yuri Yekhanurov, was in the process of forming a new government.

On September 22, 2005, Yekhanurov was rejected by parliament as prime minister. In parliament, Yekhanurov ran three votes short of the requisite 226 for approval. Analysts said the outcome was precipitated by Yushchenko's controversial decision to fire Tymoshenko, and was intended to show a lack of confidence of in the president's decision making. Moreover, parliament appeared to want to deliver the message that it could not function effectively without the leadership of the ousted Tymoshenko. Then on September 22, 2005, following negotiations between President Yushchenko and members of opposition groups, he was approved by 289 deputies out of 339 present, with some factions abstaining from voting.

### The Gas Crisis of 2006

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In early 2006, Russia was embroiled in a dispute with Ukraine over a gas deal. The Ukrainian Energy Minister Ivan Plachkov traveled to Moscow to try to resolve the dispute ahead of the expiration of the negotiating deadline. The issue revolved around the price of gas. The Russian gas entity, Gazprom, raised the price of 1,000 cubic meters of gas from \$50 to \$230 -- a rate that quadrupled gas prices for Ukraine. Ukraine refused to pay while Gazprom threatened to cut off Ukraine's supplies completely if a new agreement was not forged by the start of 2006. Indeed, Russia said that no new proposals would be advanced and that Ukraine should pay market rates. For its part, Ukraine said that while it would agree to payment of market rates, such increases should be introduced in a phased cycle over a period of several years.

With no progress made in forging an agreement, Gazprom effectively cut off energy supplies to Ukraine. Because Gazprom supplies a full 20 percent of all the gas consumed by the European Union, the cut-off of Ukraine's gas provisions led to a shortage of gas supplies elsewhere across Europe in the first days of 2006. Countries directly affected by the situation were themselves pumping less gas to their own customers down the line.

Gazprom later announced it would carry out checks on gas volumes and that it would utilize "all possible measures" to ensure that Western consumers continued to receive gas as per contractual agreements. The Russian government said that it would pump more gas to Europe -- a move intended to compensate for gas "stolen" by Ukraine. On Jan. 1, 2006, Alexander Medvedev, the deputy head of Gazprom, alleged that Ukraine had stolen 100 million cubic meters of gas. Ukraine denied the accusation that it had siphoned off \$25 million worth of gas from the pipeline crossing its territory after Russia cut off its gas supply. Still, Ukraine's Fuel and Energy Minister, Ivan Plachkov, asserted that Ukraine had the right to a portion of the gas transported by the pipeline that exports Russian gas across its territory. Indeed, that pipeline carries 90 percent of Gazprom's exports across Europe.

Ukrainian President Viktor Yushchenko said he was willing to enter a process of international arbitration to resolve the dispute. In this regard, European Union Energy Commissioner Andris Piebalgs said in a media interview that he had called on Russia and Ukraine to return to the negotiating table. He also described the complexity of the situation, carefully noting that no one was to blame. On Jan. 3, 2006, ahead of a meeting of energy officials from the European Union, Russia notified the European Commission of its opinion of the gas dispute with Ukraine.

At the geopolitical level, the Ukrainian government in Kiev suggested that it was being punished by the Russian government in Moscow for trying to develop stronger ties with the West. Relations between Russia and Ukraine have been strained ever since President Yushchenko came to power. As a pro-Western politician, Yushchenko has appeared to steer the country out of Russia's sphere of influence.

### Political Developments in Early 2006

On the heels of this conflict with Russia over gas supplies, the parliament of Ukraine overwhelmingly voted to dismiss Prime Minister Yury Yekhanurov and his government on Jan. 10, 2006. The parliament also ordered Yekhanurov's government to continue to function in a caretaker capacity until a new government could be formed. The parliament's decision to dismiss the government was spurred by the formation of a deal by Yekhanurov's government to resume Russian gas supplies to Ukraine at a dramatically heightened price. Indeed, Ukrainian parliamentarian charged that Yekhanurov's government had "betrayed national interests" via the agreement.

In the deal set to last for five years, Russian gas would be sold for \$230 (USD) per 1,000 cubic meters to the Rosukrenergo trading company, which would mix Russian gas with cheaper gas from Central Asia, and then sell the blend to Ukraine for \$95 (USD) per 1,000 cubic meters.

In response, President Yushchenko, who had traveled to Kazakhstan's for President Nursultan Nazarbayev's inauguration ceremony, characterized the parliament's dismissal of the prime minister's government as both illegal and unconstitutional. As such, he warned that he might dissolve the parliament. Such a move might affect the date of parliamentary elections, which were scheduled to take place on March 26, 2006.

In other developments in early 2006, the trial of three former policemen for the murder of a journalist commenced in the capital city of Kiev in January 2006. Valeriy Kostenko, Mykola Protasov and Oleksandr Popovych were charged with killing Geirgiy Gongadze, one of Ukraine's most well-known opposition journalists discussed above. A fourth suspect, former police officer, Oleksiy Pukach, was believed to have fled abroad.

### Parliamentary Elections of 2006

In late March 2006, parliamentary elections were held in Ukraine. In total, 45 parties participated. Turnout was in excess of 50 percent of the electorate, according to election officials. Election monitors, including observers from the Organisation for Security and Co-operation in Europe, concluded that the elections went off in a "free and fair" manner.

Exit polls indicated that the opposition Regions Party, led by former Prime Minister Viktor Yanukovych, was likely to secure the most seats in Ukraine's 450-member parliament, ahead of both President Viktor Yushchenko's Our Ukraine party and his Prime Minister Yulia Tymoshenko's party. Early election results showed Yanukovych's Regions Party in the lead with 26.4 percent, Tymoshenko's party just behind with 23.9 percent, and Yushchenko's Our Ukraine party trailing with just 13.5 percent of the vote share. As well, the Socialists were expected to garner about 5

percent of the vote, thus qualifying them to take some seats in parliament.

Even without all the votes counted, it seemed as if no party would win an overall majority, thus spurring speculation about the possibility of the formation of a coalition government. Discussions about a possible ruling coalition would be complicated by the fact that parliamentary power has been increased and presidential power has been curtailed somewhat. As such, parliament, rather than the president, would be responsible for the selection of the prime minister, and for casting approval of members of government.

The actual composition of any governing coalition evoked many questions. For example, despite being sacked as head of government by Yushchenko, could Tymoshenko put aside any residual bitterness to revive a governing alliance with him? How likely -- or unlikely -- was the possibility an alliance between Tymoshenko and Yanukovich, given the fact that both of these individuals sat on opposing ends of the election conflict, which led to the Orange Revolution in the first place? Was there any possibility of two rivals -- pro-Western Yushchenko and pro-Russian Yanukovich -- joining forces in a government of national unity?

The elections were the first since the Orange Revolution, which brought President Yushchenko to power. Results suggested that the appeal of the movement itself was waning, presumably because of the slow pace of reform and the ailing economy. Nevertheless, the Ukrainian president remained optimistic about the country's prospects following the outcome of the election.

Meanwhile, Yulia Tymoshenko suggested that she was ready to reconstitute her Orange Revolution alliance with Yushchenko, and ultimately sit at the helm of government in such a coalition once again. Indeed, most analysts concurred that such an end seemed most likely because -- despite their power struggle -- Tymoshenko and Yushchenko share greater ideologically compatibility as well as a desire to keep Yanukovich's pro-Russian Regions Party out of government.

For his part, Viktor Yanukovich, who was defeated in the re-run of the presidential election by Yushchenko in December 2004 (as discussed above), claimed victory for his Regions Party. He said, "Our victory will open a new page in the history of Ukraine." He also expressed a willingness to work with any coalition partners. On policy, he said that his party hoped to bridge the East-West divide by supporting ties with the European Union, and improving Ukraine's relationship with Russia.

Months later in June 2006, the three central members of the Orange Revolution -- Yulia Tymoshenko bloc, Our Ukraine and the Socialist Party -- announced that they would form a governing coalition within the Ukrainian parliament. The agreement ended a period of political deadlock in which Ukraine was gripped by a power vacuum. As well, Yulia Tymoshenko's candidacy for head of government was submitted to President Yushchenko. In this way, it was

believed that Tymoshenko was set to return to her former position as prime minister. As well, it seemed that the pro-Western coalition, led by President Viktor Yushchenko's Our Ukraine Party and joined by former Prime Minister Yulia Tymoshenko's bloc, appeared poised to take the reins of power.

But the "Orange Revolution" coalition, which garnered international fame when its supporters took to the streets to demand new elections a few years earlier, unexpectedly collapsed in July 2006. The collapse was driven by the decision by coalition partner, the Socialists, to break ranks and elect its own leader as the parliamentary speaker. The move splintered the coalition and as a result, the nomination of Yulia Tymoshenko as prime minister was rendered void.

Meanwhile, the pro-Russian opposition, which was led by the Regions Party of opposition leader Viktor Yanukovich, joined with the Socialists and the Communists, and successfully forged their own coalition. They also said that they were ready to form a government, thus bringing an end to the political uncertainty that had gripped the country. It was Yanukovich's seemingly tainted election victory years earlier that gave rise to the aforementioned Orange Revolution, which paved the way for fresh elections and the ascent of Yushchenko to power instead.

If Yanukovich assumed the position of prime minister, it would mean that Yushchenko, now seated in the president's office, would have to work with his biggest rival. The combination of one man as the head of government, and the other as the head of state, suggested that many governing challenges were likely to occur in the future.

On Aug. 3, 2006, President Yushchenko said he would support Yanukovich for the post of prime minister. President Yushchenko made the announcement about his decision, explaining that, "Whatever decision the president made, it would not have been accepted by part of the population." Indeed, with Yanukovich winning the most parliamentary seats, a government without him at the helm may well have spurred an outcry by a large segment of the public.

That said, it was also revealed that Yanukovich had agreed to sign a memorandum of national unity on domestic and foreign policy that would, presumably, shape cohesive policies and preclude conflicted governance. Without such an agreement it was difficult to see how Yushchenko, as the head of state, and Yanukovich, as head of government, could possibly work together. Yushchenko has been a champion of pro-Western policies, such as media freedom, market reforms, closer ties with the European Union, and tackling corruption. By contrast, Yanukovich has typically been associated with pro-Russian stances, and his support has been based in the industrial southeast where people do not hold the pro-Western agenda in high regard.

In this way, a broad ruling coalition was formed in August 2006 consisting of the Regions Party, the Socialists, the Communists, and Our Ukraine. All four coalition partners signed a national unity pact aimed at resolving their differences, for the purpose of governing in unity, albeit with Regions

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Party leader, Yanukovich, at the helm. They agreed to hold talks on matters that divided them ideologically, but under the aegis of the national unity pact.

By October 2006, five cabinet ministers from President Viktor Yushchenko's Our Ukraine party submitted their resignations, saying that they had failed to work out ideological differences ensconced in the broad governing alliance. The five cabinet ministers held the respective portfolios for youth, health, justice, interior and culture. Three of the five resigning ministers said during a press conference that they had tendered their resignations because of the inability to comply with the unity pact that had been signed two months prior. They also noted that the foreign and domestic policy objectives of President Yushchenko, which they shared, were not compatible with those of the current head of government. Of particular note was a new stance on NATO (discussed below) as well as differences over spending. Finally, Our Ukraine party announced that it would stand as the opposition in parliament and would decline participation in any negotiations aimed at forming a broad governing alliance. The remaining three parties -- Regions Party, Socialists and Communists -- remained in government.

As suggested above, one of the main reasons for the withdrawal of Our Ukraine from the broad ruling coalition was the stance taken as regards NATO. Newly-elected Ukrainian Prime Minister Viktor Yanukovich had announced in mid-September 2006 that his country was withdrawing its bid to join the security force, NATO. The prime minister said the decision was being made due to opposition by pro-Russian Ukrainians in eastern and southern part of the country. He said that Ukraine would, however, not entirely move away from its Western orientation and intended to build ties with the European Union. Until his announcement, Ukraine was set to join NATO in 2008.

### Recent Developments

In late 2006, Prime Minister Yanukovich authorized a motion, which was earlier passed by the parliament, to sack Foreign Minister Borys Tarasyuk. A month-long political conflict then ensued while Tarasyuk challenged the parliamentary measure in court. Although he won the initial case, an appeals court soon nullified the lower court's ruling and ordered a re-examination of the case. Regardless of the legal wrangling, by the start of 2007, Tarasyuk decided to submit his resignation to President Yushchenko, who accepted the outgoing foreign minister's decision saying that it was a responsible move. The president also noted that Tarasyuk's deputy, Volodymyr Ohryzko, would take on the role of Acting Foreign Minister.

The start of 2007 saw Ukraine embroiled in political conflict among competing factions. At issue was Yushchenko's accusation that Yanukovich was co-opting political power by bringing deputies into his pro-Russia parliamentary bloc.

With the situation unresolved, in the first week of April 2007, President Yushchenko dissolved the parliament and called for new parliamentary elections to be held on May 27, 2007. The president made the announcement about the dissolution of parliament in a nationwide televised address following consultations with the leadership of the parliament.

The process of parliamentary dissolution was somewhat marred when the Ukrainian parliament, led by Prime Minister Viktor Yanukovich, attempted to prevent the press from publicly publishing Yushchenko's decree, saying that it would only serve to exacerbate the already-deep tensions plaguing the country. This move was of significance since parliamentary dissolution was only effective if it was published in an official newspaper. Nevertheless, the decree went into effect soon thereafter with its publication following a ruling by the constitutional court.

The political crisis in Ukraine, spurred by the dissolution of parliament and call for fresh elections as discussed just above, turned more volatile by the second week of April 2007. Thousands of people took to the streets of Kiev to rally and demonstrate either for or against the two rival factions of President Yushchenko and Prime Minister Yanukovich.

Perhaps responding to the increasingly difficult political landscape, the president said that he was willing to suspend his decree. At a press conference, Vitaly Hayduk, the security advisor to Yushchenko, indicated that the president would also be willing to engage in negotiate over the date for elections, rather than adhering to the imposed date of May 27, 2007. To this end, Hayduk said, "The president does not rule out that the presidential decree can be suspended, not repealed but suspended, thus giving a chance to come up with a timetable which would give political forces a chance to get ready for the election process."

In early May 2007, amidst the ongoing political impasse in Ukraine, President Viktor Yushchenko and Prime Minister Viktor Yanukovich agreed, in principle, to hold early elections. As noted above, the president had earlier dissolved parliament and called for a snap election, which was opposed by the prime minister. The situation evolved quickly into a political crisis in Ukraine. President Yushchenko said that voters should go to the polls in May, however, when thousands of people took to the streets to protest his decision, he relented and changed the date of the election to June 24, 2007. That said, it was unknown if the new agreement between Yushchenko and would adhere to that June date.

In late May 2007, President Viktor Yushchenko and Prime Minister Viktor Yanukovich set the date of September 30, 2007, to hold early elections in Ukraine. The decision came after several hours of talks between the two parties and was intended to bring an end to the country's continuing political crisis. Important legislators, including Yulia Tymoshenko, were in attendance during the talks.

For his part, President Yushchenko deemed the political crisis to be over saying, "The political crisis in Ukraine is finished. We have come to a decision that represents a compromise." Suggesting an intention to move forward productively, Prime Minister Yanukovich said, "We will do everything so that this is not repeated, so that there are no more mistakes, no more emotions."

Such positive intentions, while being a welcome change from the fractious political scene that dominated Ukraine for several months, nevertheless left the ongoing power struggle between Yushchenko and Yanukovich unresolved. Only days before the announcement, the two were embroiled in a dispute over control of the Interior Ministry troops. Riot police were deployed under orders of the Interior Ministry to the office of the prosecutor-general -- an ally of the prime minister who had been sacked by the president. The president responded by saying that he would be taking control of the interior ministry forces, and ordered some of them to the country's capital of Kiev. However, those troops were turned back as a result of orders by forces loyal to the prime minister.

In August 2007, in advance of forthcoming parliamentary elections in Ukraine, candidates belonging to Yulia Tymoshenko's opposition bloc were reportedly barred from participation. Tymoshenko said that the electoral commission refused to register her candidates because they did not properly fill out their registration forms. Tymoshenko blasted the electoral commission for being an extended wing of the office of the prime minister, and said that she would challenge the ruling in court. For its part, the prime minister's office denied her accusations. Regardless, as one of the key leaders in Ukraine's Orange Revolution in 2004 that brought President Yushchenko to power, there were high expectations that Tymoshenko might return to the fore as prime minister if pro-Western factions performed well and secured enough seats to form a coalition government. Ultimately, her bloc was, in fact, able to participate in the elections.

### Parliamentary Elections of 2007

September 30, 2007 saw Ukrainians go to the polls to vote in fresh parliamentary elections. It was the third time in three years that Ukrainian voters cast their ballots in national polls. As discussed above, the elections had been called to bring an end to the political impasse that gripped the country because of a power struggle between pro-Russian President Viktor Yushchenko and pro-Russian Prime Minister Viktor Yanukovich.

The main players in the election were President Yushchenko's bloc "Our Ukraine/People's Self Defense," former Prime Minister Yulia Tymoshenko's bloc, and Prime Minister Yanukovich's Regions Party.

With no single party expected to secure an outright victory, a coalition was expected to be formed. Disagreements between Yushchenko and Tymoshenko, which resulted in the fall of Tymoshenko's

government, were a thing of the past. The former "Orange Revolution" allied appeared willing to put their differences aside for the sake of regaining control of the government. Meanwhile, Yanukovich was hoping to hold on to his position as head of government.

Exit polls showed that Yanukovich had the plurality of the vote share with 35.5 percent, while Tymoshenko's bloc was running in second place with 31.5 percent, and Yushchenko's bloc had 13.5 percent. The next day, as most of the votes were counted, it appeared that the exit polls were in line with the actual results.

Results showed that the Regions Party had 33.37 percent, the Tymoshenko bloc had 30.71 percent, and Our Ukraine took 14.15 percent. The results for other parties included two Yanukovich allies -- the Communist Party of Ukraine, which won 5.3 percent of votes, and with the party of the former parliament speaker, Volodymyr Lytvyn's party, which won 4.0 percent. As well, the Socialists secured 3.1 percent while others won 7.3 percent.

Together, the two pro-Western blocs could command a slim majority of seats in parliament, thus placing them in a prime position to form a government, with Tymoshenko once again taking on the role of prime minister. To that end, Tymoshenko said, "Everything will work out. In a matter of weeks we will hold our first government news conference."

On the other side of the equation, however, Yanukovich pointed to the fact that he had taken the most votes and refused to concede defeat. He said, "As winners of this election - and I am certain we have won with a strong result - we have the right to form a coalition." His possible coalition partners included allies such as the Communist Party of Ukraine Volodymyr Lytvyn's party, as noted above. In fact, Yanukovich later claimed victory saying, "We have won and I am confident that yet again we will be forming a government of people's trust, a government of national unity in line with all international standards."

By October 1, 2007, with a political crisis looming over the election results, President Yushchenko was calling for an investigation into the vote count. At issue were delays in the publication of results in certain key areas, such as the south of the country where Yanukovich typically held strong support. Allegation of vote rigging resulted in public demonstrations years earlier, ultimately leading to the aforementioned "Orange Revolution." That said, the Organization for Security and Cooperation had not issued any criticisms about the 2007 election and, instead, assessed the electoral process to be free and the climate for voting to have been calm.

By the second week of October 2007, it was clear that Yanukovich and his allies were unlikely to command enough seats to surpass the Orange bloc. Yushchenko thusly called on all parties to begin discussions about forming a government. Indeed, the pro-Western bloc was thusly negotiating the terms of a possible coalition government, with Tymoshenko as prime minister. Since Yanukovich had won the largest single share of votes, there were suggestions that some cabinet posts might be

filled by members of his Regions Party. However, the notion of a grand coalition government was foreclosed by President Yushchenko who said, "I am not talking about a broad coalition. But I am talking about dialogue between the three political forces, which will provide a spark to start parliament sessions."

In November 2007, the Ukrainian government officially resigned, with Prime Minister Yanukovich telling parliament, "I announce the renunciation of the powers of the Ukrainian government." There was 30 day deadline by which a new government would have to be formed. Then by the first week of December 2007, President Yushchenko nominated Yulia Tymoshenko as the new prime minister. An official statement read, "The president has submitted Tymoshenko's nomination to parliament for approval." A parliamentary vote was anticipated within days, in accordance with parliamentary regulations. Should the vote go as anticipated, Tymoshenko would return to the role of head of government, which she held for seven months in 2005, until her dismissal as a result of power struggled with Yushchenko. In this way, the new government was likely to be a return to the uneasy -- even unstable -- alliance that held sway two year prior.

Note: Arguably, the most popular politician in Ukraine, Tymoshenko has been expected to contest the 2009 presidential election against Yushchenko.

### Recent Developments

In March 2008, a Ukrainian court sentenced three former police officers to prison in the infamous murder of outspoken journalist Georgiy Gongadze. The trial of Valeriy Kostenko, Mykola Protasov and Oleksandr Popovych began in the capital city of Kiev in January 2006. More than two years later, Protasov was sentenced to 13 years in jail, while Kostenko and Popovych were sentenced to 12-year terms respectively. A fourth suspect, Oleksiy Pukach, was believed to have fled the country.

Note: Gongadze operated a Ukrainian website, called "Pravda" (Truth) in which he expressed views critical of the powerful elite, then under the control of the Kuchma regime. In September 2000, he disappeared. In mid-November of that same year, police found the decapitated body of a male that was partially destroyed by acid. That body was later revealed to be Gongadze. His murder gave rise to a political scandal and sparked widespread protests in Ukraine, since secret recordings appeared to implicate former President Kuchma. The case of Gongadze's murder is thus believed to have ultimately contributed to the ascendance of reformist forces. Those reformist forces ultimately led to the Orange Revolution, which brought new Ukrainian leaders -- including President Viktor Yushchenko and Prime Minister Yulia Tymoshenko -- to power.

In other developments, NATO refrained from extending an accession invitation to Ukraine in April 2008, amidst Russian objections to such a move. NATO did not, however, foreclose the possibility

of the country joining the bloc at some point in the future.

In September 2008, tensions between Ukrainian President Viktor Yushchenko and Prime Minister Yulia Tymochenko, as well as their parties, were leading to the collapse of the ruling coalition. Such a collapse augured the possibility of new elections. At issue was the introduction of new laws by the pro-Russian opposition that Tymoshenko's party supported. Central to that issue was the fact that both sides differed on the Russia-Georgia conflict with Yushchenko condemning Russia's intervention and Tymochenko holding a more neutral position.

Yushchenko's supporters, however, decried the proposed laws and walked out of a cabinet meeting in protest. That move was a harbinger for the withdrawal of Yushchenko's party from the ruling alliance with the Yulia Timoshenko Bloc.

In a televised speech the president said, "A political and constitutional coup d'etat has started in the parliament." He then hinted at the prospect of elections saying, "I will use my right to dissolve parliament and decree early elections if a new coalition is not formed within 30 days." According to Ukrainian law, parliament has 30 days to form a new coalition after one is dissolved, and another 30 days to form a cabinet.

By mid-September 2008, Prime Minister Yulia Timoshenko was attempting to form a new political coalition, thus averting the dissolution of parliament. To that end, if a new coalition with a parliamentary majority could not be forged by October 16, 2008, then President Yushchenko could conceivably dissolve parliament and call a snap election.

On October 8, 2008, President Viktor Yushchenko dissolved parliament, making way for Ukrainians to go to the polls for the third time in less than three years. His decision came after it was clear that a new ruling coalition was unlikely to be formed by the mid-October 2008 deadline. In a recorded speech on national television, Yushchenko said, "In conformity with the constitution, I am announcing the termination of the Supreme Rada's powers and the holding of parliamentary elections." The date of the election was later announced as December 7, 2008.

Days later, Prime Minister Yulia Tymoshenko was moving to reverse President Yushchenko's decision to call early parliamentary elections. Following a request by Tymoshenko, Kiev's District Administrative Court suspended the president's election decree. Subsequently, election officials from the Central Election Commission refused to commence election preparations. In response, President Yushchenko appealed the suspension with the higher courts, essentially paving the way for a legal battle that would have to be completed before Ukrainians could go to the polls. Yushchenko's appeal was based on the assertion that he had fired the judge before he made the ruling.

The legal issue aside, Tymoshenko was also making clear that Ukraine simply could not afford to have another election amidst all the global economic turmoil. Indeed, the country was wracked

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by falling stock price shares on the stock market, high inflation rates and sizable bank withdrawals amidst a climate of financial uncertainty.

By December 2008, the political deadlock in Ukraine came to an end, without Ukrainians having to go to the polls again. Instead, a new governing coalition was formed between the parties of Ukrainian President Viktor Yushchenko and Prime Minister Yulia Tymoshenko along with a smaller party, led by the parliamentary speaker, Volodymyr Lytvyn. Together, they would hold sway over 248 seats in the 450-member parliamentary body. Tymoshenko was expected to stay on as the prime minister.

### Special Entry:

Global credit crisis; effects felt in Europe

#### Summary:

A financial farrago, rooted in the credit crisis, became a global phenomenon by the start of October 2008. In the United States, after failure of the passage of a controversial bailout plan in the lower chamber of Congress, an amended piece of legislation finally passed through both houses of Congress. There were hopes that its passage would calm jitters on Wall Street and restore confidence in the country's financial regime. However, a volatile week on Wall Street followed, most sharply characterized by a precipitous 18 percent drop of the Dow Jones. With the situation requiring rapid and radical action, a new proposal for the government to bank stakes was gaining steam. Meanwhile, across the Atlantic in Europe, with banks also in jeopardy of failing, and with no coordinated efforts to stem the tide by varying countries of the European Union, there were rising anxieties not only about the resolving the financial crisis, but also about the viability of the European bloc. Nevertheless, European leaders were able to forge an agreement aimed at easing the credit crunch in that region of the world. Following is an exploration, first, of the situation in the United States, and, second, of the situation unfolding in Europe.

#### Report:

On Sept. 28, 2008, as the United States was reeling from the unfolding credit crisis, Europe's banking sector was also hit by its own woes when the Dutch operations of the European banking and insurance entity, Fortis, was partly nationalized in an effort to prevent its ultimate demise. Radical action was spurred by anxieties that Fortis was too much of a banking and financial giant to be allowed to fail. The Netherlands, Belgium and Luxembourg forged an agreement to contribute more than 11 billion euros (approximately US\$16 billion) to shore up Fortis, whose share price fell precipitously due to worries about its bad debts.

A day later, the mortgage lender -- Bradford and Bingley -- in the United Kingdom was

nationalized when the British government took control of the bank's mortgages and loans. Left out of the nationalization scheme were the savings and branch operations, which were sold off to Santander of Spain. Earlier, the struggling mortgage lender, Northern Rock, had itself been nationalized. The head of the British Treasury, Alistair Darling, indicated that "big steps" that would not normally be taken were in the offing, given the unprecedented nature of the credit crisis.

On the same day, financial woes came to a head in Iceland when the government was compelled to seize control of the country's third-largest bank, Glitnir, due to financial problems and fears that it would go insolvent. Iceland was said to be in serious financial trouble, given the fact that its liabilities were in gross excess of the country's GDP. Further action was anticipated in Iceland, as a result.

On Sept 30, 2008, another European bank -- Dexia -- was the victim of the intensifying global banking and financial crisis. In order to keep Dexia afloat, the governments of France, Belgium, and Luxembourg convened talks and agreed to contribute close to 6.5 billion euros (approximately US\$9 billion) to keep Dexia from suffering a demise.

Only days later, the aforementioned Fortis bank returned to the forefront of the discussion in Europe. Belgian Prime Minister Yves Leterme said he was hoping to locate a new owner with the aim of restoring confidence in Fortis, and thusly, preventing a further downturn in the markets. Leterme said that the authorities were considering takeover bids for the Belgian operations of the company (the Dutch operations were nationalized as noted above.)

By Sept. 5, 2008, one of Germany's biggest banks, Hypo Real Estate, was at risk of failing. In response, German Chancellor Angela Merkel said she would exhaust all efforts to save the bank. A rescue plan by the government and banking institutions was eventually agreed upon at a cost of 50 billion euros (approximately US\$70 billion). This agreement involved a higher cost than was previously discussed.

Meanwhile, as intimated above, Iceland was enduring further financial shocks to its entire banking system. As such, the government of Iceland was involved in intense discussions aimed at saving the country's financial regime, which were now at severe risk of collapse due to insolvency of the country's commercial banks.

Meanwhile, on Sept. 4, 2008, the leaders of key European states -- United Kingdom, France, Germany, and Italy -- met in the French capital city of Paris to discuss the financial farrago and to consider possible action. The talks, which were hosted by French President Nicolas Sarkozy, ended without consensus on what should be done to deal with the credit crisis, which was rapidly becoming a global phenomenon. The only thing that the four European countries agreed upon was that there would not be a grand rescue plan, akin to the type that was initiated in the United States. As well, they jointly called for more greater regulation and a coordinated response. To that latter end, President Nicolas Sarkozy said, "Each government will operate with its own

methods and means, but in a coordinated manner."

This call came after Ireland took independent action to deal with the burgeoning financial crisis. Notably, the Irish government decided days earlier to fully guarantee all deposits in the country's major banks for a period of two years. The Greek government soon followed suit with a similar action. These actions by Ireland and Greece raised the ire of other European countries, and evoked questions of whether Ireland and Greece had violated any European Union charters. An investigation by the European Union was pending into whether or not Ireland's guarantee of all savings deposits was anti-competitive in nature.

Nevertheless, as anxieties about the safety of bank deposits rose across Europe, Ireland and Greece saw an influx of new banking customers from across the continent, presumably seeking the security of knowing their money would be safe amidst a financial meltdown. And even with questions rising about the decisions of the Irish and Greek government, the government of Germany decided to go down a similar path by guaranteeing all private bank accounts. For his part, British Prime Minister Gordon Brown said that his government would increase the limit on guaranteed bank deposits from £35,000 to £50,000.

In these various ways, it was clear that there was no concurrence among some of Europe's most important economies. In fact, despite the meeting in France, which called for coordination among the countries of the European bloc, there was no unified response to the global financial crisis. Instead, that meeting laid bare the divisions within the countries of the European Union, and called into question the very viability of the European bloc. Perhaps that question of viability would be answered at a forthcoming G8 summit, as recommended by those participating in the Paris talks.

A week later, another meeting of European leaders in Paris ended with concurrence that no large institution would be allowed to fail. The meeting, which was attended by leaders of euro zone countries, resulted in an agreement to guarantee loans between banks until the end of 2009, with an eye on easing the credit crunch. The proposal, which would apply in 15 countries, also included a plan for capital infusions by means of purchasing preference shares from banks.

The United Kingdom, which is outside the euro zone, had already announced a similar strategy. Indeed, British Prime Minister Gordon Brown gained cachet for his steady handling of the financial crisis. Brown said that his government had to be the "rock of stability" during the crisis and explained that injections of capital by the British Treasury and the government takeover of banks was "unprecedented but necessary."

French President Nicolas Sarkozy argued that these unprecedented measures were of vital importance. The French leader said, "The crisis has over the past few days entered into a phase that makes it intolerable to opt for procrastination and a go-it-alone approach." He also tried to ease growing frustration that such measures would benefit the wealthy by explaining that the

strategy would not constitute "a gift to banks."

In October 2008, Ukraine was set to receive \$16.5 billion in assistance from the International Monetary Fund (IMF). The funds were intended to help Ukraine restore confidence and maintain economic and financial stability. At issue was this global financial crisis, stemming from the aforementioned credit crunch, which was particularly hard felt in Ukraine. Indeed, Ukraine saw its banks falter and credit being withdrawn, thus killing the property boom in the capital of Kiev. As well, the stock markets, Ukrainian currency (the hryvnia), and price of Ukrainian steel fell precipitously.

Note: See above for political implications of the financial situation in Ukraine as of late 2008.

### Russia and Ukraine at odds over gas deal

In early 2009, Russia and Ukraine were at odds over a gas deal. At issue was Russia's refusal to implement an agreement with Ukraine to resume the flow of gas to Europe.

Russian President Dmitri Medvedev accused Ukraine of adding a declaration to the text of the agreement that contradicted Russia's position. The central issues in Ukraine's declaration related to its gas debts to Russia and accusations that it has siphoned off gas intended for other European customers. Meanwhile, there was no agreement about how much Ukraine should pay Russia for gas, or, how much Russia should pay Ukraine for transporting gas to other European destinations.

The dispute left several countries in the region without gas, and with Russian energy company Gazprom unwilling to restart gas supplies, even as wintry conditions prevailed in the region. As such, the European Union intervened in an energetic shuttle diplomacy effort to resolve the matter.

On January 12, 2009, it was announced that Russia would resume gas supplies to other European countries via Ukraine. The announcement came as the EU was successfully able to broker an agreement between Russia and Ukraine. Central to the agreement were new provisions for (1) pricing for the purchase of Russian gas by Ukraine, and (2) the rate to be charged by Ukraine for the transit of Russian gas. But by the third week of January 2009 began, the EU warned that the energy crisis would not be resolved unless the flow of gas actually resumed.

In the shadow of these developments has been the fact that while Ukrainian Prime Minister Yulia Tymoshenko expects to sign the agreement, the support of Ukrainian President Viktor Yushchenko remained a dubious matter.

## Recent Developments

Briefing on Ukraine's presidential election --

Pro-Russia Yanukovich claims victory over Prime Minister Tymoshenko in close presidential vote

Summary:

The first round of Ukraine's presidential election on Jan. 17, 2010, ended with incumbent pro-Western President Viktor Yushchenko shut out of the second round, set for Feb. 7, 2010. On that day, pro-Russia opposition leader Viktor Yanukovich -- Yushchenko's 2004 rival -- was seeking victory over Prime Minister Yulia Tymoshenko, Yushchenko's one-time ally in the "Orange Revolution" with whom he had more recently become embroiled in a power struggle. Exit polls and preliminary results indicated Yanukovich was headed for a narrow election victory and on track to become Ukraine's new president. Tymoshenko was expected to challenge the result, given the closeness of the race.

Background:

In April 2009, the Ukrainian parliament voted to hold a presidential election on Oct. 25, 2009. The establishment of a clear date for the presidential race brought an end to a period of political uncertainty over the timing of the election for the position of head of state. But that date did not stand for long with a new date set for Ukraine's presidential election on Jan. 17, 2010.

By October 2009, ahead of the election, Viktor Yushchenko's popular support had collapsed into the single-digit range and he was not expected to win re-election. This left the two main contenders in the presidential race to be Viktor Yanukovich, the incumbent president's rival in 2004, and Prime Minister Yulia Tymoshenko. Yanukovich seemed to be leading Tymoshenko but without an outright majority. Accordingly, analysts predicted they would be the two top vote-getters and would contest the election again in a runoff vote after the first round was completed. It was hoped that the impending presidential vote would bring an end to the power struggle that has marked the political landscape in recent times, effectively complicating any significant policy-making in Ukraine -- a country hard-hit by the 2008 global financial crisis and corresponding economic downturn.

Briefing on first round of Ukraine's presidential election --

In January 2010, ahead of election day, there were suggestions that pro-Russia Yanukovich could return to power, with a Kiev International Institute of Sociology poll showing that Yanukovich would garner 30 percent of the vote in the first round and 43 percent in the second round. His closest competitor, Tymoshenko, would get 16 percent in the first round and 29 percent in a runoff. Of course, in keeping with common sentiment, incumbent Yushchenko would carry less than

10 percent and be denied the second round.

In fact, the results in the January elections were in keeping with poll predictions with Yushchenko eliminated thanks to only five percent of the vote share, and with Yanukovich and Tymoshenko headed for a run-off election on Feb. 7, 2010, to decide which one would become president. According to the exit polls, Yanukovich was in the lead with more than 31 percent of the vote. In actual votes, with 75 percent of the ballots counted, Yanukovich was carrying about 36 percent. However, Tymoshenko appeared to have enjoyed a better-than-expected election performance with more than 27 percent in the exit polls and 25 percent in the partial vote count. The result was a warning for Yanukovich that ultimate victory in the second round - where the presidential race was headed - was not at all guaranteed.

Perhaps sensing that she had a serious chance to win the top spot in Ukraine, Tymoshenko said the exit poll results showed that most Ukrainians wanted to be part of a free, democratic country - an apparent suggestion that Ukraine under Yanukovich would not offer such an end, and that the "Orange" pro-democracy movement was still very much alive. Indeed, she seemed to be appealing to pro-democracy constituents for a consolidated vote in the run-off saying, "The democratic forces will be united. We will do everything so that in the future they will act in a single and powerful force to move the country toward European civilization."

For his part, Yanukovich maintained that he would win the presidency. With his base of voters coming from the industrial, largely Russian-speaking eastern part of the country, Yanukovich conjured up the issue that he knew would resonate well with his constituents. He promised that, as president, he would ensure that Ukraine did not join NATO. He said, "The Ukrainian state will remain outside any bloc. Ukraine will never join any military alliance. That's the view of the Ukrainian people, it must be respected and taken into account."

It was not known how the outcome of the second round would affect Ukraine's position in the world. Unlike Yushchenko, who stated that his main goal was getting Ukraine into the European Union and NATO. That being said, Yanukovich's election speeches dealing with foreign policy were more marked generally by moderation and a refusal to become ensconced in the dichotomy of the West vis a vis Russia. Instead, Yanukovich had advocated that Ukraine improve ties with its many neighbors.

For her part, Tymoshenko herself has also called for improved ties with neighboring countries including Russia, despite Yanukovich's depiction as being the pro-Russia candidate. She has, however, stopped short of the more emphatic pronouncements by Yanukovich.

In many senses, this nuanced positioning may have potentially positioned Tymoshenko in a more advantageous place to gather crossover votes in the second round since she has not repelled the pro-Russian types, but she has also been a fervent pro-democracy voice. Meanwhile, Yanukovich

would likely garner the cross-over votes from some of the smaller socialist and communist parties, and would not be regarded as an attractive choice among the pro-democracy and pro-Western factions. Still, it was Yanukovich who was going into the Feb. 7, 2010, second round with the vote count advantage from the first round.

Results of the second round of Ukraine's presidential election --

On Feb. 7, 2010, exit polls in Ukraine indicated that pro-Russia Viktor Yanukovich was on track to capture a narrow election victory. The exit poll data appeared to forecast Yanukovich with a lead of several percentage points over Prime Minister Yulia Tymoshenko. The National Exit Poll gave Yanukovich 48.7 percent of the vote over Tymoshenko with 45.5 percent. An ICTV exit poll showed Yanukovich securing a larger lead of 49.8 percent over Tymoshenko with 45.2 percent. Partial results appeared to coincide with a Yanukovich lead of about four percent, but by the time most of the votes were counted, his lead had dropped to just under three percent. Nevertheless, Yanukovich was headed for a narrow election victory and was on track to become Ukraine's new president. Tymoshenko was expected to challenge the result, given the closeness of the race

With an eye on seizing legitimacy as the new Ukrainian president, Yanukovich declared early victory saying, "From this day, a new path opens up for Ukraine," and pledging to "take the country down the path of change." Yanukovich also called on Tymoshenko to accept the results of the election. In a report by Interfax, Yanukovich said, "I think Yulia Tymoshenko should prepare to resign, she understands that well."

For her part, the prime minister refused to concede defeat, noting that "It is too soon to draw any conclusions." Instead, as reported by Reuters, Tymoshenko was marshaling her supporters to carry out a "parallel count" and calling on her team to "fight for every result, every document, every vote." Indeed, Tymoshenko, was unlikely to yield easily. Known for following her independent inclinations, Tymoshenko has enjoyed populist appeal both at home and abroad for her pro-democratic inclinations during the first rigged election of 2004, which itself prompted the "Orange Revolution," as well as her willingness to challenge Yanukovich in more recent times.

Of course, on the other side of the equation, Yanukovich who came so close to gaining the presidency in 2004 was hungry for the victory that was finally so close to his grasp. Yanukovich's standing was helped by the fact that he was declared the winner by a margin of 3.48 percent. The Central Elections Commission announced on February 10, 2010 that Yanukovich had garnered 48.95 percent of the ballots while Tymoshenko acquired 45.47 percent.

Given this result -- the prospect of electoral challenges notwithstanding -- Yanukovich asserted via his Party of Regions website: "I call on the prime minister to resign and go into opposition." He continued, "I want to remind Mrs Tymoshenko that the basis of democracy is the will of the people. Democratic leaders always accept the results of the elections. The country does not need a

new crisis,"

But Tymoshenko had not issued a statement in days, effectively leaving a cloud of confusion surrounding her stance on the election result, the likelihood of electoral challenges, or her position as head of government. Her party, however, indicated in a report by Interfax that they would contest the result. Subsequently, Tymoshenko herself promised to challenge the result in court. Tymoshenko alleged widespread fraud and accused Yanukovich of not being legitimately elected to the presidency. In a televised broadcast, she said, "I want to clearly state: Yanukovich is not our president." She went on to note, "I have taken the only possible decision: to challenge the results of the election in court."

Of note was the fact that the Parliamentary Assembly of the Council of Europe, which deployed an election observation mission, seemed to dismiss allegations of vote fraud. Matyas Eorsi, the head of the Parliamentary Assembly of the Council of Europe, characterized the election as "calm" and "professional" and noted that there was no sign of voting irregularities. Other international election monitors said that the election was free of fraudulence and showed Ukraine's democratic progress.

Ukraine's Central Election Commission officially confirmed Yanukovich as the election winner as president-elect on February 14, 2010. This result was suspended two days later by a Ukrainian court as Tymoshenko carried out a legal challenge. The court, however, noted that while its ruling would determine whether to nullify the election results, it had no bearing on whether or not the inauguration of Yanukovich on February 25, 2010 would go forward.

By the third week of February 2010, Tymoshenko withdrew her legal challenge, saying that the court was not interested in justice and charging that the court proceedings exhibited a bias against her. She said, "Given that the court is refusing to establish the truth in essence, I withdrew my lawsuit at today's morning sitting of the Supreme Administrative Court and asked the court to stop this show, which bears no resemblance to justice."

While the move ensured that Yanukovich would become the new president of Ukraine, it also set up a high stakes political power struggle. At issue was the fact that Yanukovich was eager for Tymoshenko to step down as prime minister, noting that he would not be able to work with her in the executive branch of government, and that the country risked remaining in a state of political stalemate. Yanukovich expressed the view that Tymoshenko was better suited to be leader of the parliamentary opposition. However, Tymoshenko was in no hurry to resign from her position as head of government. Indeed, it would likely be the job of parliament to form a new coalition government, and potentially, vote Tymoshenko out of her post.

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Regardless, by the third week of February 2010, Tymoshenko withdrew her legal challenge, saying that the court was not interested in justice and charging that the court proceedings exhibited a bias against her. She said, "Given that the court is refusing to establish the truth in essence, I withdrew my lawsuit at today's morning sitting of the Supreme Administrative Court and asked the court to stop this show, which bears no resemblance to justice." While the move ensured that Yanukovych would become the new president of Ukraine, it also set up a high stakes political power struggle. At issue was the fact that Yanukovych was eager for Tymoshenko to step down as prime minister, noting that he would not be able to work with her in the executive branch of government, and that the country risked remaining in a state of political stalemate. Yanukovych expressed the view that Tymoshenko was better suited to be leader of the parliamentary opposition. For her part, however, Tymoshenko was in no hurry to resign from her position as head of government.

On Feb. 25, 2010, Victor Yanukovych was officially inaugurated into office as the new president of Ukraine. He thusly became the fourth head of state of that country since gaining independence from the former Soviet Union. Several international dignitaries were present for the occasion including the leaders of Poland, Armenia, Hungary, Latvia and Lithuania.

In his inaugural address, President Yanukovych said, "A new period of our new history is beginning. The country is in a difficult situation." He also indicated a pragmatic foreign policy engaged with the European Union (EU), Russia and the United States, for the benefit of the country. The new president said, "Ukraine will choose such a foreign policy that will allow the state to get the maximum results from the development of equal and mutually advantageous relations with Russia, the European Union, the United States and other governments."

Post-inauguration developments --

A week after the presidential inauguration of Yanukovych, Ukraine's parliament passed a motion of no-confidence in Prime Minister Yulia Tymoshenko's government. As a result Tymoshenko and her cabinet were forced to resign from office, setting the stage for President Yanukovych to form a new coalition in parliament, and thusly, a new government. Failure to successfully do so within 30 days would trigger snap parliamentary elections. Despite her earlier reluctance to step away from the position of head of government, Tymoshenko was now making clear that a no-confidence vote would be an end to her government in any capacity. She said before the vote, "If the dismissal of the government is passed today, at that very same moment our government will leave the cabinet. Our political force will cross into the opposition." She continued by explaining that her new role as such, "We will protect Ukraine from this new calamity that has befallen her."

By March 11, 2010, President Yanukovich announced the formation of a new ruling coalition. Included in the alliance were Yanukovich's Party of Regions, the Communist Party, and the Lytvyn bloc. Together, they would have control over 235 seats in the 450-member parliament. One of the new president's first actions was to name a new head of government. To that end, President Yanukovich named a stalwart, Mykola Azarov, as the prime minister.

In another significant move, the new president issued a sign of things to come when his security adviser, Dmitry Vydrin, said that Kiev's new foreign policy would be marked by pragmatism. While the previous President Yushchenko's orientation was welcomed by the West, it also alienated the Russian population at home. President Yanukovich has been often described as pro-Russian in orientation, however, his foreign policy was being touted as one that would not be automatically anti-Western. In fact, Vydrin emphasized the new vision of Ukraine acting as a bridge between the East and the West.

Commentary:

Viktor Yanukovich pulled off a significant political revival, five years after being denied the presidency as a result of the bloodless "Orange Revolution" that swept Viktor Yushchenko to power. Indeed, his victory was regarded as a clear repudiation of the success of the "Orange Revolution," if not its actual objectives. To that end, survey data has indicated that while most Ukrainians support the political and economic objectives of the 2004 "Orange Revolution," they have become increasingly cynical about the country's leaders to actually deliver on their promises.

This political climate aside, victory by Yanukovich heralded a more eastern bent in the realm of foreign policy, marked by strengthened ties between Kiev and Moscow. Perhaps of equal -- and more immediate -- importance would be the ultimate election winner's handling of the economy. The country was particularly hard-hit by the 2008 global financial crisis, as evidenced by currency's crash, the concomitant dissolution of Ukrainians' savings, as well as the fact that the gross domestic product (GDP) fell by close to 15 percent in 2009. Despite a bailout by the International Monetary Fund, experts from the World Bank have warned that Ukraine will see very limited growth in 2010. Clearly, this economic terrain was fraught with a plethora of challenges.

2010 -2011 Update --

On June 3, 2010, Ukraine's parliament passed legislation officially establishing the country's non-aligned status. The legislation also included a provision formally dropping Ukraine's bid to join NATO. The bill passed comfortably in the legislative chamber with 253 members voting in favor of ratification. These moves significantly reversed Ukraine's westward drift of recent years, and appeared to be a hallmark achievement of President Viktor Yanukovich, who came to power

three month earlier promising to modify the country's foreign policy orientation. In this regard, President Yanukovich could claim success in obliterating the stamp of his predecessor, former President Viktor Yushchenko, who had passionately championed Ukraine's membership in NATO. Of course, moving Ukraine within the non-aligned bloc of nation states marked an even more dramatic shift and quickly garnered criticism from political opponents. That being said, President Yanukovich made it clear that Ukraine would instead pursue the path of regional integration in another way -- accession to the European Union. To that end, the legislation included a third provision calling for Ukraine's integration "into European political, economic, and legal space with the aim of securing membership of the European Union."

Former Prime Minister Yulia Tymoshenko of Ukraine was facing investigation in mid-December 2010 regarding allegations of misuse of public funds. Specifically, Tymoshenko was accused of illegally diverting funds intended for environmental projects into pension funds. Several members of Tymoshenko's former cabinet were also facing allegations of abuse of power. Now acting as opposition leader, Tymoshenko has been instructed by Ukrainian authorities not to leave the capital city of Kiev. For her part, the former head of government said that the inquiry was politically motivated. In a statement, Tymoshenko noted: "The authorities continue to systematically terrorize the opposition without any respect for the law or constitution." She continued, "An expert needs one minute to see that there was no transfer of environmental funds. Pensions were paid, but not with environmental funds." Nevertheless, by Dec. 20, 2010, a court in Kiev had charged Tymoshenko with misusing public funds.

On Feb. 1, 2011, Ukraine's parliament voted in favor of lengthening its term from four years to five years. The change, which required minimum of 300 votes, was approved by 310 lawmakers in the 450-seat assembly. According to the new terms of government, the next parliamentary elections in the country would be held on Oct. 28, 2012. The elections date was determined following negotiations between former President Viktor Yushchenko, President Viktor Yanukovich, and the Chairman of the Parliament Oleksandr Moroz in an attempt to resolve a political crisis in the country triggered by the presidential decree on dissolution of the parliament. Earlier, the Ukrainian Constitutional Court strengthened the presidency, effectively restoring certain powers afforded to former President Leonid Kuchma, which would now be enjoyed by President Yanukovich.

In March 2011, Ukrainian authorities opened a criminal investigation into former President Leonid Kuchma over the infamous murder of a well known and outspoken journalist -- Georgiy Gongadze -- in 2000. In March 2008, a Ukrainian court sentenced three former police officers to prison in the murder of Gongadze. A fourth suspect, Oleksiy Pukach, was believed to have fled the country. Now, three years later, attention was focused on former President Kuchma and his involvement in Gongadze's murder. A series of secret recordings had emerged years earlier and appeared to indicate that the former president may have been involved in orchestrating the journalist's death. Since that time, there have been some doubts cast on the authenticity of the

recordings with Kuchma's voice stating that Gongadze should be "kidnapped by Chechens." Nevertheless, in 2011, Ukrainian prosecutors were following this track and accusing Kuchma of abuse of power and giving the orders to the interior ministry to carry out the killing of Gongadze. For his part, former President Kuchma has denied any culpability but Ukrainian authorities banned the former Ukrainian president from leaving the country.

Note: Georgiy Gongadze operated a Ukrainian website, called "Pravda" (Truth) in which he expressed views critical of the powerful elite, then under the control of the Kuchma regime. He also exposed corruption at high levels of the Kuchma administration. In September 2000, he disappeared under suspicious circumstances. In mid-November of that same year, police found the decapitated body of a male that was partially destroyed by acid. That body was later revealed to be Gongadze. His murder gave rise to a political scandal and sparked widespread protests in Ukraine, since secret recordings appeared to implicate former President Kuchma. The case of Gongadze's murder is thus believed to have ultimately contributed to the ascendance of reformist forces. Those reformist forces ultimately led to the Orange Revolution, which brought new Ukrainian leaders -- including former President Viktor Yushchenko and former Prime Minister Yulia Tymoshenko -- to power.

### The Case Against Tymoshenko

In June 2011, a Ukrainian court ruled that former Prime Minister Yulia Tymoshenko would have to stand trial on charges of abuse of power. The former Ukrainian head of government would face up to seven years in jail, if convicted of the charges. At issue were allegations that Tymoshenko forced the former head of the state energy firm, Naftogaz, to sign a gas deal with Russia's Gazprom, without consulting her government.

Then, in July 2011, Ukraine's state security service announced it was commencing a criminal case against Tymoshenko involving the affairs of an energy company, United Energy Systems, which was once administered by the former head of government. Tymoshenko's tenure at that company contributed to her nickname, "Gas Princess." At issue was the state's contention that United Energy Systems of Ukraine, which once imported Russian gas for resale in Ukraine, had tried to steal \$405 million from the state budget. The state also accused along several former government officials of being involved in these activities. Tymoshenko was additionally accused of abuse of power over a case involving misuse of public funds. Specifically, Tymoshenko was accused of illegally diverting funds intended for environmental projects into pension funds.

For her part, Tymoshenko denied the charges, saying, "I did not break the law so where is the basis for the seven-to-ten year sentence which our 'bought' state prosecutor wants pronounced against me?" Nevertheless, as the middle of the year 2011 approached, the former Ukrainian head of government was headed to court to face trial. Tymoshenko has maintained that the charges

against her have been politically-motivated by the pro-Russian leadership of President Yanukovich, saying, "The aim of this trial is the liquidation of a working opposition in Ukraine."

On the other side of the equation, President Yanukovich has insisted there was no political motivation involved in the plethora of legal woes facing Tymoshenko, his main political rival, saying that his government was simply fighting corruption. That being said, the Yanukovich presidency has seen Tymoshenko and several members of her former cabinet face prosecution for alleged offences.

By the start of August 2011, a judge in Ukraine ordered Tymoshenko to be taken into custody during her trial on charges of abuse of office. Until this ruling, the former prime minister and opposition leader had been compelled to remain in the capital city of Kiev, pending trial, but was not subject to detention. Clearly, that situation was now changed. The judge noted in the judgment that Tymoshenko repeatedly violated court proceedings with disruptive behavior. Notably, she often refused to stand while addressing the judge, as required by court rules, and was reported to have flung insulting remarks at the judge, often criticizing his lack of objectivity. As Tymoshenko was led by police out of court, her supporters screamed "Shame!" There were also reports of unrest in Ukraine as Tymoshenko stalwarts took to the streets to express their outrage over her arrest. Indeed, these reports became regularized fare as a daily routine evolved: Pro-Tymoshenko supporters were taking to the streets of Kiev to show their support for the former prime minister, who was now in police custody.

Although she remained in custody, Tymoshenko's trial went into hiatus for a few weeks in mid-September 2011. On Sept. 27, 2011, as the trial of former Ukrainian Prime Minister Tymoshenko resumed, Ukrainian prosecutors urged that she be jailed for seven years. Once again, Tymoshenko disparaged the charges against her, along with the trial, as an "absurd show." Her stance was supported by global powers such as the European Union and the United States who were expressing concern over the legitimacy and validity of the trial. Association talks between the European Union and Ukraine were at risk due to these prevailing concerns over the trial of Tymoshenko. That being said, Tymoshenko's case was not helped by damaging testimony against her by one-time ally, former President Viktor Yushchenko.

Note that on Oct. 11, 2011, former President Tymoshenko was sentenced to seven years in jail after a judge ruled that the former Ukrainian head of government had "used her powers for criminal ends" by compelling Naftogaz to sign on to the deal with Gazprom. Several Western powers, including the United States and the European Union, closed ranks with Russia in condemning the ruling and associated prison sentence for Tymoshenko. They accused Ukrainian authorities of acting in a "politically motivated" manner and demanding her release. Meanwhile, as Tymoshenko was led from court, she vowed to continue her fight, and as before, her supporters raged outside, screaming, "Shame! Shame! Shame."

Perhaps due to outrage in Ukraine over the sentencing of Tymoshenko, a week later, opposition

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leader Oleksandr Turchynov, of the All-Ukrainian Union "Fatherland," said he was introducing a draft resolution to dissolve the Ukrainian parliament. Turchynov said the Ukrainian people did not need a parliament that does the bidding of the president and "panders to political persecution."

On Dec. 23, 2011, Tymoshenko lost her appeal against her abuse of power sentence. A week later, she was transferred to the Kachanivska penal colony in Kharkiv to serve out her sentence. Tymoshenko subsequently issued a complaint against her verdict at the European Court of Human Rights. By January 2012, Yulia Tymoshenko's husband, Oleksandr Tymoshenko, was granted asylum in the Czech Republic.

In March 2012, the daughter of the imprisoned former Ukrainian Prime Minister Yulia Tymoshenko said that she suspected her mother was being poisoned in a Ukraine prison. Eugenia Carr said that Tymoshenko was suffering from a range of odd symptoms including bruises, dizziness, and neurological spinal pain. As well, she said that Tymoshenko was unable to walk less than 600 yards to the visitors area at the Kachanivska penal colony in Kharkiv where she was serving her seven year sentence on abuse of power charges.

Carr said, "Most probably, my mother was poisoned, or this [poisoning] keeps going on on a daily basis ... They are trying to destroy her as a politician, to destroy her health and probably to kill her slowly without anybody knowing." As shocking as Carr's claims may be, judges in Ukraine did little to alleviate suspicion when they refused an independent toxicology report on Tymoshenko's health.

Desperate to bring attention to her mother's plight, Carr met with German Chancellor Angela Merkel to see if international pressure might yield results. "Chancellor Merkel, whom I met personally yesterday, promised not to leave [Tymoshenko] in trouble ... She asked me to give her warmest regards to my mother and to say she is not going to forget her, that she is going to continue to fight for her and to do all she can to stop what is going on in Ukraine," Carr said.

At the end of April 2012, a Ukrainian court moved to delay the tax evasion trial of former Prime Minister Yulia Tymoshenko due to concerns over her deteriorating health. Prosecutors expressed support for the court's decision to delay the trial for the former head of government, who was already jailed for a separate corruption case. Indeed, Tymoshenko, who was on a hunger strike, was reported to be suffering from a range of medical issues, ranging from bruising to severe back pain and an inability to walk.

Complicating the situation was the fact that Tymoshenko said that she had been beaten unconscious in prison the previous week. While prosecutors said there was no evidence to support her claims, this was not the first time that accusations of abuse had emerged. A month earlier in March 2012, the daughter of the imprisoned former prime minister said that she suspected her mother was being poisoned in prison, as noted above. As shocking as Carr's claims were, judges

at the time did little to alleviate suspicion when they refused an independent toxicology report on Tymoshenko's health.

Perhaps international pressure yielded some results since in April 2012, Ukrainian authorities relented and allowed for Tymoshenko to receive some medical treatment and diagnosis. While she refused medical attention from Ukrainian sources -- presumably due to prevailing suspicions that she was being poisoned, doctors from a German clinic, Charite, examined Tymoshenko and diagnosed her with "an acute form of herniation of intervertebral disks." Nevertheless, it should be noted that a high court in Kiev rejected an appeal filed by Tymoshenko's defense team later in the year 2012.

Editor's Note:

Yulia Tymoshenko served as Ukraine's prime minister from December 2007 to March 2010. Once a heroine in Ukraine's reformist and pro-democracy "Orange Revolution" that brought President Viktor Yushchenko to power after contested elections and ensuing mass action, the Tymoshenko-Yushchenko alliance fell apart. With Yushchenko unlikely to win re-election in the 2010 elections due to the public's disillusionment with the achievement of the reform agenda, Tymoshenko thought she might try to contest the presidential contest. Tymoshenko's defeat against pro-Russian Viktor Yanukovich in that election was only the start of her political woes. Soon, she was embroiled in the aforementioned abuse of power case involving the 2009 signing of Russian gas contracts. In 2012, Tymoshenko was sentenced to seven years in prison to be served at the Kachanivska penal colony in Kharkiv. Her husband, Oleksandr Tymoshenko, fled the country and was granted asylum in the Czech Republic. Most of the countries of the West, including the countries of the European Union and the United States, along with human rights groups, regard the abuse of power case against Tymoshenko to be politically-motivated, and they view her conviction as a miscarriage of justice.

### Other Developments

In February 2012, Ukraine was at the center of regional relations and international intrigue when Ukrainian authorities in the port city of Odessa said that they foiled an assassination plot against Russian Prime Minister Vladimir Putin. According to the Russian news agency, Ria Novosti, two suspects admitted their involvement in an assassination plot that targeted Putin. One suspect, Ilya Pyanzin, claimed that he had been hired by Chechen militant leader, Doku Umarov, and tasked with killing Putin. A second suspect, Adam Osmayev, was identified as being on an international wanted list since 2007. It should be noted that a third suspect, Ruslan Madayev, died in an explosion in Odessa that appeared to have sparked the discovery of the assassination conspiracy. That conspiracy supposedly involved a plan to plant mines on Kutuzovsky Avenue in Moscow, which has been regularly traversed by Putin. Details of the plan were reportedly discovered on laptops seized at the Odessa apartment where the aforementioned explosion occurred.

On April 27, 2012, there was a series of bomb explosions in the Ukrainian city of Dnepropetrovsk, which left close to 30 people dead. According to RIA Novosti, the bombs were hidden in garbage bins and targeted a tram stop, a theater, and a railway station. While Ukraine has no recent history of terrorism, authorities in that country were investigating the attacks as such. Addressing the country, Ukrainian President Viktor Yanukovich said: "We understand that this is yet another challenge for us, for the entire nation, Ukrainian President Viktor Yanukovich said.

### Primer on Parliamentary Elections in Ukraine

Parliamentary elections were set to be held in Ukraine on Oct. 28, 2012. At stake would be the composition of the unicameral "Verkhovna Rada" or Supreme Council. In that body, 450 seats are allocated on a proportional basis to those parties that gain three percent or more of the national electoral vote; members serve five-year terms.

It should be noted that on Feb. 1, 2011, Ukraine's parliament voted in favor of lengthening its term from four years to five years. The change, which required a minimum of 300 votes, was approved by 310 lawmakers. According to the new terms of government, the next parliamentary elections in the country would be held on Oct. 28, 2012, as noted here. The elections date was determined following negotiations between former President Viktor Yushchenko, President Viktor Yanukovich, and the Chairman of the Parliament Oleksandr Moroz in an attempt to resolve a political crisis in the country triggered by a presidential decree on dissolution of the parliament.

The last elections were held in 2007. In those elections, the Regions Party won 32.8 percent; the Tymoshenko bloc garnered 31.7 percent; Our Ukraine acquired 14.8 percent; the Communist Party of Ukraine secured 5.3 percent; Volodymyr Lytvyn's party took four percent; the Socialists had 3.1 percent; and 7.3 percent went to others. In 2012, President Viktor Yanukovich's Regions Party was looking towards domination in the legislative branch of government, where they were unable to secure an outright majority following the 2007 polls. The party of former President Viktor Yushchenko was hoping for a political resurgence after the former president's poor performance in the 2010 presidential election, which saw him shut out of the second round of voting. Meanwhile, with former Prime Minister Yulia Tymosheko now in jail, it was yet to be seen how her support base would cast their ballots in these 2012 polls.

For her part, in early September 2012, more than a month ahead of election day, Tymoshenko spoke of the impending vote and warned that both the electoral system in Ukraine and the mainstream media were under control of the president. In an interview with Polish Newsweek from prison, Tymoshenko said that her opposition All-Ukrainian Union "Fatherland" party was in an impossible fight with the ruling regime of Viktor Yanukovich as a result of these institutional challenges. Tymoshenko said: "The courts, the Central Election Commission, the district electoral

commissions, the mainstream media are controlled by the regime. There has never been such fraud in Ukraine." Still, she said that her opposition movement would do its part to stand up to the pro-Yanukovich faction, regardless of the difficulty of the task at hand. Meanwhile, it should be noted that a high court in Kiev rejected an appeal filed by Tymoshenko's defense team.

Note: Election results were emerging at the time of writing. The Party of Regions -- led by President Yanukovich -- was claiming victory and declaring that the election result was a ratification of Yanukovich's leadership. In a news conference, Prime Minister Mykola Azarov said, "These elections signal confidence in the president's policies." Exit polls did, indeed, suggest that the Party of Regions won the most votes however, opposition parties also saw unexpected gains. On the basis of party-list voting alone, the Party of the Regions was on track to secure about 28 percent of the vote share while Tymoshenko's United Opposition Fatherland bloc was likely to garner close to 25 percent. The far-right Freedom party as well as the Communists were carrying about 12.5 percent respectively. Meanwhile, in a surprise development, the Udar party of former boxing champion, Vitali Klitschko, whose campaign priority was anti-corruption, was likely to acquire as much as 15.5 percent of the vote share.

Note that international observers criticized Ukraine's elections, saying it was a democratic reversal of sorts, marked by "the abuse of power and the excessive role of money."

### Post-Election Developments

On Dec. 3, 2012, Prime Minister Mykola Azarov of Ukraine resigned from office amidst talks with the International Monetary Fund (IMF). Azarov's resignation was accepted by President Viktor Yanukovich, even with the challenges of the IMF negotiations at stake. Azarov's resignation came in the aftermath of the October parliamentary elections in which the ruling Party of Regions saw ratification at the polls.

But celebration did not last long for Azarov who was soon embroiled in difficult negotiations with the IMF, with an eye on financial assistance for Ukraine's struggling economy. The IMF approved a \$12.5 billion payment in 2008 under a two-year deal that was extended in 2010 and increased to \$15 billion. That program was set to expire at the end of 2012 and thus required extension. But Azarov repeated promises not to raise the prices of household gas and heating energy was not well-received by the IMF, creating tensions between the two sides. Accordingly, the chances that Azarov would be re-elected as head of government in the new parliament were diminishing, even though the ruling party would continue to hold sway in that incoming legislative body.

That being said, on Dec. 12, 2012, Ukraine's parliament approved Azarov to be prime minister once again, irrespective of passionate -- even rowdy and rambunctious -- protests from the opposition in the legislative chamber. Indeed, Azarov secured 252 votes in the 450-seat chamber,

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but only amidst repeated physical brawls in parliament, known as the Verkhkovna Rada.

### Update on Legal Woes of former Prime Minister Tymoshenko

On Jan. 18, 2013, former Prime Minister Yulia Tymoshenko of Ukraine was charged with murder for her alleged role in the 1996 death of Yevhen Shcherban, a well known member of parliament lawmaker and business leader. Shcherban was shot to death at an airport in 1996. In 2002, eight individuals were arrested for the assassination, and all were later found guilty. Now, more than ten years later in 2013, two former prime ministers were being implicated in the murder of Shcherban. Indeed, Ukrainian prosecutorial authorities were suggesting that Tymoshenko likely worked with former Prime Minister Pavlo Lazarenko, who was jailed in 2006 for money laundering. At a news conference, Ukrainian Prosecutor General Viktor Pshonka said of the charge: "We have assembled the materials of pre-trial investigation, which showed that Tymoshenko really ordered the murder, along with Lazarenko." The murder charge against Tymoshenko would only add to her legal woes since she was already in jail for an abuse of power case involving a gas deal with Russia. (See above for details of her other legal challenges and the case that ultimately resulted in her jail sentence. )

As noted above, several Western powers, including the United States and the European Union, closed ranks with Russia in condemning the ruling and associated prison sentence for Tymoshenko. They accused Ukrainian authorities of acting in a "politically motivated" manner and demanding her release.

Meanwhile, in late 2011, after losing her appeal against her abuse of power sentence, she was transferred to the Kachanivska penal colony in Kharkiv to serve out her sentence. In March 2012, her daughter, Eugenia Carr, claimed Tymoshenko was being poisoned in the Ukrainian prison. By 2012, there were reports that Tymoshenko had been beaten unconscious in prison, although some authorities said there was no evidence of such an event. More than a year later in January 2013 as Tymoshenko was being faced with even more serious legal challenges in the form of the aforementioned murder charge, there were new reports that the imprisoned former prime minister was critically ill.

See below for further developments related to Tymoshenko's fate.

### Special Report: Unrest in Ukraine

Special Report:

Ukraine is "Ground Zero" of a new East-West confrontation; after its landmark uprising and

ousting of Yanukovich, the battleground shifts eastward to Kiev as Russia annexes Crimea and eyes eastern Ukraine

Summary:

Turbulence and turmoil have characterized the landscape in Ukraine. Tensions initially flared in late 2013 in response to Ukrainian President Viktor Yanukovich's decision not to move forward with a pending association agreement with the European Union. That decision brought more than 100,000 protesters to the streets to rally against what they saw as Ukraine's movement towards greater control by Russia. Indeed, the general consensus was that President Yanukovich had bent to pressure by President Vladimir Putin of Russia to step away from the European Union Association Agreement and instead embrace a customs union with Russia.

By the start of 2014, another flare of protests ensued in Ukraine in response to legislation passed by members of parliament loyal to President Yanukovich. The laws at stake were intended to curb the free expression of political opposition and curtail public protests. The passage of such legislation raised the ire of Ukrainians, particularly those aligned with the opposition, and alarmed the West with the United States and European Union worried about the Ukraine's slide into autocracy under Yanukovich. In a twist of irony, the very laws intended to suppress mass action actually spurred exactly that end as mass protests attracting tens of thousands of people once again rocked Ukraine. As January 2014 entered its final week, concessions by President Yanukovich to include members of the opposition in government yielded no positive results. Instead, the unrest spread to the eastern part of the country. With the situation deteriorating, the prime minister and the government resigned, and the Ukrainian parliament repealed the controversial anti-protest laws.

In mid-February 2014, the turmoil re-ignited as police tried to clear the main protest camp. Ukraine was again thrust into a renewed state of turbulence and turmoil. A truce was forged on Feb. 19, 2014, but only after more than two dozen people died. That truce collapsed a day later, effectively returning the capital city of Kiev to a battle zone and leading to an increasing death toll. Yet another agreement was forged in which the president conceded to many of the demands of the opposition. But the deal appeared to have come too late to appease an enraged populace. By Feb. 22, 2014, President Yanukovich had fled to the eastern part of the country while his party abandoned him and joined the opposition to officially impeach him, while his political nemesis - former Prime Minister Tymoshenko - was freed from captivity.

The move was a clear message to Moscow that Ukraine would not be controlled by Russia and that Ukraine instead was looking toward Europe as it charted its future path. Indeed, to the chagrin of Russia, the new interim president of Ukraine declared the country would pursue closer ties with the European Union. The winds of change had swept across Ukraine with the "Maidan" or Independence Square stamped in the history books as "Ground Zero" of Ukraine's 2014 battleground.

But the celebration in Ukraine did not last long. The battleground terrain shifted eastward at the start of March 2014 when the Russian parliament granted Russian President Putin authorization to use force in Ukraine, and Russian forces annexed the Ukrainian territory of Crimea. Clearly, Putin and Russia felt entitled to reclaim their foothold in Ukraine, thus recalling alarming memories for the rest of the world of the Soviet invasion of then-Czechoslovakia in 1968 to subdue the independence-minded Prague Spring. Adding to the crisis was the perplexing decision by Russian President Putin to refuse to acknowledge that Russian troops were even in Crimea.

In response to Russia's actions against Ukraine, and particularly in the direction of controlling Crimea, the G7 countries (G8 minus Russia) pulled out of preparations for the G8 summit set to take place in Russia and the United States instituted targeted sanctions against Russian officials.

Talks aimed at resolving the crisis yielded no results. Indeed, an East-West conflict was intensifying as Crimea scheduled a referendum for mid-March 2014 when residents would decide whether or not to join Russia. A meeting between Russian Foreign Minister Lavrov and United States Secretary of State Kerry ended in failure. Because Russia viewed the overthrow of Yanukovich as illegal, and because the West viewed Crimea's decision to join Russia as in violation of international law, an impasse was at hand.

The United States and the European Union respectively warned that such a unilateral action would run counter to international law, and thus they would not recognize the likely ratification of Crimean unification with Russia. For its part, Ukraine insisted that it would not accept the fracturing of its territorial integrity.

Meanwhile, the West attempted to condemn Crimea's secession referendum, and issue its support for Ukraine's sovereignty, by moving forward with a resolution in the United Nations Security Council. As expected, Russia -- as a veto-wielding permanent member -- vetoed the draft. Every other Security Council member voted in favor of the measure, with the exception of China, which abstained from the vote. The inaction at the Security Council was reminiscent of the Cold war era in which both sides habitually vetoed the other's measures, essentially creating a state of diplomatic paralysis.

On March 16, 2014, ethnic Russians in Crimea voted overwhelmingly to secede from Ukraine and unite with Russia. Crimea then officially requested that the "Republic of Crimea" be admitted as a new subject to the Russian Federation. On the Russian side of the equation, Russia recognized Crimea as a sovereign entity. Russian President Putin soon responded by officially annexing Crimea.

The United States and the European Union imposed personal sanctions on Russian and Crimean officials. This punitive action was intended as a rebuke against the actions in Crimea; however,

there was no sign that Russia was even slightly daunted by its decision to seize control of a territory belonging to Ukraine under the established system of international jurisprudence. As stated above, Russia justified its moves by asserting that the interim post-Yanukovich government in Ukraine was illegitimate.

Russian ambitions to regain territory lost following the collapse of the Soviet Union soon entered into the equation. Of note was the fact that in the aftermath of Russia's annexation of Crimea, Russian attention was glancing towards other parts of eastern Ukraine. Eruptions of unrest in this Russian-speaking part of Ukraine were blamed on Russia, and reminiscent of what had transpired in Crimea. Indeed, Ukraine was accusing Russia of carrying out its Crimea formula by orchestrating unrest further into Ukrainian territory.

It was to be seen if the landscape in eastern Europe in the spring of 2014 represented the foundation for a renewed Cold War between the East and West. It was also possible that President Barack Obama of the United States was correct in dismissing such a notion on the basis of the fact that Russia was no longer a super power and, instead, a regional power acting as a bully against its neighbors.

Note that a presidential election was held in Ukraine on May 25, 2014. Petro Poroshenko claimed victory in Ukraine's presidential contest but turmoil continued to rock Ukraine. Entering the fray at the start of June 2014, NATO moved to bolster its security presence in eastern Europe as a deterrent against Russian aggression.

In June and July 2014, Ukrainian forces made some progress in retaking the rebel-held parts of eastern Ukraine, while the United States intensified its sanctions against Russian companies as a punitive measure against Russia for failing to de-escalate the conflict.

The landscape in eastern Ukraine took a disturbing turn on July 17, 2014, when a civilian passenger aircraft traveling from Netherlands to Malaysia went down in eastern Ukraine. All 298 people aboard the Boeing 777 airliner perished when Malaysian Airlines flight 17 crashed in the rebel-held territory of Donesk close to the Russian border. That event augured a geopolitical land mine as Ukraine said the Malaysian Airlines flight was shot down and placed the blame on pro-Russian separatists battling Ukrainian forces. The tragedy of the Malaysian Airlines flight occurred one day after the Obama administration in the United States unveiled harsh punitive sanctions against major Russian firms aligned with Russian President Putin.

In the aftermath of the tragic downing of the Malaysian Airlines flight, and because the majority of the victims with Dutch nationals, Europe's stance against Russia hardened. Accordingly, the West -- including the United States and the European Union -- intensified its sanctions regime against Russia.

Meanwhile, in August 2014, Ukrainian forces at first held the momentum in the fight to regain control over the pro-Russian eastern part of the country, particularly in separatist strongholds of Donetsk and Luhansk. However, Russian-backed separatists were vigorously defending what they viewed as their own territory later in the month. By the close of August 2014, NATO said that Russian forces had violated Ukraine's territory while the Ukrainian president warned that his country was on the brink of war with Russia.

At the start of September 2014, NATO announced a rapid reaction force as well as military exercises in eastern Europe. Pressure from NATO and the threat of fresh sanctions by the European Union appeared to have spurred pro-Russian separatists to go to the negotiating table with Ukrainian authorities. There, a fragile truce was soon established but sporadically violated as fighting continued in Donetsk and Luhansk, and as Ukrainian forces fought to hold the port city of Mariupol.

In September 2014, with the ceasefire still in effect, Ukraine concentrated on the process of trying to retain its territorial integrity while meeting the needs of the pro-Russian separatists. To that end, Ukraine unveiled a proposal that would convey "special status" for eastern part of country, conveying greater autonomy. Meanwhile, the Ukrainian parliament advanced its pro-Western orientation by ratifying the Association Agreement with European Union (the basis of the uprising that caused the ousting of Yanukovich in the first place), while Ukrainian President Poroshenko unveiled a package of reforms aimed at securing membership in the European Union.

By October 2014, Russian President Putin was calling for the withdrawal of Russian troops from Ukrainian border. However, NATO was warning that there was no sign of Russian troops actually retreating from the border in any significant fashion; as well, Russian forces remained active within Ukraine in violation of that country's sovereignty. Ukrainian President Poroshenko viewed the strong election performance of allied pro-Western parties as a ratification of, and a mandate for, his security plans for eastern Ukraine. However, that eastern portion of the country was moving forward with illegal elections of their own, which were rejected by Ukraine and the larger international community, but which were (unsurprisingly) being backed by Russia.

By November 2014, fighting had erupted in the east, there were reports of a build up of pro-Russian reinforcements there, and it was fair to say that the fragile ceasefire that had been in place since September 2014 was on the brink of collapse.

December 2014 saw a prisoner exchange occur between the Ukrainian government and pro-Russian separatists. As well, Ukrainian President Poroshenko said that he intended to meet with his Russian, French, and German counterparts in early 2015 for discussions on the restoration of peace in the eastern part of the country. These actions were regarded as positive steps in the arena of regional relations. However, Ukraine's decision to revoke its neutral status -- a move that could potentially facilitate future NATO membership -- was likely to raise the ire of Russia, which has

opposed Ukraine's westward drift from the onset. Ironically, it was Russia's own aggressive interventions in eastern Ukraine, particularly marked by the annexation of Crimea, that actually catalyzed Ukraine's haste to move out of Russia's orbit.

At the start of 2015, the Minsk ceasefire agreement was effectively dead as fighting resumed around Donetsk and as pro-Russian separatists carried out an assault on the strategic port city of Mariupol, prompting Ukrainian President Poroshenko to warn that his forces would not bend to pro-Russian rebels and that Ukraine would protect its sovereignty. Fighting had extended to other areas in Ukraine's east as pro-Russian separatists aggressively sought to consolidate control over what they have termed "New Russia."

As the month of February 2015 began, there were reports that the Obama administration in the United States was considering additional support for Ukrainian forces in protecting Ukraine from the pro-Russian offensive. As well, NATO was considering the establishment of special command units in eastern Europe to respond rapidly to threats in the region.

Note that on Feb. 12, 2015, a new Minsk ceasefire agreement and a roadmap for peace were forged. But later in February 2015, peace in eastern Ukraine remained elusive as pro-Russians took control over the town of Debaltseve and forced Ukrainian forces into retreat. Pro-Russian forces were reportedly attacking government-held positions in eastern Ukraine -- including the area around the strategic port of Mariupol -- while Ukraine accused Russia of dispatching more troops and tanks to the region, specifically in the direction of the town of Novoazovsk on the southern coast.

Meanwhile, a year after the original Maidan uprising in Kiev ousted former pro-Russian President Yanukovich from power, Ukraine's second largest city of Kharkiv was struck by a bomb attack as demonstrators marched in a national unity rally. Despite the existence of the second Minsk ceasefire agreement, Ukraine was still occasionally mired by war and bloodshed. Europe warned of further sanctions to come if violations to the truce occurred and, indeed, a fragile peace appeared to take hold in the region. Juxtaposed against this background came a surprising admission from Russian President Putin that he had long-standing ambitions to regain Russian control over Crimea.

By mid-2015, despite the existing new Minsk ceasefire agreement, key areas of eastern Ukraine were beset by heavy fighting between Ukrainian forces and pro-Russian separatists. Tension were also rising over the findings of a multinational investigation into the aforementioned tragedy of Malaysian Airlines Flight 17. The inquest, led by the Dutch Safety Board, indicated that a Russian Buk surface-to-surface missile was fired from a village in eastern Ukraine under pro-Russian control and struck Malaysian Air Flight 17, precipitating the crash. As such, there were rising calls for an international tribunal to ensure justice was served. For his part, Russian President Vladimir Putin cast the move as "premature."

Around the same period of mid-2015, Ukraine's parliament was moving forward with constitutional reforms aimed at establishing temporary self-rule in the eastern part of the country under pro-Russian rebel rule. The changes to the constitution were aimed at meeting Ukraine's obligations under the prevailing Minsk peace accord. While the legislative progress in Ukraine signaled to some that the government in Kiev was adhering to its Minsk peace accord commitments, Russia objected to the changes, arguing that they did not go far enough to fulfill the obligations of the Minsk. There were also objections at home in Ukraine by nationalists to the deal that would grant autonomy to pro-Russian rebels. Those protests in Kiev turned deadly, effectively expanding the landscape of unrest in Ukraine.

In September 2015, the schedule for local elections in the pro-Russian eastern part of Ukraine threatened to upend the Minsk peace accord. In the same period, Ukraine was calling on NATO to provide it with military weapons; however, NATO made clear that its priority was to ensure the implementation of the Minsk peace agreement .

See below for recent details related to the ongoing unrest in eastern Ukraine, which has been blamed on Russia.

#### Background on the Ukrainian Crisis:

Going back to November 2013, the parliament of Ukraine was set for a final vote that would facilitate an association between that country and the European Union. The deal was contingent on a provision that would have permitted the jailed former prime minister of Ukraine -- Yulia Tymoshenko -- to seek medical treatment in Germany. But on Nov. 21, 2013, Ukrainian legislators suspended preparations for the association agreement, presumably due to this particular provision involving Tymoshenko. However, some voices were claiming that the decision was due to reluctance to intensify ties with Europe at the expense of links with Russia. Indeed, there were suggestions that Ukrainian President Viktor Yanukovich was bending to pressure from Russian President Vladimir Putin who was advocating Ukraine's membership in a Moscow-led Customs Union.

The decision by the parliament to suspend preparations for the association agreement was met by mass protests as more than 100,000 people took to the streets of the Ukrainian capital of Kiev to register their discontent. Although the police fired tear gas at the protesters in the hopes of dispersing the crowds, the protests showed little sign of dissipating in a hurry. Many participants said they wanted Ukraine to go forward with its association agreement with the EU because they thought would be economically beneficial; others said that the time had come for Ukraine not to be so controlled by Russia.

Meanwhile, the fact that the association agreement with the EU was on hold also meant that

former Prime Minister Tymoshenko was not likely to escape jail to seek medical treatment. It should be noted that former Prime Minister Yulia Tymoshenko of Ukraine has had no shortage of legal woes, ranging from corruption and an abuse of power case involving a gas deal with Russia, but also extending to allegations in 2013 that she was involved in the death of Yevhen Shcherban, a well-known member of parliament lawmaker and business leader. Several Western powers, including the United States and the European Union, have closed ranks with Russia in condemning the rulings and associated prison sentence for Tymoshenko. They have accused Ukrainian authorities, led by President Viktor Yanukovich who has been opposed to Tymoshenko and other "Orange Revolution" politicians, of acting in a "politically motivated" manner in its legal offensive against Tymoshenko and demanded her release.

For her part, after losing her appeal against her abuse of power sentence, Tymoshenko was transferred to the Kachanivska penal colony in Kharkiv to serve out her sentence. In March 2012, her daughter, Eugenia Carr, claimed Tymoshenko was being poisoned in the Ukrainian prison. By 2012, there were reports that Tymoshenko had been beaten unconscious in prison, although some authorities said there was no evidence of such an event. More than a year later in January 2013 as Tymoshenko faced even more serious legal challenges including the aforementioned murder charge, there were new reports that the imprisoned former prime minister was critically ill. The aforementioned association agreement with the EU included the provision for permitting Tymoshenko to go to Germany precisely for the purpose of being treated for her health complications.

Protests mark the late 2013 landscape in Ukraine:

With the association agreement on hold, Tymoshenko announced that she would be going on an indefinite hunger strike. Her outrage appeared to be shared by fellow Ukrainian citizens. Indeed, as November 2013 came to a close, Ukraine continued to be rocked by protests as these citizens took to the streets of Kiev to register their outrage over the government's decision to suspend the EU integration effort and bend to pressure from Russia. More than 100,000 people were gathered at European Square and Independence Square in Ukraine's capital city of Kiev.

Despite being treated to tear gas, stun grenades, and beatings by riot police, and despite the reports of several injuries to protesters on the night of Nov. 30, 2013, as riot police tried to clear European Square and Independence Square, the protesters were setting up tents and gathering in another square in the city center, just outside St Michael's Monastery. These moves suggested that even in the face of hardline tactics by the Ukrainian authorities, the protesters intended to keep up their protests for the long term. Indeed, the scene was highly reminiscent of the 2004 Orange Revolution.

That Orange Revolution in 2004 ironically forced Ukraine's authorities to overturn the presidential election results giving pro-Russian Yanukovich victory over pro-Western Viktor Yushchenko, and

facilitating a fresh election that was monitored by international observers. Those new elections brought Yushchenko, albeit for only one term in office; Yanukovich finally secured power in the 2010 presidential election.

The sight of hundreds of thousands of protesters in the streets calling for a "European future without Yanukovich" and demanding early elections should (presumably) have caused consternation for the Ukrainian president, given this legacy of the Orange Revolution. However, Yanukovich seemed undeterred by the mass action. Instead, Yanukovich defended his decision to halt progress on the historic association agreement with the EU, saying it was necessary for economic reasons. He also struck a paternalistic note describing himself as the father of the nation and calling for peace as follows: "I want peace and calm in our big Ukrainian family."

Peace was not likely to occur as a result of President Yanukovich's wants and desires. Instead, opposition factions were warning of the establishment of a "national resistance headquarters" and a national strike to come.

As stated by Arseniy Yatsenyuk, the head of the opposition *Batkivshchyna* (Fatherland) faction, "The government is to be toppled and this president is to be impeached. It's not an easy job, it's a bumpy road. But, we as a united opposition are determined to fight for freedoms and rights of every single citizen in this country. We ask our Western partners not just to talk and make declarations. It's time to take actions."

Well-known opposition leader Vitaly Klitschko addressed protesters gathering in Kiev that the mass action was spreading to other parts of the country in an apparent rallying message.

Tymoshenko herself also entered the fray with this call that her supporters keep up the mass action: "I am addressing all Ukrainians to rise against the violence and dictatorship of Yanukovich. I call upon you as a nation to go to the Shevchenko Park on December 1 at 12:00 -- as a response to failing to sign the Association Agreement and the assault on our children. Millions must rise on Maidan, hundreds of thousands will not do. Do not leave the city squares until the regime is overthrown through peaceful means."

At the end of the first week of December 2013, Ukrainian Prime Minister Mykola Azarov said the government was aware of a plan by opposition activists to seize control of the parliament and warned of a coup in making. In an interview with Interfax News, Azarov also said the political opposition in Ukraine was filled with "illusions" that it could overthrow the government. Accordingly, Ukrainian authorities were reported to be sending police reinforcements to Kiev. It should be noted that the United States government reacted to this claim by Azarov by noting that protests were to be distinguished from coups.

Meanwhile, as the unrest in Ukraine continued, and as opposition supporters gathered at

Independence Square, they continued to demand that President Yanukovich resign and blamed the government for "political repression." Clashes between activists and government forces were reported to be taking place close to the presidential building. Protesters used flares and riot police responded with tear gas, stun grenades, and batons. Protesters even toppled and destroyed a statue of Lenin -- a move viewed as highly symbolic as it represented Ukraine's shared history with Russia. Clearly, the underlying complaint from Ukrainian protesters remained in tact -- they were outraged that President Yanukovich had halted the association agreement with the EU in favor of a customs union with Russia. In many senses the unrest was becoming a referendum on the future path of Ukraine; would the country move past its Soviet legacy towards Europe, or, would it reinforce those Russian ties?

Televised footage of riot police beating reporters likely did little to augment the government's public relations' standing, perhaps contributing to condemnation by NATO of the Ukrainian authorities' crackdown. Indeed, NATO foreign ministers blasted the use of "excessive force" against the protesters, while United States Secretary of State John Kerry called on the government of Ukraine to "listen to the voices of its people." In fact, the international outcry was so negative that Prime Minister Azarov was forced to offer an apology as follows: "On behalf of our government, I would like to apologize for the actions of our law enforcement authorities on Maidan [Independence Square]. The president and the government deeply regret that this happened."

In the halls of government, the opposition brought forward a motion to force the government to resign. However, that motion was defeated in parliament due to the fact that it was dominated by pro-Yanukovich parties. But in the streets and in Independence Square, the pro-Western voices were making themselves heard. To that end, on Dec. 8, 2013, Ukraine's capital of Kiev continued to be gripped by massive demonstrations numbering in the hundreds of thousands and protesters were carrying out blockades at several government buildings.

By Dec. 15, 2013, protests continued to plague Ukraine, with a massive rally taking place in Kiev to show support for closer ties to the European Union. The rally attracted more than 200,000 people with opposition leaders warning protesters to refrain from being provoked into clashes with rival pro-government demonstrators.

Anti-suppression legislation evokes fresh unrest:

A month later in January 2014, tensions flared in Ukraine in response to legislation passed by members of parliament who were loyal to President Viktor Yanukovich. The laws at stake were intended to curb the free expression of political opposition and curtail public protests. The passage of such legislation raised the ire of Ukrainians, particularly those aligned with the opposition, and alarmed the West with the United States and European Union worried about the Ukraine's slide into autocracy under Yanukovich.

In an ironic twist, the very laws intended to suppress mass action actually spurred exactly that end as mass protests once again rocked Ukraine. Indeed, tens of thousands of people defied the anti-protest ban and took to the streets to rail against the legislation that aimed to restrict public protests. The situation grew frenetic in the capital of Kiev as protesters attempted to march on parliament, and police tried to block their movement using gas canisters. Protesters reacted by pelting the police with flares, flashes, and petrol bombs. The scene in Kiev was marked by chaos and confrontation and the government of Ukraine was placing the blame on "provocateurs and extremists." With police filming the activities of the protesters, there were suggestions that they intended to use the footage to prosecute protesters under Article 294, which bans the organization of mass riots.

On Jan. 19, 2014, reports emerged about a possible meeting between President Yanukovich and opposition leader Vitaly Klitschko. There were cautious hopes that the meeting would bring an end to the unrest rocking the country. However, those talks appeared to have only infuriated Klitschko, who threatened to lead protesters "on the attack" if Ukrainian authorities cleared out protest camps at the so-called Maidan or "Independence Square." Klitschko said, "Today they (re: police) are preparing to clear us out of the Maidan... We must do all we can to stop them clearing us out." Klitschko further demanded that President Yanukovich call fresh elections and issued the following warning: "Tomorrow, if the president does not respond... then we will go on the attack." Klitschko's words appeared to resonate as supporters cheered their approval of this stance.

Clearly, with the two sides hardening their positions, the scene was set for confrontation. Perhaps predictably, only days later, the turmoil rocking Ukraine reached a nadir when two protesters were killed and several hundreds more were wounded in clashes with police in the Ukrainian capital of Kiev. The protesters who died were subsequently identified as opposition activists and were reportedly killed by gunshots. This particularly violent round of clashes was sparked when, just as the new anti-protests laws went into effect, the police stormed the protesters' barricades and forcibly dismantled the aforementioned protests camp at Independence Square. Protesters reacted by hurling petrol bombs and stones at riot police who, in turn, responded with stun grenades and rubber bullets. Of course, the gunshot deaths of the activists indicated that, at some point, live ammunition was used.

Activists on the scene accused police snipers of being behind the gunshot deaths; however, Prime Minister Mykola Azarov denied responsibility by the police, saying they were not carrying live ammunition. The prime minister instead said the protesters were the ones who should bear responsibility for the two fatalities. But the discovery of the body of a third activist in a forest outside Kiev indicated that the situation was far from simple. It was being reported in the international media that this third activist was abducted and his body showed signs of being subject to torture.

On the international level, there was shock about the violence rocking Ukraine. Indeed, Jose Manuel Barroso, the president of the European Commission, warned that the events unfolding in Ukraine was forcing the regional body to rethink its relations with that country. He said, "If there is a systematic violation of human rights, including shooting at peaceful demonstrators, or serious attacks to the basic freedoms, then we have to rethink our relationship with Ukraine." The United States Department of State appeared to fault the government of Ukraine for provoking the opposition with its controversial anti-protest laws and then failing to enter serious dialogue with the opposition aimed at resolving the conflict. The United States thus issued the following statement: "Increased tensions in Ukraine are a direct consequence of the Ukrainian government's failure to engage in real dialogue and the passage of anti-democratic legislation." Russia, of course, had a very different interpretation of the events unfolding in Ukraine and instead accused the West -- primarily the European Union and the United States -- of "outside interference."

Nevertheless, under increasing pressure by the international community and in the face of continuing unrest, President Yanukovich offered assurances to Barroso of the European Commission, saying that he would not declare a state of emergency but instead would convene an emergency session of parliament to debate options to tamp down the unrest. President Yanukovich also said that he was prepared to make concessions to the opposition.

Opposition leader Klitschko urged his supporters not to resort to violence and instead wait to see how Yanukovich's attempt at compromise would transpire. Still, Klitschko made clear that he would emphasize the three main demands of the opposition. Those three demands were (1) the resignation of the government; (2) the holding of a snap presidential election; and (3) the cancellation of the anti-protest legislation.

Prime Minister Mykola Azarov - President Yanukovich's head of government - was not prepared to use restrained language in his assessment of the conditions ahead of proposed talks. Instead, he demanded that opposition leaders be "more humble" and refrain from "ultimatums." Meanwhile, with the protests spreading eastward, he claimed that "a genuine attempt at a coup d'etat is being carried out." It was to be seen how this claim -- along with President Yanukovich's overtures at compromise -- would resonate with the Ukrainian people.

#### Key Developments:

At a meeting with religious leaders in Ukraine on Jan. 24, 2014, President Yanukovich offered a package of compromise measures, with an eye on ending the unrest rocking the country. That package of compromise measures included amendments to the controversial suppression/anti-protest laws, a cabinet shuffle that would result in the inclusion of some opposition figures, and amnesty for detained activists who had not committed "grave crimes." On the matter of the cabinet shuffle, President Yanukovich offered the position of prime minister to opposition figure, Arseniy Yatsenyuk, and the position of deputy prime minister to the other main opposition figure,

Vitali Klitschko. That being said, Yanukovich also signaled a warning, saying that if a resolution to the crisis was not found, then he would be forced to use "all legal means" to end the unrest plaguing Ukraine.

These concessions by President Yanukovich to amend the anti-protest laws and even include members of the opposition in the cabinet seemed to fall on deaf ears. It appeared that the opposition base and its supporters were not in the mood for cooperation. Opposition leader, Yatsenyuk, rejected the president's offer to become prime minister, saying that only fresh elections would meet the needs of the people. As well, according to the other main opposition leader, Klitschko, the offer of compromise had come too late and the anti-government factions would settle for nothing less than a new government. He said, "Today, people are demanding the resignation of the president."

Indeed, the anti-government factions were likely bolstered by a combination of outrage over the deaths of protesters and their success in taking control of regional state administration buildings in several western cities, such as Ivano-Frankivsk, Chernivsti, Lviv and Rivne. Meanwhile, the unrest was spreading to the eastern part of the country. Now, cities such as Sumy, Zaporizhzhya, Cherkasy, Dnipropetrovsk, and Odessa, were seeing protests. On the other side of the equation, the parliament of the Crimean Autonomous Republic -- a stronghold of Yanukovich support -- demanded that the president declare a state of emergency.

As January 2014 entered its final week, violent protests were escalating across Ukraine. The landscape was marked by turbulence and turmoil as protesters hurled stones, rocks, fireworks, and petrol bombs at riot police, who responded as before with tear gas. Massive fires were said to be burning in Kiev, presumably as a result of the petrol bombs and fireworks.

On Jan. 27, 2014, Ukraine's justice minister warned that she would call for a state of emergency to be established if anti-government protesters did not vacate her ministry. In an interview with the media, Olena Lukash said she would ask the National Security and Defense Council to introduce emergency measures. It should be noted that President Yanukovich had earlier assured the European Commission that he would not declare a state of emergency in Ukraine. As such, protesters were angered by the justice minister's threat of emergency measures. Nevertheless, most of the demonstrators outside the justice ministry did, indeed, leave the compound, saying that they had no interest in provoking the government. But provocation was ensuing elsewhere with a fatal stabbing incident in the southern city of Kherson and several government buildings across the country occupied by protesters.

On Jan. 28, 2014, with the political landscape deteriorating, Ukrainian Prime Minister Mykola Azarov tendered his resignation, which would also effectively mean the resignation of the cabinet. Azarov said the move was intended to clear the way for "social and political compromise." Prime Minister Azarov said: "To create additional opportunities for social and political compromise and

for a peaceful solution to the conflict, I made a personal decision to ask the president of Ukraine to accept my resignation as prime minister of Ukraine." President Yanukovich accepted the resignation of the prime minister and his cabinet. With Azarov out, the cabinet could continue to function for a limited period in a caretaker capacity with Deputy Prime Minister Serhiy Arbuzov at the helm. A new permanent government would be formed in the future.

In another major move aimed at easing tensions, the Ukrainian parliament repealed the controversial anti-protest legislation. It was to be seen if these moves would smooth the political path forward.

A day later on Jan. 29, 2014, the parliament (dominated by the president's Party of Regions) passed a law offering amnesty to protesters who were arrested during the unrest plaguing the country. However, the legislation did not receive support from opposition lawmakers, who boycotted the vote due to a provision in the bill. That provision ensured the amnesty would only go into effect if protesters were to withdraw from the government buildings they were occupying. This stance was reflective of the sentiment on the streets where protesters were rejecting the terms of the amnesty and, indeed, threatening to increase their occupation of government buildings.

Around this period, President Yanukovich -- who was on sick leave due to respiratory illness -- insisted on Jan. 30, 2014, that he and his government had done everything possible to resolve the turmoil rocking Ukraine and placed the blame for continued unrest on the opposition. In a statement, he said: "We have fulfilled all the obligations which the authorities took on themselves. However, the opposition continues to inflame the situation calling on people to stand in the cold for the sake of the political ambitions of a few leaders. I think this is wrong." Still, the president's statement included a softened tone as he added, "From my side, I will show more understanding to the demands and ambitions of people, taking into account the mistakes that authorities always make... I think that we can together return the life of Ukraine and its people to peace."

President Yanukovich's seemingly conciliatory overtures were vitiated by the revelations on Jan. 31, 2014, that a well-known opposition activist was abducted, tortured, and left to die in the streets of Ukraine. According to Dmytro Bulatov, who was recovering from massive injuries in a hospital, his attackers spoke with Russian accents. He described his ordeal as follows: "They crucified me, so there are holes in my hands now. Other than that - they cut off my ear, cut up my face. My whole body is a mess. You can see everything. I am alive. Thank God for this." But with Ukrainian authorities arriving at the hospital where Bulatov was being treated, there were fears that he would be arrested and taken into custody. A standoff between those authorities and hospital staff ensued, but ultimately, Bulatov -- who has led the protest group called "Automaidan" and whose mission was to protect the protest camps -- departed Ukraine for the Baltic country of Lithuania via the neighboring Baltic state of Latvia. According to opposition leader Klitschko, European diplomats had secured Bulatov's medical care outside Ukraine.

### International Dimension:

Meanwhile, the Ukrainian crisis was taking on international dimensions when a recording of a private telephone call between United States Assistant Secretary of State Victoria Nuland and United States Ambassador to Ukraine, Geoffrey Pyatt, was released into the public purview. The call revealed Nuland's use of strong language as she dismissed the European Union's ineffectual involvement in the Ukrainian crisis, and suggested that the United Nations might secure better results. Nuland was also heard expressing reservations about the experience of Ukrainian opposition leader, Vitali Klitschko, who was backed by several European heavyweights, such as Germany.

While the United States apologized for Nuland's language, which was publicized in the recording, it was apparent that the leaked call was intended to create tensions between the United States and the European Union. The main beneficiary of those tensions would be Russia, which already had succeeded in getting Ukraine to step away from an Association Agreement with the European Union, while securing a customs deal with that country. To date, the United States and the European Union have been unified in their desire to see the Ukrainian crisis resolved, and to see Ukraine out of Putin's sphere of influence. However, as shown by the leaked call, evidently the United States was frustrated by the European Union's slow pace of decision-making.

The theory that Russia may have been behind the leaked call (with an intent to fuel U.S.-EU tensions) was bolstered when another leaked recording was released. This time, the recording involved Helga Schmidt, a deputy to European Union foreign policy chief, Catherine Ashton, as she complained about the United States claiming that the European bloc was "too soft" on the matter of pressure tactics against Ukraine. Apart from excoriating sore points between the United States and the European Union, Russia would also benefit from depicting both the United States and the European Union as meddlers in Ukrainian affairs (the meddling carried out by Russia notwithstanding). Still, it was quite possible that the leaked calls scandal might in fact serve to remind the West that it priority was to work together to try to resolve the Ukrainian crisis.

### Independence Square returns to a battleground:

Opposition members of the Ukrainian parliament in the first week of February 2014 were attempting to make changes to the constitution that would curtail presidential powers. A key demand for the opposition movement was the return to the 2004 constitution, which would mean that the parliament and not the president would have the power to appoint the prime minister and the members of the cabinet members. Of course, it should be noted that pro-Yanukovich members of parliament (who dominate the legislative chamber) have opposed such changes. On the other side of the equation, the opposition movement was warning that a failure to act by the parliament would only antagonize protesters even further. Debate on the matter between pro-Yanukovich (Party of Regions) members of parliament and the opposition members of parliament

was heated and acrimonious. It was to be seen if some sort of compromise agreement could be forged between the two sides.

By mid-February 2014, the opposition was emphasizing the need to return to the constitution of 2004, when the power of the president had greater limits. In a speech to tens of thousands of anti-government protesters in Kiev, opposition leader Klitschko, said: "[President Yanukovich] says we need half a year to get a new constitution but our people are not going to wait for half a year. We can change the constitution now, go back to the 2004 constitution first, and then take time to draft a new constitution. But this in itself is not enough. People demand one thing -- snap presidential elections." Around the same period, further scheduled parliamentary debate on curbing the presidential powers did not go forward.

On Feb. 18, 2014, the unrest in Ukraine was re-ignited when police stormed the main protest camp, known as "Maidan" or Independence Square, in Kiev. The decision to storm the protest camp where opposition activists had occupied since late 2013 appeared to have re-ignited the unrest, which had waned in recent weeks as the opposition action switched to the legislative sphere (as discussed just above above). Now, however, the scene had turned violent as police attempted to clear the area.

Security officials in Ukraine soon limited access into and out of Kiev as police then stormed the protest camp at Independence Square in armored vehicles, dismantled barricades, and used water cannons, rubber bullets, and stun grenades to forcibly evict the protesters. Violent clashes erupted as protesters used stone, fireworks, and petrol bombs to resist the police. Fires and explosions were reported to have engulfed the "Maidan." Approximately 20 people were reported to have died in the fracas, marking some of the worst violence since the start of the crisis. It should be noted that seven policemen and a journalist were among the dead. The confrontations between the two sides continued late into the night on Feb. 18, 2014, as police renewed an assault on the "Maidan" and as opposition leaders called on activists still at the protest camps to hold steady and stand their ground against government forces. Opposition leader, Klitschko declared: "This is an island of freedom and we will defend it."

A meeting between the president and opposition leaders failed to yield any results. According to opposition leader Klitschko, President Yanukovich was not interested in finding a compromise solution as he instead demanded that the protests withdraw from Independence Square and go home. Another political leader, Arseniy Yatsenyuk, demanded that President Yanukovich "stop the bloodshed and call a truce." He continued, "We are talking about human lives and the future of the country which could be drowned in blood. Stop, Viktor Yanukovich, stop."

In fact, by Feb. 19, 2014, unrest was erupting across the country, including the cities of Lviv, Khmelnytsky, and even Uzhgorod close to the Slovakian border. Activists and protesters accused the pro-government provocateurs, referred to as "titushki," of provoking some of the bloodshed.

The government, on the other side of the equation, said that radicals were responsible for inciting some of the violence. Over the course of two days, the death toll was reported to have increased to more than 25, with hundreds of people said to have been wounded. Hospital staff reported that police were trying to arrest people seeking treatment for their injuries.

Late on Feb. 19, 2014, as Independence Square had turned into a veritable battle zone, President Yanukovich fired the head of the armed forces, Colonel General Volodymyr Zamana, and replaced him with the commander of Ukraine's navy, Admiral Yuriy Ilyin. As well, the security authorities of Ukraine announced they were about to launch an "anti-terror operation," sparking speculation that the military would become involved in the already-chaotic situation unfolding in that country.

As expected, the usual calls for restraint and dialogue came from major players, including United Nations Secretary General Ban Ki-moon, White House spokesperson Jay Carney in the United States, and European Union foreign policy chief Catherine Ashton. However, other international voices indicated that a message should be sent to Ukraine regarding its devolution into chaos.

The United Kingdom's minister for Europe, David Lidington, noted that violence had "no place in a European democracy" while German Foreign Minister Frank-Walter Steinmeier warned that the European Union would consider imposing sanctions against Ukraine. The European Union was soon solidifying this suggestion by saying it would enact measures to target those responsible for "repression." This statement indicated that the European bloc was taking sides against President Yanukovich and the Ukrainian government. That stance was augmented by European Commission President Jose Manuel Barroso who placed the responsibility for the Ukrainian crisis on "the political leadership" while German Chancellor Angela Merkel said the European Union was "side by side with the men and women who suffer." United States President Barack Obama soon entered the equation by condemning the violence in Ukraine, placing the blame for it largely on government forces, and warning of "consequences if people step over the line."

Both the European Union and the United States were soon moving in the direction of enacting measures against the Ukrainian government. The European Union was preparing a draft statement in which it would outline "targeted measures" against certain Ukrainian officials, as well as an arms embargo and a ban on equipment for internal repression. It was to be seen if the European bloc would actually move forward with such measure. For its part, the United States announced visa sanctions against 20 Ukrainian officials believed to have orchestrated the violence.

Russia had a different view of the situation and criticized Western politicians for the escalating crisis in Ukraine and spurring a violent uprising. As well, Russia criticized the punitive measures being undertaken by the European Union and the United States, characterizing them as "blackmail" and warning that they would only make the situation worse. Russian President Vladimir Putin also announced he would send an envoy to Ukraine to try to assist in finding a resolution.

Meanwhile Ukrainian President Yanukovich referred to the actions of the protesters as an attempted coup. The president was also highly dismissive of the anti-government movement and its leadership saying, "The opposition leaders have disregarded the principle of democracy according to which one obtains power not on the streets or Maidans -- but through elections." He justified his hardline response to dissent saying of the opposition leadership, "They have crossed the line by calling for people to take up arms."

#### Uprising and Aborted Truces:

Late on Feb. 19, 2014, in the wake of the deaths of more than two dozen people, Ukraine President Viktor Yanukovich announced that a truce had been reached with opposition leaders. A statement from the government read as follows: "A truce has been declared. The main thing is to protect human life."

Only a day later on Feb. 20, 2014, that truce collapsed in spectacular fashion. As the president and opposition leaders met with European officials, protesters attacked police, leading to the deaths of dozens of people on that day alone. As such, the death toll over the course of three days now stood at more than 50. Bodies were reportedly seen at the Hotel Ukraine. As a precaution, the parliament and ministerial buildings in Kiev were evacuated due to fears that they could be stormed by protesters.

President Yanukovich blamed the protesters for the collapse of the truce, casting them as organized gangs and noting that they were using sniper rifles. International media such as BBC News reported that there was video footage depicting snipers firing on demonstrators trying to retake their protest camp in Independence Square. Clearly, with the targets being the protesters, those particular snipers shown on video were more likely to be aligned with the government. Yanukovich additionally said that arms and ammunition had been looted and, as such, he was prepared to move forward with an "anti-terrorist" operation.

That being said, there were signs that the Ukrainian head of state was losing popular support and his grip on power was (perhaps) slipping. Of note was the fact that the protesters were now prepared to become embroiled in direct conflict with better armed security personnel. Also of note was the fact that the members of Ukrainian Olympic team made the decision to leave the games in Sochi (Russia) because of the violence at home, with some of them saying they were taking this action in solidarity with the protesters.

Meanwhile, there were rising fears that the stultified political division in Ukraine augured not only a deepening of the crisis, but re-opening of Cold War wounds. On one side of the equation resided the largely pro-Russian Yanukovich bloc, which held the support of the citizens in eastern Ukraine; on the other side of the equation stood the pro-Western opposition, which was backed by

the citizens in the western part of the country.

In keeping with this polarity was the fact that there were geopolitical lines being drawn in the sand. Russia was emphatically in the corner of President Yanukovich, and ready to join the Ukrainian authorities in condemning "extremists" for the violence (an apparent catch-all description for anyone daring to dissent). Indeed, Russian President Vladimir Putin was heavily invested in ensuring Russian influence remained strong in Ukraine. In many senses, he wanted to augment Russia's close relations with eastern European countries as a means of recreating a post-Soviet realm with de facto (if not de jure) Russian dominion. The West -- led by the European Union and the United States -- was emphasizing its support for the opposition and casting the activists as the victims of a repressive regime. The warnings of sanctions or "consequences" from the European Union and the United States respectively showed that the West was ready to flex its own muscle. In many senses, the Ukrainian crisis was turning into Ground Zero of a new post-Cold war confrontation.

#### Winds of Change Sweep Across Ukraine:

On Feb. 21, 2014, as a result of the disturbing rise in the death toll in Ukraine, President Yanukovich returned to the negotiating table with opposition leaders for lengthy negotiations. This fresh round of talks, which was attended by diplomatic representatives from Russia, Germany, France, and Poland, ended with a new deal aimed at ending the bloodshed. The agreement called for the formation of a coalition government, early presidential elections -- a key demand of the opposition, and the reduction of presidential power through constitutional reforms -- another demand by the opposition, which was already in process at the legislative level, although likely to face obstacles from a parliament dominated by members of the president's Party of Regions. The deal would essentially facilitate the successful passage of such constitutional changes.

In many senses, President Yanukovich was being forced to assent to the central mandates of the opposition movement. Yet the deal may have come too late as enraged protesters declared that nothing other than the resignation of Yanukovich would persuade them to exit the Maidan (Independence Square) and go home. They also pointed to the deaths of scores of people, insisting that they should not have died in vain. On the other side of the divide, Russia refrained from giving the deal its stamp of approval, believing that it conceded too much ground to the protesters and did not favor Yanukovich, for whom they had clearly offered support.

That ground moved even further in favor of the opposition and away from Yanukovich on Feb. 22, 2014, when the Ukrainian police made clear that they would no longer guard presidential buildings and interests and would now stand by the people. Soon thereafter, the president was reported to have abandoned the presidential palace in Kiev and opposition cadres took control of the compound. Reports that Yanukovich had fled the presidential palace were confirmed by opposition leader, Klitschko, who said the president had "left the capital" for an unknown

destination. Media reports later indicated that Yanukovich was in his stronghold in eastern Ukraine, where he attempted to board an aircraft bound for Russia but was stopped by border police. Reports at the time indicated that Yanukovich was in the region of Donetsk.

In Kiev, protesters were back in the streets -- this time to register their jubilation that Yanukovich was gone. They also dismantled statues of Lenin (presumably to remove the remnants of the Soviet/Russian political legacy in Ukraine).

Russia issued its disapproval of these developments, with Russian Foreign Minister Sergei Lavrov saying that "Illegal extremist groups are refusing to disarm and in fact are taking Kiev under their control with the connivance of opposition leaders."

On the same day -- Feb. 22, 2014 -- the action back in Kiev was in the Ukrainian parliament where the legislative body voted to officially remove Yanukovich from office and hold early elections on May 25, 2014. Although the parliament remained officially dominated by Yanukovich's Party of Regions, it was evident that the president's influence was waning. Members of parliament with ambitions to keep their political prospects alive were prepared to close the Yanukovich chapter, thus the decision to effectively impeach Yanukovich by declaring him unable to carry out his presidential duties. Using the boxing rhetoric from his previous career as a world boxing champion, opposition leader Klitschko said: "This is a political knockout."

For his part, though, Yanukovich was not quite so willing to see this particular chapter in Ukraine's history books concluded and defiantly insisted that he would not step down from office. He also declared that the country was being subject to a coup. Comparing the events leading to his removal from office to the Nazi takeover in the 1930s, Yanukovich said, "The events witnessed by our country and the whole world are an example of a coup d'etat." Russian Foreign Minister Sergei Lavrov also rejected the shocking changes on the Ukrainian political landscape, charging that the opposition "had in effect seized power in Kiev, refused to disarm and continued to place its bets on violence."

The day Feb. 22, 2014 saw other sweeping transformations in Ukraine as the Ukrainian Parliament voted to release former Prime Minister Yulia Tymoshenko from captivity. The West, led by the European Union and the United States, has long demanded that Tymoshenko be released from prison where she was believed to have been held for political reasons for two years and subject to abuse. In fact, the aforementioned Association Agreement with the European Union, which sparked the unrest in Ukraine in the first place in late 2013, included a provision that Tymoshenko be released from the Kharkiv prison where she was incarcerated. As discussed above, that agreement with the European Union was halted, thus spurring the quasi-revolution in Ukraine and a redux of Cold War tensions. Of course, now Tymoshenko's fate was likely to benefit from a parliament aware that the political winds were changing. As noted above, although the legislative body remained officially dominated by Yanukovich's Party of Regions, it was evident that his

power and influence were now a thing of the past with members of his own party having abandoned their support for him. As such, the parliament was suddenly far more hospitable to the notion of a free Tymoshenko.

Although Tymoshenko could objectively be regarded as Yanukovich's most powerful rival, she did not command the loyalty of the entire opposition movement. Indeed, many pockets of the opposition regarded her as yet another corrupt politician from the Ukrainian political elite. Moreover, as an opposition figure, she would not have to share the spotlight with other opposition leaders, such as Klitschko and Yatsenyuk, who were in the trenches during Ukraine's 2014 uprising. Perhaps aware of the new political dynamics in Ukraine, Tymoshenko said that she had no interest in resuming the post of prime minister, disabusing her critics of the idea that she was eager to return to the reins of power.

On Feb. 23, 2014, Parliamentary Speaker Oleksandr Turchynov -- a close ally of former Prime Minister Tymoshenko who was released from prison the day before -- was chosen to be the interim President of Ukraine ahead of fresh elections set for May 25, 2014. Opposition leader, Klitschko, confirmed he intended to contest those election.

Meanwhile, the immediate focus for interim President Turchynov would be on the stability of the country. He said his first task would be to form a unity government and deal with the country's economic challenges. Those challenges would be complicated by the revelations that former President Yanukovich may have raided the nation's coffers. Arseny Yatseniuk, a former economy minister and candidate for the new prime minister, announced that \$70 billion had disappeared into offshore accounts, saying, "The state treasury has been robbed and is empty."

Also of significance was the fact that interim President Turchynov made clear that Ukraine under his temporary leadership would turn westward and look to strengthen ties with the European Union. He said, "We have to return to the family of European countries." This westward orientation was frowned upon by Russia, which was adamant that it did not intend to easily accept a Ukraine without Yanukovich. Indeed, Russia recalled its ambassador from Ukraine for "consultations."

As February 2014 was drawing to a close, the new interim government of Ukraine made it clear that it would seek justice as regards the former president, even calling for Yanukovich to face charges at the International Criminal Court at the Hague. At issue were the deaths of more than 100 citizens, which were blamed on Yanukovich. The Ukrainian parliament via a resolution called on the International Criminal Court "to hold Viktor Yanukovich and other high-level people criminally responsible for issuing and carrying out openly criminal orders."

It should be noted that Yanukovich's whereabouts were unknown for some time, but he was soon reported to have cropped up in Balaklava in Crimea, in the eastern part of Ukraine, close to the

Russian naval base at Sevastopol. Yanukovych later emerged to issue a statement from Russia where he insisted that he remained the true leader of Ukraine. Regardless of the accusations that he had stolen funds from the national coffers (as noted above), Yanukovych went on to blame "extremists" and "thugs" for stealing his political power at the helm of Ukraine.

Russia stakes its claim in Crimea:

Irrespective of the ethos of celebration in Kiev, the close of February 2014 was also marked by an ominous warning from Ukraine's new interim president, Turchynov, who said there were "signs of separatism" in Russian-speaking Crimea in the eastern part of the country. That warning seemed prescient as residents of Crimea were soon demanding that the region secede from Ukraine.

Occupied by the Nazis in World War II, Crimea has long been a historic battleground through the course of history. It was the central locus of the Crimean War involving Russia and the French-British-Ottoman alliance in the 19th century. Further back, Scythians, Greeks, Huns, Bulgars, Turks, Mongols, and others occupied or invaded the territory, which was also part of the Roman and Byzantine empires in ancient times.

Crimea came under Russian/Soviet jurisdiction but was transferred to Ukraine as a "gift" by Nikita Khrushchev in 1954. In more recent times, the Russian naval base has been located at Sevastopol in Crimea, with the Russian Black Sea Naval Fleet based on the Crimean coast.

To date, the population of Crimea has remained heavily ethno-linguistically Russian, however, ethnic Tartars -- as the indigenous people of Crimea -- also call the region home, and do not necessarily align with the dominant pro-Russian sentiment there. Indeed, ethnic Tartars take a dim view of Russia and the Soviet past, even harboring deep resentment over the dark days of Stalin's rule when their people were deported en masse to Central Asia.

Given this complex socio-cultural composition of Crimea, the Russian role in the region was emerging as a primary concern in the initial days after Ukraine's 2014 uprising. Moscow made it clear that it would not engage with the new government of Ukraine, which it viewed as illegitimate, and also pointed to the ethno-linguistic Russian population of eastern Ukraine, suggesting that they might need "protection" from Russia in the face of the new pro-Western leadership in Kiev. Going a step further in the direction of sabre rattling, Russia soon placed 150,000 combat troops on alert for war games close to the border with Ukraine -- presumably in preparation to take up the mission of "protecting" the Russian ethno-linguistic population of Crimea. The fact that there was no sign of violence against ethno-linguistic Russians, this move by Moscow was regarded with great suspicion.

The West had a very different view and wasted no time in expressing support for the interim leadership of Ukraine, and warning Russia from intervening into Ukrainian affairs. At a meeting of

the European parliament, European Commission President Jose Manuel Barroso said, "I launch from here an appeal to all our international partners, in particular Russia, to work constructively with us to guarantee a united Ukraine that can be a factor for stability in the European continent." He also expressed the European view that the removal of Yanukovich was the result of the will of the Ukrainian people and an act of self-determinism, saying, "The winds of change are knocking again at Ukraine's doors; the will of the people must prevail." The United States struck a similar chord, with the Obama white House urging Russia to respect Ukraine's territorial integrity. White House spokesperson Josh Earnest said, "We urge outside actors in the region to respect Ukraine's sovereignty and territorial integrity, to end provocative rhetoric and actions, to support democratically established transitional governing structures and to use their influence in support of unity, peace and an inclusive path forward." Meanwhile, in an interview with MSNBC, United States Secretary of State John Kerry said, "We're hoping that Russia will not see this as sort of a continuation of the Cold War...We do not believe this should be an East-West, Russia-United States (issue)."

But the landscape in Ukraine was quickly turning tumultuous. The stakes in an East-West confrontation intensified on Feb. 26, 2014 when rival groups of demonstrators -- some of whom were pro-Russian and others who were anti-Russian -- erupted at the parliament building in Ukraine's Crimea region. The scene devolved further when armed men seized control of the parliament of Crimea in the regional capital Simferopol, declared Crimea to be an autonomous entity with its own constitution, and raised the Russian flag.

The area was soon being patrolled by Russian-speaking persons clothed in military garb but without specific insignias. Reporters on the scene asked some of these individuals where they were from and were told "Russia" in response. A Ukrainian official, Sergiy Kunitsyn, said in an interview with the media that Russian jets carrying troops had landed at a military air base near Simferopol. This claim by Kunitsyn was being treated as an unconfirmed report; however, videotaped footage soon emerged that appeared to show Russian planes flying into Crimea. Subsequently, further reports emerged suggesting that two Russian anti-submarine warships were spotted off the coast of Crimea in violation of prevailing agreements that limit the presence of Russia's Naval Fleet in the Black Sea.

Alarmed at the prospect of Russia either surreptitiously or even actively advancing into Ukraine, three former Ukrainian presidents -- Leonid Kravchuk, Leonid Kuchma, and Viktor Yushchenko - - crossed partisan lines to jointly accuse Russia of "direct interference in the political life in Crimea." Meanwhile, Ukraine's interim President Turchinov demanded that Russia remain within its military confines at the naval base saying, "I am appealing to the military leadership of the Russian Black Sea fleet...Any military movements, the more so if they are with weapons, beyond the boundaries of this territory (the base) will be seen by us as military aggression."

At the international level, NATO joined the fray as it urged Russia to refrain from doing anything

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that would "escalate tension." As well, United States Secretary of State John Kerry reminded Russia that it has eschewed foreign intervention into the affairs of sovereign countries, saying: "For a country that has spoken out so frequently ... against foreign intervention in Libya, in Syria, and elsewhere, it would be important for them to heed those warnings as they think about options in the sovereign nation of Ukraine." Kerry added, "I don't think there should be any doubt whatsoever that any kind of military intervention that would violate the sovereign territorial integrity of Ukraine would be a huge -- a grave -- mistake."

On Feb. 28, 2014, United States President Barack Obama also registered his own warning to Russia, noting that "any violation of Ukraine sovereignty... would be deeply destabilizing" and pointing to the potential "costs" of Russian intervention into Ukraine.

This warning fell on deaf ears. It was now evident that pro-Russian cadres of armed men were controlling major swaths of Crimea. Ukrainian interim President Turchynov thus accused Russia of trying to provoke an "armed conflict" in his country. Turchynov suggested that Russian President Putin was trying to get the new interim government of Ukraine to react to Russian provocations in a way that would justify the Russian annexation of Crimea. Turchynov pointed to the fact that this modality had been used before by Russia in the Georgian territories of South Ossetia and Abkhazia in 2008, which also were home to large ethno-linguistic populations but were legally under Georgian jurisdiction. Indeed, the Ukraine/Crimea issue was clearly reminiscent of the Russian intervention into the Georgia/South Ossetia crisis in 2008 since both scenarios involved a Russian ethno-linguistic population in semi-autonomous enclaves of countries that were longer part of the Soviet Union. The only conclusion was that Russia believed it was entitled to control swaths of territory where there was a Russian cultural connection.

Interim President Turchynov's claim that Russia was trying to provoke conflict found resonance a day later on March 1, 2014 when the Russian parliament voted unanimously to approve the use of military force "in connection with the extraordinary situation in Ukraine, the threat to the lives of citizens of the Russian Federation, our compatriots" and also to protect the Black Sea Fleet in Crimea. Russian President Vladimir Putin said his request for authorization to use military action in Ukraine would endure "until the normalization of the socio-political situation in that country." Of concern was the fact that the authorization was for the use of force in Ukraine as a whole -- and not just the flashpoint area of Crimea.

In response, Ukrainian President Turchinov ordered troops to be placed on high combat alert, while the new foreign minister, Andriy Deshchytsya, said Ukraine had lodged a request with NATO to "examine all possibilities to protect the territorial integrity and sovereignty of Ukraine." Still, the new government in Ukraine -- in that job for a week -- displayed remarkable restraint. During a live address that was broadcast nationally, President Turchynov urged Ukrainians of all backgrounds to stand united and not succumb to provocations. On the issue of provocation, the Ukrainian leader had already told contingents in Ukraine not to resist Russian armed operatives in

Crimea.

International Response:

European countries registered dismay at these developments in their backyard. United Kingdom Foreign Secretary William Hague expressed "deep concern" over Russia's actions while Swedish Foreign Minister Carl Bildt characterized Russia's actions as "clearly against international law." Czech President Milos Zeman poignantly noted that the crisis in Ukraine was a disturbing reminder of the 1968 Soviet invasion of Czechoslovakia in order to subdue the independence-minded Prague Spring movement.

United States President Barack Obama reportedly shared a 60-minute telephone call with Russian President Vladimir Putin in which he repeatedly accused Russia of violating international law and violating the sovereignty of Ukraine. Putin apparently told Obama that Russia reserved the right to protect its interests and the interests of the Russian ethno-linguistic population in Ukraine. Stated differently, Putin was affirming his belief that Russia had the right to invade Ukraine on the basis of national interests. As a point of clarification, these concerns by Russia could certainly be addressed with the presence of international monitors rather than via an uninvited intervention of Russian forces into Ukraine. Moreover, the fact of the matter was that the interim government of Ukraine had already offered assurances that minority (i.e. Russian) populations within Ukraine would be respected.

For its part, Ukraine was said to be "mobilized for war," having called up its military reserves. Arseny Yatseniuk -- now at the helm of the interim Ukrainian government in the position of acting prime minister -- declared that Russia's actions constituted "the beginning of war and the end of any relations between Ukraine and Russia." As regards the effective annexation of Crimea by Russia, Prime Minister Yatseniuk said: "This is not a threat: this is actually the declaration of war to my country."

At the international level United States Secretary of State John Kerry condemned Russia for its "incredible act of aggression" saying in an interview with CBS News, "You don't just, in the 21st century, behave in 19th century fashion by invading another country on a completely trumped-up pretext." Kerry also floated the possibility of sanctions against Russia and promised that Western countries would "go to the hilt to isolate Russia."

Already, the United States had announced it would suspend participation in preparing for the G8 summit set to take place in mid-2014 in Sochi, Russia. The United States also made clear that it would consider having Russia removed from the G8 grouping -- generally believed to be the political and economic leading nation states of the world. Canada soon joined the United States in suspending participation in preparatory meetings for the G8 summit and also recalling its ambassador to Russia. The United Kingdom followed by becoming the third country to end its

participation in preparatory meetings for the G8 summit. It was to be seen if the remaining G8 nation states -- France, Germany, Italy, and Japan -- would be taking the same stance.

Russia, however, was undeterred by these moves. Indeed, its mission may have well been accomplished as it now had a firm hold on Crimea and a foothold on Ukrainian territory. Reports that the new head of the Ukrainian navy, Rear Admiral Denis Berezovsky, had defected to Russian separatists in Crimea on March 2, 2014, only augmented that Russian foothold. Although the Ukrainian government in Kiev immediately fired Berezovsky from his post and charged him with treason, the damage was done. Around the same time, the Kremlin in Russia was resolute as it asserted its right to intervene in Ukraine, charging that the country was under threat from "ultra-nationalists" in the aftermath of the ousting of Yanukovich from power.

Russia's stance was publicly augmented by Russia's ambassador to the United Nations, Vitali Churkin, who submitted a letter to the United Nations Security Council, which was supposedly from ousted President Yanukovich. That letter cast Ukraine as on the precipice of a civil war and Russian speakers suffering harsh persecution -- a characterization denied by the new government of Ukraine. Nevertheless, the letter from Yanukovich called on Russia to intervene, and read as follows: "I would call on the president of Russia, Mr. Putin, asking him to use the armed forces of the Russian Federation to establish legitimacy, peace, law and order, stability and defending the people of Ukraine." According to Churkin, since Yanukovich was Ukraine's legitimate leader, and not interim President Olexander Turchynov, Russia's actions in Ukraine were justified rather than a violation of international law, as charged by the West.

United States ambassador to the United Nations, Samantha Power, dismissed Russia's rationale, saying, "Russian mobilization is a response to an imaginary threat." She continued, "Military action cannot be justified on the basis of threats that haven't been made and aren't being carried out." United Kingdom ambassador to the United Nations, Mark Lyall Grant, struck a similar note saying, "It is clear that these claims have simply been fabricated to justify Russian military action." Indeed, as noted above, there was no actual sign of persecution or intimidation of Ukraine's ethnolinguistically Russian population. NATO Secretary General Anders Fogh Rasmussen joined the fray in condemning Russia for continuing to "violate Ukraine's sovereignty and territorial integrity," and thus creating "serious implications for the security and stability of the Euro-Atlantic area."

Clearly, the East-West division was hardening -- but at a time when Russian military forces were on the ground in Ukraine and in control of Crimea. An anonymous Western official was cited by Reuters News as saying, "This is probably the most dangerous situation in Europe since the Soviet invasion of Czechoslovakia in 1968... Realistically, we have to assume the Crimea is in Russian hands. The challenge now is to deter Russia from taking over the Russian-speaking east of Ukraine." The Russian grip on Crimea was confirmed on March 2, 2014, when United States officials noted that Russia had "full operational control" over the entirety of Crimea.

Late on the night of March 2, 2014, a joint statement of the world's seven major industrialized powers expressed harsh condemnation of Russia's invasion and apparent occupation of Crimea in the Ukraine. The statement, which was released from the Obama White House in the United States, read as follows: "We, the leaders of Canada, France, Germany, Italy, Japan, the United Kingdom, and the United States, and the President of the European Council and President of the European Commission, join together today to condemn the Russian Federation's clear violation of the sovereignty and territorial integrity of Ukraine...We have decided for the time being to suspend our participation in activities associated with the preparation of the scheduled G8 Summit in Sochi in June." The G7 nations also offered de facto support for Ukraine by declaring that they were ready "to provide strong financial backing to Ukraine."

To that end, United Kingdom Foreign Secretary William Hague had departed for Kiev for talks with the new Ukrainian government for the purpose of solidarity. United States Secretary of State John Kerry arrived in Kiev on March 4, 2014 to show support for the new interim government of Ukraine, but also armed with a package of \$1 billion in loan guarantees for Ukraine and pledges of technical assistance for Ukraine's national bank and finance ministry. He also offered assistance in preparations for fresh elections. While Kerry was in flight, the United States Department of State was in the process of putting together punitive sanctions against Russia. As well, the European Union was considering its own sanctions, including possible travel bans and targeted economic measures, if Russia failed to "de-escalate" its threat of military force against Ukraine. The European Union was also floating the notion of paying Ukraine's bill to Russia for gas bills totaling \$2 billion. Collectively, the effort was aimed at ensuring that Ukraine was positioned to withstand the reduction of energy subsidies from Russia, which was almost certain to occur in short order.

It was apparent that the diplomatic isolation -- however symbolic -- of Russia had begun. Of course, there was no sign that Russian President Putin was viewing the situation through the lens of economic pragmatism. While the Russian ruble had plunged to an all-time low amidst the chaos, Putin was buoyed by the national support he was getting from Russians at home for taking a hardline approach to Ukraine. In fact, Putin continued to advance the view that Ukraine was embroiled in a state of chaos, having been taken over by extremists, and that Russia was simply doing its duty by protecting the Russian population. Making the matter more perplexing was the Russian president's claim that the troops that seized control of Crimea were not actually under Russian command, but simply inspired activists functioning organically in the face of Ukrainian oppression. Of course, the West reacted to this claim with utter disbelief and ridicule.

From Kiev, United States Secretary of State Kerry deconstructed Putin's stance on Ukrainian oppression of Russian speakers saying, "I think that it is clear that Russia has been working hard to create a pretext for being able to invade further. " He continued, "Russia has talked about Russian-speaking minority citizens who are under siege... They're not. It is not appropriate to invade a country and dictate what you want to achieve at the end of the barrel of a gun." Kerry also praised

the new government of Ukraine, headed by interim President Turchynov, noting that he had shown Herculean restraint in the face of provocation.

Later on March 4, 2014, there were high level efforts being made at the diplomatic level in Paris between envoys from Russia, Ukraine, United States, United Kingdom, and France, to find a resolution to the Ukraine/Crimea crisis. Those meetings ended without any progress being made. United States Secretary of State Kerry tried to place a positive spin on his meeting with Russian Foreign Minister Sergei Lavrov as he said, "Don't assume that we did not have serious conversations which produced creative and appropriate ideas on how to resolve this, we have a number of ideas on the table." Kerry continued, "I don't think any of us had an anticipation that we were coming here at this moment, in this atmosphere of heightened tension and confrontation, that we were suddenly going to resolve that here, this afternoon."

But the truth was the Russia had defiantly ignored the West's calls for its forces to withdraw from Crimea and return to military barracks and bases. As well, the Russian delegation refused to acknowledge -- far less meet with -- the Ukrainian delegation. Moreover, Russian authorities were also advancing the erroneous notion that an agreement was reached with Western powers over returning to the European Union-brokered peace deal that was on the table prior to the ousting of Yanukovich. The United States Department of State thus responded by denying that such a deal existed, with an official saying: "There were no agreements in this meeting, and there never will be without direct Ukrainian government involvement and absolute buy-in."

The lack of progress, coupled with Russian defiance, spurred NATO to announce from Brussels that it would curtail cooperation with Russia. Instead, NATO announced that it would intensify its engagement with the new government of Ukraine. As well, the United States also announced that it would double the number of fighter jets it furnishes for NATO air patrol missions in the Baltic regions and increase air force training with Polish forces. Furthermore, the United States Pentagon was deploying a Navy destroyer to the Black Sea. These moves were sure to aggravate Russian authorities, who certainly did not wish to see a heavier American military footprint in their backyard. Once again, the underlying theme was ongoing East-West dissonance.

Meanwhile, the United States, Canada, and various European countries were moving forward with punitive actions against Russia. President Barack Obama of the United States delineated his first concrete punitive measures against Russia for "threatening the sovereignty and territorial integrity of Ukraine" by freezing the United States assets of Ukrainians deemed to have undermined the democratic process in Ukraine, and instituting a travel ban in the form of visa restrictions on several Russian and Ukrainian officials. Various European Union countries announced they would also freeze the assets of Ukrainians suspected of misappropriating state funds and human rights abuses; the list included ousted Ukrainian President Yanukovich, former Prime Minister Mykola Azarov. The European Union also warned again that if Russia failed to de-escalate tensions, then the regional body was prepared to move forward with sanctions. French President Francois

Hollande said, "There will be the strongest possible pressure on Russia to begin lowering the tension and in the pressure there is, of course, eventual recourse to sanctions." Canada announced economic sanctions on members of the ousted government of Yanukovych. Already Canadian Prime Minister Stephen Harper had recalled his ambassador from Russia.

### Flashpoints

While at this point there was no bloodshed in the Ukrainian-Russian crisis, it should be noted that on March 5, 2014, a United Nations special envoy -- Robert Serry of the Netherlands -- was detained in Russian-occupied Crimea outside the naval headquarters in Simferopol. Serry was forced to depart the region without even having the chance to collect his belongings. United Nations Deputy Secretary-General Jan Eliasson expressed outrage over the incident, saying that Serry was "seriously threatened." As well, a mission of unarmed military observers from the pan-European Organization for Security and Cooperation in Europe (OSCE) was prevented from entering Crimea.

Also on March 5, 2014, Russia intensified its provocation of the Ukrainian/Crimean crisis by test-firing an intercontinental ballistic missile -- the Topol RS-12M -- from Russia's Kapustin Yar test range near the Caspian Sea in the direction of the Sary Shagan range in Kazakhstan. The Russian defense forces said that the missile launch was intended to test the payload of the nuclear missile and went off successfully using a dummy warhead. The Russian armed forces also said that the United States had been notified in advance of the missile test, in keeping with prevailing bilateral arms treaties. Still, the action only served to heighten tensions further in the region where Cold War memories were being stirred at a furious rate.

Anxiety over the future of Ukraine, and the fate of Crimea in particular, dramatically increased on March 6, 2014, when Crimea's parliament voted unanimously to secede from Ukraine and "to enter into the Russian Federation with the rights of a subject of the Russian Federation." A date for a referendum was set for mid-March 2014. Following that referendum, whose outcome was almost certainly ratification, all state property would be "nationalized" and the Russian ruble would be adopted. As well, all Ukrainian troops in Crimea would be forced to either depart or surrender, or face captivity as foreign occupying forces. The move served only to cast further turmoil into the cauldron of Crimea.

Western countries made it clear that they would not accept the outcome of the Crimean referendum, noting that it would be in contravention to international law. For its part, Ukraine said that the referendum was illegal and warned that Ukraine's armed forces was prepared to respond if Russian intervention escalated any further into Ukrainian territory.

On March 8, 2014, the international stakes heightened when pro-Russian soldiers in Crimea fired warning shots at a team of international observers from the Vienna-based OSCE. Although there

were no casualties in the incident, it showed continuing intransigence on the part of the pro-Russian forces who asserted that the OSCE, which was invited by the Ukrainian government, did not have its permission to enter Crimea. As noted above, previous attempts made by the OSCE to enter Crimea were also met with resistance.

A day later on March 9, 2014, pro-Ukrainian activists were attacked and beaten by pro-Russian and Cossack cabals during a rally in the Crimean city of Sevastapol. The rally centered on the celebration of Taras Shevchenko, a Ukrainian poet and national hero. The pro-Russians and Cossacks attacked those attending the rally, presumably for their pro-Ukrainian inclinations. The incident highlighted the irony of Russia's position in noting that its presence was needed in Crimea to "protect" the ethno-linguistic Russian population of the region. Indeed, the persons needing protection in Crimea on this day were Ukrainians and pro-Ukrainians and not ethnic Russians.

For its part, Moscow dismissed the notion that it played any role in the escalating the Ukrainian crisis, even rejecting the notion that it sent troops into Crimea, and saying instead that it simply supported the local defense forces who happen to be pro-Russia. Russian Foreign Minister Lavrov even suggested that the Ukrainian crisis was "artificially" created by Kiev "for purely geopolitical reasons."

#### International Action (and Inaction)

Together, the events at the start of March 2014 likely strengthened the resolve of the West to enact further measures against Moscow for failing to defuse the crisis. To that end, the United States announced that it would be welcoming interim Ukrainian Prime Minister Arseny Yatseniuk to Washington for talks on how to end turmoil rocking Europe.

Meanwhile, the countries of Europe along with the United States emphasized its views of Russia's action as aggression against Ukraine and again warned that any active annexation of Crimea would end the diplomatic track. The West also reminded Russia and pro-Russian entities controlling Crimea that most of the world would not recognize the results of the illegal referendum in Crimea. The European Union on March 12, 2014, also agreed on a framework for sanctions against Russia. The sanctions would mirror United States measures, as they would include travel bans and asset freezes.

As well, NATO determined that it would cease cooperation with Russia, while deploying reconnaissance planes in Poland and Romania to monitor the Ukrainian crisis. This measure by NATO was sure to annoy Russia, which has long eschewed the presence of Western powers in eastern Europe, which it considers to be its own "backyard."

Despite these moves, the fact of the matter was that NATO has not been eager to enter into the Ukrainian/Crimean crisis. It has tread lightly into this landscape, noting that because Ukraine was

not a NATO member state, there was no actual obligation to protect it. However, Ukrainian acting Prime Minister Arseny Yatseniuk has noted that under a 1994 disarmament treaty, known as the Budapest Memorandum, Ukraine agreed to give up its Soviet nuclear weapons in return for assistance from Russia and the West in defending Ukraine's sovereignty. He posed the following question: "What does the current military aggression of the Russian Federation on Ukrainian territory mean?" He then continued, "It means that a country which voluntarily gave up nuclear weapons, rejected nuclear status and received guarantees from the world's leading countries is left defenseless and alone in the face of a nuclear state that is armed to the teeth.

In truth, the United States and the European Union were more likely to offer financial aid and public declaration of solidarity than military support to an encroaching Russia, which was quite likely to officially annex Crimea following the ratification of Russian unity on March 16, 2014. But that move would inevitably highlight the fact that European countries unfortunate enough to be on Russia's radar could also be subject to annexation while facing no serious consequence for violating the modern international order, which it founded on the notion of sovereignty.

Tensions were on the rise in Crimea in the second week of March 2014 as troops believed to be Russian, in conjunction with local militias, seized control of a military hospital in the regional capital Simferopol. As well, pro-Russian armed troops, described as "self defense forces," blockaded Ukrainian troops from entering Crimea, even as Russia itself denied that it was participating in such blockades.

Tensions were on the rise elsewhere in eastern Ukraine as pro-Ukrainian and pro-Russian activists clashed in the cities of Kharkiv and Donetsk, where at least one person was killed.

Sensing that the scene was taking a dark turn, Ukraine's interim President Oleksander Turchinov had established a new National Guard and called on the international community for assistance in dealing with what it cast as Russian aggression. Acting Prime Minister Arseny Yatseniuk vociferously blamed Russia for the current crisis, and for actively undermining the global security structure as he declared, "This is not a two-sided conflict. These are actions by the Russian Federation aimed at undermining the system of global security.

United States President Barack Obama promised to "stand with Ukraine" and chastised Russia saying, "It is absolutely unacceptable to have Russian boots on the Ukrainian ground in the 21st century, violating all international deals and treaties." President Obama also warned his Russian counterpart, President Vladimir Putin, that the international community would be forced "to apply costs" if Russia did not remove its troops from Crimea. However, the actual value of those costs was a matter of debate. Given Russia's reserves, the combination of travel bans, asset freezes, and sanctions were unlikely to do much damage to a country more intent on reconstituting its Soviet domain.

That being said, President Obama was not alone. The leaders of most of the world's leading industrialized countries -- the United Kingdom, France, Germany, Italy, Canada, and Japan -- issued similar stances in repudiation of Russia's actions in Crimea and in solidarity with Ukraine.

A statement from the leaders of the G7 nation states -- the United States, the United Kingdom, France, Germany, Italy, Canada, and Japan -- demanded that the referendum not go forward. That statement included the following declaration: "In addition to its impact on the unity, sovereignty and territorial integrity of Ukraine, the annexation of Crimea could have grave implications for the legal order that protects the unity and sovereignty of all states." Warning Russia of consequences, the statement continued, "Should the Russian Federation take such a step, we will take further action, individually and collectively."

Far from being chastened by such promises of condemnation at the international level, Russia appeared to suggest there was a need for increased -- rather than decreased -- involvement in Ukrainian affairs. Signaling even further encroachment into Ukrainian territory, Russia expressed "deep concern" over the activities of "nationalists" in eastern Ukraine and the need to provide security in that country against a backdrop of "radicals."

It was to be seen how Russia would explain its incursion into Ukrainian territory and its audacious seizure of a gas plant in the eastern part of the country as being a measure of "protection" against radicals. Indeed, on March 15, 2014, approximately 80 Russian troops landed by helicopter in Ukrainian territory and seized control over a natural gas terminal. Ukraine responded by stationing its own troops outside the facility and issuing a statement that read as follows: "Ukraine reserves the right to use all necessary measures to stop the military invasion by Russia."

One glimmer of hope emerged in the form of a temporary truce over the blockade of Ukrainian military units in Crimea; on March 21, 2014, that blockade was scheduled to be lifted.

Meanwhile, the West attempted to condemn Crimea's secession referendum, and issue its support for Ukraine's sovereignty, by moving forward with a resolution in the United Nations Security Council. As expected, Russia -- as a veto-wielding permanent member -- vetoed the draft. Every other Security Council member voted in favor of the measure, with the exception of China, which abstained from the vote. Normally, China has joined Russia in controversial votes at the Security Council, such as action on the Syrian civil war. But in this case, with territories such as Tibet in mind, China was seemingly interested in delivering the message of its pro-sovereignty/non-interventionist stance.

The inaction at the Security Council was reminiscent of the Cold war era in which both sides habitually vetoed the other's measures, essentially creating a state of diplomatic paralysis.

The United States ambassador to the United Nations, Samantha Power, characterized Russia's

veto of the measure as a "sad and remarkable moment" and cast Russia as "isolated, alone and wrong." Undaunted, Russia's ambassador to the United Nations, Vitaly Churkin, asserted that Crimea's referendum was needed to fill the "legal vacuum" in the aftermath of Ukraine's "coup d'etat."

With Crimea's referendum only days away, there were last minute talks between Russian Foreign Minister Lavrov and United States Secretary of State Kerry to find a negotiated settlement. That meeting ended in failure with Lavrov declaring that Kerry's package of solutions were "not suitable: because they take "the situation created by the coup as a starting point." Because Russia viewed the overthrow of Yanukovich as illegal, it was not swayed by the arguments of the West. Clearly, an impasse was at hand.

Crimea votes for secession from Ukraine and unity with Russia

On the eve of the referendum in Crimea, the United States and the European Union repeated their threats to slap further sanctions on Russia, and warned that the ratification (i.e. an affirmative vote to unite with Russia) would not be internationally recognized.

Nevertheless, on March 16, 2014, voters went to the polls in Crimea to participate in a hastily organized referendum aimed at ratifying its breakaway from Ukraine and its union with Russia. The move was largely viewed as an illegal move that contravened against international law, and as discussed above, it was guaranteed to be rejected by most countries of the world.

The referendum itself was being regarded as something of a sham as no international monitors were present to witness the event, while accredited journalists were required to pledge not to report "negative news." Meanwhile, with the region's original but minority Tartar population boycotting the vote, the outcome was almost guaranteed to be ratification of a proposed union with Russia.

Indeed, once the votes were counted, as many as 95 percent of voters in Crimea had backed secession from Ukraine and unity with Russia. Celebratory crowds were on the streets rejoicing the move to join with Russia, with many people expressing the view that they would now be "protected" by Russia. Sergey Aksyonov, the businessman who actually won only five percent in the Crimean assembly in the previous elections but who installed himself as Crimea's regional leader following Russia's de facto takeover of Crimea was also celebrating the vote in favor of unity with Russia. He also insisted that the vote was free and fair, irrespective of the fact that there were no monitors and a prevailing boycott by the Tartar population.

On March 17, 2014, one day after Crimea voted to join Russia, the United States and the European Union imposed personal sanctions on Russian and Crimean officials believed to be involved in the annexation of Crimea. This punitive action was intended as a rebuke against the illegal vote. But these moves were being regarded as insignificant by Russia, which some officials

making sport of them via social media.

For its part, Crimea officially requested that the "Republic of Crimea" be admitted as a new subject to the Russian Federation. On the Russian side of the equation, Russia recognized Crimea as a sovereign entity. Russian President Putin was set to address the Russian parliament at which time, presumably, he would make clear whether or not his country intended to officially annex Crimea. Finally, Ukraine insisted that it would not accept these moves by Crimea and Russia, and that its sovereignty and territorial integrity should be respected.

United Kingdom Prime Minister David Cameron urged the European Union to send "a very clear warning" to Russia, and suggested that Russia be permanently expelled from the G8 group. As well, United States Vice President Joe Biden, on a trip to Europe, warned Russia that it was on a "dark path" to isolation. Vice President Biden asserted, "As long as Russia continues on this dark path, they will face increasing political and economic isolation." During a session of the United Nations Security Council, United States Ambassador Samantha Power declared, "Russia it seems has re-written its borders but it cannot rewrite the facts." Likewise, NATO condemned Russia for attempting to "redraw the map of Europe."

But the admonishments and warnings from the United States, the United Kingdom, and NATO fell on deaf ears. Indeed, around the same time, Russian troops consolidated their hold on Crimea by seizing Ukrainian naval bases in Crimea, including the headquarters in Sevastopol where the Russian flag was raised. As pro-Russian forces took control of the Ukrainian naval headquarters in Sevastopol, they also managed to capture the commander of the Ukrainian navy, Admiral Serhiy Haiduk, along with several others. Haiduk was only released after Russian authorities in Moscow intervened.

Russia formally annexes Crimea

On March 19, 2014, Russian President Vladimir Putin -- in defiance of international condemnation and Western sanctions, signed a treaty making Crimea part Russia. President Putin delivered a triumphant address to the Russian parliament in the Kremlin celebrating the return of Crimea to the Russian fold. Side-stepping the reality that the Crimea referendum had been held under Russian occupation, and with nary a word for Crimea's ethnic Tartars, Putin said the referendum result showed the will of the Crimean people to reunite with the Russian homeland. He said, "The hearts and minds of people, Crimea has always been and remains an inseparable part of Russia."

Putin also excoriated the West for its hypocrisy, pointing to the fact that many of those Western countries had supported the independence bid of Kosovo (home to a predominantly ethnic Albanian population) from Serbia (an ethnically Slavic nation state). Putin claimed that the West now wanted to deny Crimea the same right to follow its own identity-driven path. To raucous applause in the Kremlin, Putin declared: "You cannot call the same thing black today and white

tomorrow." He also had harsh words for Ukraine's new government, casting them as "neo-Nazis, Russophobes, and anti-Semites."

Putin had a message for Ukraine, suggesting that Russian aggression against that country had now ended and there was no reason to fear a Russian push further into Ukrainian territory. He said, "Don't believe those who try to frighten you with Russia and who scream that other regions will follow after Crimea...We do not want a partition of Ukraine. We do not need this."

For its part, Ukraine seemed to accept the reality that it had lost Crimea. Ukrainian authorities announced that they would be withdrawing soldiers and their families from Crimea in an orderly manner. As well, Ukraine with its far less superior military sought to lessen the prospects of further Russian encroachment by stating that it had no intention of joining NATO and vowing to disarm nationalist militias.

Perhaps these assurances and the plan for withdrawal were driven by the fact that the first death associated with the crisis had been a Ukrainian soldier who died when his base came under attack by Russian forces in the Crimean town of Simferopol. Although Ukrainian Prime Minister Arseny Yatseniuk cast the death of the soldier as a "war crime," and even as President Oleksander Turchinov instructed Ukrainian troops in Crimea "to use weapons to defend and protect the lives of Ukrainian servicemen," the fact of the matter was that the losses of life and territory were being experienced on the Ukrainian side of the equation.

Indeed, one could argue that Russia had effectively "won" this round of confrontations, by seizing Crimea from that country and by not having to pay a price for the violation of sovereignty. Russia was gaining even further rewards with these aforementioned assurances from Ukraine.

Note that on March 21, 2014, having secured parliamentary support for the move, Russian President Vladimir Putin formally signed into law the annexation of Crimea.

### Ukraine Moving Forward

Regardless of its effective loss of Crimea, Ukraine was moving forward with its pro-European stance and signed an association agreement with the European Union on March 21, 2014. European Union President Herman Van Rompuy hailed the agreement, saying, "Today, we are signing the [association] agreement's political provisions. It shows our steadfast support for the course the people of Ukraine have courageously pursued. Today is but the opening act. We expect to soon sign the agreement's remaining parts, not least the economic provisions. Together with the political ones, they form a single instrument."

Ukrainian Prime Minister Arseniy Yatsenyuk celebrated the signing of the agreement, saying, "This deal covers the most existential and most important issues, mainly security and defense

cooperation. This deal will establish a joint decision-making body, which is to facilitate the process of real reforms in my country. And this deal meets the aspirations of millions of Ukrainians that want to be a part of the European Union." Underlining Europe's commitment to Ukraine was the statement by the president of the European Commission, Jose Manuel Barroso, who asserted: "This is the democratic choice that Ukraine has made. It is our firm intention to sign the remaining parts of the agreement in due course. Europe is committed to Ukraine for the long term."

Of course, that association agreement was the very foundation of the unrest in Ukraine in late 2013 through 2014, that ended in the ousting of Yanukovich, and ultimately spurred Russian encroachment into Crimea. To that latter end, on the same day as Ukraine signed the Association Agreement with the European Union, having secured parliamentary support for the move, Russian President Vladimir Putin formally signed into law the annexation of Crimea.

Meanwhile, at the political level, opposition figure, Klitschko, who played a central role in the protests of 2013 and 2014 in Ukraine announced that he would not be pursuing the presidency. Instead, he said that he intended to run for the post of mayor of Kiev and placed his support for the presidential contest behind businessman Petro Poroshenko, who also was a central player in Ukraine's anti-Russian/pro-European uprising. It was to be seen if the consolidation of support around Poroshenko would stave off victory by Tymoshenko, who also announced her bid for the presidency. Now released from prison under the presidency of Yanukovich for largely political reasons, it was to be seen if Tymoshenko -- still, a polarizing figure -- could secure the most painful revenge against ousted Yanukovich by winning the post he held only a few months prior.

Is Russia setting its sight on the Moldovan territory of Trans-Dniestr?

As March 2014 entered its final week, and as Russia had its foot firmly implanted in Crimea, anxieties about Russian territorial ambitions were sparked again -- but this time on the former Soviet republic of Moldova. At issue was the disputed territory of Trans-Dniestr which resides under the jurisdiction of Moldova while harboring separatist ambitions.

Shortly after Moldova declared its independence from the Soviet Union in 1991, Trans-Dniestr declared its independence from Moldova, sparking an armed conflict between Moldovan and Trans-Dniestrian forces. The Organization for Security and Cooperation in Europe (OSCE) has remained involved in negotiations over Trans-Dniestr's status since the conflict began, though a long series of negotiations have thus far failed to produce a final status agreement. Moldova has tried to accommodate its ethn-linguistic Russian minority in the region by offering broad cultural and political autonomy. But given Russia's success in Crimea, it was to be seen if the Russian argument that it must act to "protect" ethno-linguistic Russians would hold sway in Moldova. The Russia argument in that direction would be aided by the call from the speaker of Trans-Dniestr's parliament for Russia to incorporate the region.

The attention of Trans-Dniestr emerged in late March 2014 as speculation arose about Russia using its many political and economic levers to prevent Moldova from moving forward with its Western integration effort. At the top of Russia's list of objectives was likely to be the derailment of Moldova's proposed association and trade agreements with the European Union. Moldova completed the initial rounds of signatures in late 2013 during a summit in Vilnius (Lithuania) -- the same meeting at which former Ukrainian President Yanukovich rejected the deals. With Moldova set to sign on to the association agreement officially in mid-2014, it was to be seen if Russia would leverage its power to prevent that from occurring.

Meanwhile, on March 25, 2014, Russia held military exercises in Trans-Dniestr. NATO's Supreme Allied Commander Europe, United States Air Force General Philip Breedlove has noted that Russia had built up a "very sizeable" force on its border with Ukraine, that could easily be activated elsewhere in the region. Chief among the possibilities for expanded Russian encroachment, according to Breedlove, was the Moldovan territory of Trans-Dniestr. In his remarks to the Marshall Fund think tank, Breedlove said, "There is absolutely sufficient (Russian) force postured on the eastern border of Ukraine to run to Trans-Dniestr if the decision was made to do that, and that is very worrisome." Breedlove thus added, "We need to think about our allies, the positioning of our forces in the alliance and the readiness of those forces ... such that we can be there to defend against it if required."

Of course, given the lack of international action -- including on the part of NATO -- in punishing Russia for seizing Crimea, it was barely conceivable that NATO would act to save Moldova's territorial integrity, should Russia choose to incorporate Trans-Dniestr. To date, Russia has paid no price for its action in the Russian-speaking regions of South Ossetia and Abkhazia, which remain officially under Georgian jurisdiction. As well, sanctions and condemnations against Russia for annexing Crimea has resulted in only mocking responses from the Russian political class.

UN General Assembly declares Crimean independence referendum to be invalid:

On March 27, 2014, the United Nations General Assembly passed a non-binding resolution declaring Crimea's independence referendum, and its associated secession from Ukraine, to be invalid. The approved declaration dismissed the vote in Crimea as "having no validity" and noted that it "cannot form the basis for any alteration of the status of the Autonomous Republic of Crimea or of the City of Sevastopol." The resolution further stated that the United Nations General Assembly "calls upon all States, international organizations and specialized agencies not to recognize any alteration of the status" of Crimea and Sevastopol.

There were 100 votes in favor, 11 votes against it, 58 abstentions, while 24 countries did not participate at all. The countries of the West wasted little time in noting that the overwhelming vote at the General Assembly to invalidate the Crimean independence referendum showed Russia's global isolation. Indeed, with only 10 countries willing to officially place themselves on the record

as being in Moscow's corner, the vote in the United Nations General Assembly was a rebuke of sorts. That short list included certain "rogue" nations such as North Korea, Sudan, and Syria, along with countries not known for their democratic records, such as Cuba, Venezuela, Belarus, and Zimbabwe. Indeed, the vote outcome was illustrative of the fact that Russia held waning influence on the global stage.

The Russian ambassador to the United Nations Churkin, seemed unwilling to accept the condemnation by the global community, saying instead, "Historical justice has been vindicated." He also took comfort in the 58 abstentions, which included China, saying that they implied tacit support for Russia. In truth, however, there were reports of countries being bullied by Russia into abstentions. In particular, several Eastern European and Central Asian states were threatened with retaliation if they voted in favor of the resolution declaring invalid Crimea's referendum on seceding from Ukraine. Reuters News reported that in interviews with United Nations diplomats, many of the countries targeted with political and economic threats by Russia included Moldova, Kyrgyzstan and Tajikistan. Given the geopolitical and geostrategic stakes, it was not surprising that Kyrgyzstan and Tajikistan opted not to cast a vote at all.

The West was meanwhile making the most of the strong "yes vote." French Ambassador Gerard Araud declared: "When you lose, you have to be a good loser...I think Russia is a bad loser. They lost and they did by 100 votes."

Two days before the vote in the United Nations General Assembly, United States President Barack Obama was himself employing strong language to diminish Russia's standing in the world. During a joint news conference with Dutch Prime Minister Mark Rutte, President Obama dismissed Russia as simply a "regional power," which was threatening its neighbors out of a position of weakness rather than strength. President Obama added that his country, the United States, had no need to invade any of its immediate neighbors to maintain its influence on them or force a cooperative relationship. The following day, speaking from Belgium, President Obama emphasized his perception that Russia was a waning influence -- no longer a super power on the world stage -- and thus the conflict over Ukraine did not constitute the beginning of another Cold War. President Obama relentlessly noted that Russia did not lead a bloc of nations, and did not possess a global ideology that a large number of other countries wished to follow or emulate.

Despite the edgy rhetoric, the diplomatic track continued to move forward with United States Secretary of State John Kerry holding meetings with his Russian counterpart, Foreign Minister Sergei Lavrov, on March 30, 2014. Those talks were characterized as "frank" but ended without any agreement on Ukraine being forged. Russia was reportedly making demands that Ukraine be a neutral and federal entity while the United States advocated for Ukraine to be at the table where its own future was being discussed. As noted by Secretary of State Kerry, "This principle is clear: no decisions about Ukraine without Ukraine." Kerry also expressed "strong concerns" about the presence of Russian troops on the Ukraine border, while Lavrov insisted that Russia had not plan

for an invasion of Ukraine. For its part, the Ukrainian foreign ministry cast Lavrov's demands for a future federal system of government in Ukraine as "patronizing." Clearly, the diplomatic track had a lengthy distance to be traversed.

NATO suspends cooperation with Russia while looking towards military exercises with Ukraine:

A further blow to Russia's standing internationally came via the news that NATO would be suspending "all practical civilian and military cooperation" with that country. NATO foreign ministers made the decision at a meeting in the Belgian capital of Brussels on April 1, 2014, saying it was in response to Russia's annexation of Crimea. NATO, however, said it would continue with some degree of political dialogue with Moscow through the NATO-Russia Council, and it would continue to work with Russia on counter-narcotics efforts.

NATO Secretary-General Anders Fogh Rasmussen said, "I would expect the [NATO-Russian] counter-narcotics project to continue. It also involves other countries than Russia and I think Russia has a very strong interest in continuing our strong efforts in countering drugs trafficking. I would also expect the Afghanistan-related cooperation projects to continue -- the [troop] transit arrangement as well as the helicopter projects."

Secretary-General Anders Fogh Rasmussen also noted that while NATO would be prepared to assist Ukraine in its effort to ameliorate its military, it would not be in a position to provide Ukraine with weapons since all military equipment was actually owned by NATO member states. Any arms assistance to Ukraine would have to be rendered via "bilateral arrangements between NATO allies and their partners."

Nevertheless, NATO announced that it would intensify cooperation with Ukraine through military training. To this end, Ukraine's parliament approved conducting military exercises with NATO countries later in 2014. NATO would additionally consider the deployment of military assets in eastern European NATO countries, such as the Baltic states and Poland, which in the post-Soviet era have consistently been eager to move out of Moscow's orbit and were now disturbed by Russia's actions in Ukraine.

For its part, Russia continued its campaign of intimidation against Ukraine as it warned that country not to consider accession to NATO. Russia also threatened Ukraine's economic fortune by saying future economic ties would depend on Ukraine's foreign policy decisions. Russia's state-controlled gas company, Gazprom, underlined that threat by increasing the price of gas for Ukraine by 40 percent.

Eastern Ukraine is new Flashpoint in Crisis

In the first week of April 2014, eastern Ukraine emerged as a new flashpoint with pro-Russian

cabals taking control over government buildings in cities such as Luhansk, Donetsk, and Kharkiv. These pro-Russian separatists were urging Russia and President Vladimir Putin to intervene, even calling for a Crimea-style referendum in which they could unite with Russia. The government of Ukraine was in no mood to entertain such notions and, instead, made clear it would restore order forcibly if necessary.

With an eye on a some sort of resolution, Interior Minister Arsen Avakov said, "A resolution to this crisis will be found within the next 48 hours." He continued, "For those who want dialogue, we propose talks and a political solution." But Avakov also issued a warning as he said, "For the minority who want conflict they will get a forceful answer from the Ukrainian authorities."

The Obama administration in the United States accused Russia of being behind the effort to destabilize and ultimately fragment Ukraine. Indeed, United States Secretary of State John Kerry went so far as to accuse Russian agents of fomenting the separatist sentiment and turmoil in eastern Ukraine, with the goal of ultimately justifying military action further into Ukrainian territory. He said, "It is clear that Russian special forces and agents have been the catalyst behind the chaos of the last 24 hours."

The United Kingdom also joined the chorus with Foreign Secretary William Hague saying that the mass protests and occupation of government interests in eastern Ukraine bore "all the hallmarks of a Russian strategy to destabilize Ukraine."

Meanwhile, Ukrainian Prime Minister Arseny Yatseniuk cast the developments as follows: "An anti-Ukrainian plan is being put into operation ... under which foreign troops will cross the border and seize the territory of the country." He went on, "We will not allow this."

These claims were not, in actuality, farfetched since it was this very mode of operation that led to the referendum in Crimea, and ultimately, its annexation by Russia, as discussed above. In fact, in the second week of April 2014, Anders Fogh Rasmussen -- the head of NATO -- echoed the view that the unrest in eastern Ukraine was reminiscent of what had transpired in Crimea and placed the blame on Russia. Rasmussen made note of the "reappearance of men with specialized Russian weapons and identical uniforms without insignia, as previously worn by Russian troops during Russia's illegal and illegitimate seizure of Crimea." United States Secretary of State John Kerry went further, noting that the uprisings in eastern Ukraine "could potentially be a contrived pretext for military intervention just as we saw in Crimea."

For its part, Russia dismissed the accusations, insisting that any uprising in eastern Ukraine was merely a natural development on the political scene. Left unmentioned was the fact that Russia was maintaining its buildup of military forces on the border with Ukraine. In an interview with ABC News, Samantha Power, the United States ambassador to the United Nations, rejected Russia's claim that unrest in eastern Ukraine was an organic occurrence. Pointing to the systematic

manner in which pro-Russian militants were able to take control of government interests in Ukraine, she said, "It's professional, co-ordinated. Nothing grassroots about it."

Meanwhile, plans were afoot for a meeting that would include representatives from Russia, Ukraine, the United States and the European Union. On the agenda was a negotiated resolution to the Ukrainian crisis, although the actual feasibility of such an agreement was a matter of debate. According to United States diplomat, Victoria Nuland, there were no high hopes for a resolution being forged; however, she expressed the view that it was important to keep the "diplomatic door open."

But by mid-April 2014, the diplomatic door appeared to be closing. Pro-Russian forces were holding sway over an increasing number of government buildings, and the unrest was spreading to other eastern Ukrainian cities, such as Sloviansk, Kramatorsk and Druzhkivka. Outraged over what they perceived as Russian intervention into Ukrainian affairs, by backing pro-Russian mobs in eastern Ukraine, Acting President Oleksandr Turchynov drew a symbolic line in the sand and declared that a military operation would be launched to oust the pro-Russian cabals.

In a national address that was broadcast in the media, Acting President Turchynov warned that the government of Ukraine would not allow pro-Russian forces to repeat what was done in Crimea, and which ultimately ended with the annexation of that region by Russia. Referring to Russia directly as the source of unrest in eastern Ukraine, the president said: "The aggressor... is continuing to sow disorder in the east of the country." He continued, "We will not allow Russia to repeat the Crimean scenario in the eastern regions of Ukraine." Unwilling to cede any further Ukrainian territory to Russia, Acting President Turchynov thus issued a decree demanding that pro-Russian militants relinquish their weapons and vacate government buildings in eastern Ukrainian flashpoint cities, or, face a full-scale military assault.

Presumably alarmed by this news, Russia accused Ukraine of "waging war against its own people" and demanded an emergency meeting of the United Nations Security Council. At that emergency meeting on April 12, 2014, Russia called for dialogue with Ukraine, while its ambassador to the United Nations, Vitaly Churkin, demanded that "the henchmen of Maidan" -- a reference to Ukraine's protest movement -- "stop attacking their own people." He also warned that neo-Nazis and anti-Semites were now sitting in "the self-proclaimed government in Kiev."

For its part, Ukraine reiterated its accusation that Russia had orchestrated the crisis unfolding in eastern Ukraine, while Russia denied the allegations that its agents were responsible for fomenting unrest in eastern Ukraine.

Meanwhile, despite the Ukrainian promise of an "anti-terrorism" operation to come in eastern Ukraine if pro-Russian cabals did not withdraw from government buildings, and in defiance of a deadline for action imposed by the Ukrainian government, pro-Russian militants expanded their

control into other towns.

Of note was the storming and occupation of a police station in the town of Horlivka, close to Donetsk. In Donetsk itself, pro-Russian militants said they intended to seize control of the local government infrastructure there and declare themselves to be an independent "People's Republic of Donetsk."

In Sloviansk, where the Ukrainian government said it would begin its "anti-terrorism" operation, pro-Russian militants held Russian flags, shouted "Russia! Russia!" and made it clear they retained control of the city council offices. They even placed Ukrainian troops on a bus and sent them back to their base at Dnipropetrovsk.

In the city of Kramatorsk, where Ukrainian forces were supposed to be regaining control, the effort was curtailed. Soon after Ukrainian forces recaptured an airfield, pro-Russian militants seized and disarmed Ukrainian military vehicles. The humiliation of Ukrainian authorities at the hands of pro-Russian forces continued in Pchyolkino, where again Ukrainian military vehicles were subdued by pro-Russian forces. In some cases in the eastern part of the country, Ukrainian forces quite literally surrendered to pro-Russian militants.

It was apparent that the so-called "anti-terrorism" operation was, if not a humiliating failure for the Ukrainian authorities, then certainly an embarrassing illumination of Kiev's weakness in confronting Moscow's aggression.

Amidst criticism of the Ukrainian authorities' ineffectual response to the Russian threat, Vitaly Tsyhanok, the head of Ukraine's anti-terror operations, was sacked from his post. Those criticisms included the question as to why the government had not yet declared a state of emergency over the crisis in the eastern part of the country. In response, the government said it had not yet taken that action since it would require the suspension of the presidential election set for May 25, 2014, which was a priority for the political stabilization of the country.

While Ukrainian interim President Turchynov railed against the apparent encroachment by Russia again into Ukrainian territory, he nonetheless suggested he was open to the idea of transforming Ukraine from a republic to a federation, effectively conveying greater autonomy on the Russian-speaking eastern part of the country. To this end, he said he would support the notion of a national referendum on the matter. Of course, ratification was not guaranteed since western Ukraine was supportive of a fully unified republic. Clearly, Turchynov was banking on the pro-republic/anti-federation vote winning the day. The president mentioned this reality as he said, "We are not against holding a national referendum... I am certain that a majority of Ukrainians will support an indivisible, independent, democratic and united Ukraine."

Deepening the crisis was the news in the early hours of April 17, 2014, that pro-Russian separatists

attacked a national guard base in Mariupol on the Sea of Azov; three of them were killed in the ensuing fracas with Ukrainian forces.

Adding even further to the sense of chaos and turmoil were disturbing reports that members of the Jewish community in eastern Ukraine were being targeted. At issue was the release of leaflets in the city of Donetsk instructing Jews to "register" with the new authorities or face deportation and having their citizenship revoked. It should be noted that the self-appointed authorities in Donetsk distanced themselves from the leaflets and made it known that it was not their work. Still, the fact of the matter was that such leaflets did exist and were circulated in the city. The irony in this alarming event was the fact that Russia had long accused Kiev of repressing the Russian-speaking population of Ukraine. In fact, this case showed that other minorities were being subject to repression by the Russian ethno-linguistic population of eastern Ukraine.

With the United States and NATO making it clear they had no intention of involving themselves in the burgeoning Ukrainian civil war, and with the European Union unlikely to support such a course of action on its doorstep, there were few quivers in the arsenal of the West against Russia. Instead, further economic sanctions and a symbolic show of force were in the offing.

The United Kingdom had already called for the imposition of further sanctions by the European Union against Russia as a result of its actions in the ever-escalating Ukrainian crisis. With the scenario in Ukraine devolving further, foreign ministers from the European Union agreed to expand their sanctions against Russia, while the Obama administration in the United States said it was exploring means to impose more painful "costs" on Russia. The United States also said it was approving non-lethal aid for Ukraine.

On the military end of things, NATO announced it would reinforce the security of alliance member states. NATO Secretary-General Anders Fogh Rasmussen said, "You will see deployments at sea, in the air, on land, to take place immediately. That means within days." Of course, the truth was that the action was not in NATO member states but in vulnerable Ukraine, which had the rhetoric - but not practical -- support of the West in its fight against Russian territorial ambitions.

It was to be seen if peace conference set to convene on April 17, 2014, in Geneva between representatives of Ukraine, Russia, the United States, and the European Union would actually yield results. Going into the meeting, there was no sense of optimism. Ukrainian Prime Minister Arseny Yatseniuk said he had limited expectations and added, "I don't trust the Russian side."

That sense of trust was not likely helped by the leader of Russia on the eve of the peace conference. Indeed, President Putin did little to rhetorically calm the situation. While paying lip service to his preference for diplomacy, Putin insisted that Russia had the right to militarily intervene in neighboring countries. He said, "The Federation Council granted the president the right to use military force in Ukraine. I really hope that I do not have to exercise this right and that

we are able to solve all today's pressing issues via political and diplomatic means." He continued, "We must do everything to help these people (in eastern Ukraine) defend their rights and independently determine their own destiny." Putin set off alarm bells across the region as he intimated that such Russian help would not stop with Ukraine but extend elsewhere in the region. To this end, Putin looked to Trans-Dniestr and said that the people of that Moldovan separatist enclave should also be permitted to "determine their own destiny." Putin also had sharp words for the new Ukrainian government, which he accused of dragging that country into an abyss. He said, "I hope that they are able to realize what a pit, what an abyss the current authorities are in and dragging the country into."

### Agreement forged to end Ukraine Crisis

Despite the low expectations regarding the potential success of that meeting, the hard work of diplomacy won the day on April 17, 2014, when an agreement was reached to de-escalate the crisis in Ukraine. The agreement was forged between United States Secretary of State John Kerry, Russian Foreign Minister Sergei Lavrov, European Union foreign policy chief Catherine Ashton, as well as acting Ukrainian Foreign Minister Andriy Deshchytsia.

The four joint parties in Geneva released a statement announcing the agreement as follows: "The Geneva meeting on the situation in Ukraine agreed on initial concrete steps to de-escalate tensions and restore security for all citizens."

Central to the Geneva agreement were the following elements --

- all illegal militant groups in Ukraine should be dissolved immediately-
- all separatists occupying government buildings should be disarmed and depart those compounds
- amnesty would be granted to all anti-government protesters

The agreement also demanded that the violence end in Ukraine, and in an apparent reference to the circulation of reprehensible leaflets urging Jews to "register" in eastern Ukraine, it also condemned racism, extremism, racism, and religious intolerance, including anti-Semitism.

Baroness Ashton said the agreement contained "concrete steps" that should be implemented "immediately." But with an eye on ensuring that the agreement were not simply guiding principles but mandated actions, these steps were to be overseen by monitors from the Organization for Security and Co-operation in Europe (OSCE).

Beyond the immediate goals of the deal, Russian Foreign Minister Lavrov espoused the Russian view that long-term constitutional reforms would have to be implemented in Ukraine. Left unsaid was what those constitutional reforms would entail although Russia has, for some time, advocated that Ukraine be transformed from a republic to a federation.

Meanwhile, regardless of the apparent success of diplomacy (at least on April 17, 2014), United States Secretary of State Kerry retained a bitter tone when he praised Ukraine for showing extreme restraint in regards to provocation from pro-Russian cabals. Kerry warned that the deal was only useful if its provisions were actually applied in practice. He said, "What is important is that these words are translated into actions and none of us leave here with the sense that the job is done, because the words are on the paper...The job will not be done until these principles are implemented and are followed up on."

While there were suggestions that the deal might result in a halt on further sanctions being levied against Russia, Kerry made sure to point out that such measures remained on the table. Kerry warned that Russia could be presented with "further costs" if de-escalation, as set forth in the agreement discussed here, did not emerge. Kerry also called on Ukraine to do its part to subdue heightened tensions.

In the third week of April 2014, mediators from Europe were set to commence negotiations aimed at securing the surrender of pro-Russian separatists in eastern Ukraine. That effort by mediators from the Organization for Security and Cooperation in Europe (OSCE) promised to be difficult since the pro-Russian cabals in the region were refusing to recognize the Geneva accord (discussed here). As noted by Envoy Christian Schoenenberger of Switzerland (the country chairing the OSCE at the time): "For the time being the political will is not there to move out." He continued, "That's the task of the monitors, to create this political will, inform the people, so eventually they will understand that the best option for them is to move out." Ukrainian Foreign Minister Andriy Deshchytsia said that if there was no progress, the Ukrainian government would look to the OSCE to "work out practical steps for the implementation of the Geneva agreement."

Note that as of April 21, 2014, the viability of the Geneva accord seemed a matter of debate. Pro-Russian militants showed no interest in withdrawing from government facilities, and meetings with OSCE mediators yielded no productive results. Instead, both sides (pro-Moscow and pro-Kiev respectively) accused each other of breaching the terms of the agreement.

On one side of the equation, pro-Russian activists blamed Ukrainian nationalists from the group, Right Sector, for the killing of three people at a security checkpoint. On the other side of the equation, activists in Slaviansk indicated that they intended to "dig in" their proverbial heels as they moved to reinforce their barricades. In Kramatorsk, masked gunmen ousted the local police chief and took control of the security services office. Elsewhere in eastern Ukraine, pro-Russian militants told international journalists that they had no intention of disarming unless Ukrainian nationalist groups in the western part of the country disarmed first.

While the OSCE mediators had not yet abandoned their mission to get the provisions of the agreement implemented, the United States and the European Union made it clear that they would

impose new sanctions on Russia if pro-Russian separatists did not soon disarm and remove themselves from government buildings. Some Western diplomats were indicating that the entire deal was an exercise in the futility and only served the purpose of buying time for Russia to extend its grip in Ukraine. As noted by one European diplomat in a conversation with Reuters News over Putin's interest in seeing the Geneva accord implemented: "Talks and compromises are just part of his tactics...He wants to have Ukraine." The fact that Western diplomats were actually expressing such views -- admittedly "off the record" -- was a signal that the political climate for compromise was grim.

Meanwhile, in a fresh show of support for Ukraine, United States Vice President Joe Biden arrived in the Ukrainian capital of Kiev where he was set to unveil technical assistance measures. Vice President Biden's presence was also aimed at stressing the importance of moving forward with the provisions of the Geneva accord. As noted by a spokesperson from the White House, "He will call for urgent implementation of the agreement reached in Geneva... while also making clear ... that there will be mounting costs for Russia if they choose a destabilizing rather than constructive course in the days ahead."

On the issue of Russia's "destabilizing" course, Ukraine release photographs that seemed to prove that the masked combatants in eastern Ukraine were under the control of Moscow. Throughout, Russia has passionately dismissed the charges that it was orchestrating the unrest in eastern Ukraine, and has insisted that masked gunmen bearing no military insignia were simply local activists who were driven to extreme action out of fear of the new authorities in Kiev. However, photographic evidence indicated that the gunmen were actually Russian operatives of the same type believed to have carried out the takeover of Crimea. One gunman was even identified as Igor Ivanovich Strelkov -- a well known Russian intelligence agent with a long career in clandestine activities on behalf of the Russian government.

The White House in the United States endorsed the photographic evidence, with State Department spokesperson, Jen Psaki, saying, "There has been broad unity in the international community about the connection between Russia and some of the armed militants in eastern Ukraine, and the photos presented by the Ukrainians... only further confirm this."

By April 22, 2014, Ukraine's interim President Turchinov had called for government forces to resume its offensive operation against pro-Russian rebels. The Ukrainian leader made the decision after the gruesome discovery of the dead body of Volodymyr Rybak -- a politician from Turchinov's own Batkivshchyna political party. Tybak's body bore signs of torture. Another body showing signs of being subject to torture was also found in Slaviansk. These discoveries, along with the failure of pro-Russian militants to abandon their occupation of government buildings in eastern Ukraine in violation of the Geneva deal, appeared to have spurred the Ukrainian leader to take a more hardline stance. For his part, President Turchinov blamed Russia for the brutal killings as he said, "These crimes are being carried out with the full support and indulgence of the Russian

Federation...I call on the security agencies to re-launch and carry out effective anti-terrorist measures, with the aim of protecting Ukrainian citizens living in eastern Ukraine from terrorists."

Russian Foreign Minister Sergei Lavrov tried to redirect the blame for the crisis in eastern Ukraine onto the United States when he said, "There is no reason not to believe that the Americans are running the show." A statement from Lavrov's ministry went further as it said, "Instead of taking effective measures to implement the ... agreements, Kiev, Washington and a series of European capitals continue to insist that it is only Ukrainian citizens defending their rights in the south-east of Ukraine who need to give up their weapons."

By April 24, 2014, Ukrainian forces had killed five pro-Moscow rebels in the eastern part of the country and Russia was flexing its military might as it carried out military exercises close to the Ukrainian border, presumably to show that it could invade Ukraine at will.

With the news emerging as well about Ukrainian commandos carrying out raids on pro-Russian checkpoints in Sloviansk, and the ensuing deaths of at least two pro-Russian separatists, Russian President Vladimir Putin warned that if the interim Ukrainian authorities in Kiev used its army to attack the people of eastern Ukraine, it would be carrying out a crime against its own people deserving on consequences. Speaking from St. Petersburg, he said, "It is just a punitive operation and it will of course incur consequences for the people making these decisions, including (an effect) on our interstate relations."

But even as Russia was threatening consequences for Ukraine, the United States trained on Russia. United States President Obama warned that his country was ready to impose fresh sanctions on Russia if it did work to end the crisis in eastern Ukraine. Speaking from Japan where the United States leader was on an official visit, President Obama said, "We have prepared for the possibility of applying additional sanctions." President Putin dismissed the threat of sanctions as being "dishonorable" but unlikely to strike critical damage on Russia.

It was to be seen if Putin would be equally dismissive of the increased presence of United States forces in eastern Europe on behalf of its NATO allies. To that end, a contingent of 600 United States troops arrived in Poland as an effort to shore up NATO support in the region, even as Russia built up its own military presence on the Ukrainian border. As well, United States Secretary of State John Kerry sharpened his rhetoric against Russia as he declared on April 25, 2014 that Russia was responsible for "deception and destabilization" in eastern Ukraine. "This is a full-throated effort to actively sabotage the democratic process through gross external intimidation that has been brought inside Ukraine," he said. Kerry also accused Russia of "playing an active role in destabilizing eastern Ukraine" with personnel, weapons, money and operational planning."

Meanwhile, pro-Russian militants in eastern Ukraine acknowledged on April 23, 2014, that they had an American journalist Simon Ostrovsky in their custody. A spokesperson for the pro-

Russian militants in the eastern city of Slovyansk, Stella Khorosheva, said Ostrovsky was being held in captivity for "bad activities" and that he would have to be investigated. The United States Department of State issued a demand for the safety and release of Ostrovsky, who was ultimately freed on April 24, 2014.

However, the news was not so good on April 26, 2014, for the OSCE observers who were in eastern Ukraine to ensure the Geneva accord was implemented. Eight OSCE observers were abducted by pro-Russian militants in the eastern Ukraine city of Sloviansk under spurious charges of spying and held in captivity. United States Secretary of States John Kerry demanded that Russia use its influence to ensure the release of the observers. By the start of May 2014, most of the OSCE observers being held in Sloviansk remained in captivity despite requests from the West that Russia intervene into the matter, and secure their release.

#### Latest Developments --

- Dozens killed in clashes in the southwestern city of Odessa marking worst death toll in a single incident since outbreak of unrest
- Pro-Russia activists, armed with automatic rifles, stormed several official buildings in the eastern Ukrainian city of Luhansk
- Several separatists were reported to have been killed in a government offensive in Sloviansk
- Pro-Russia activists, armed with clubs, broke up a pro-Kiev rally in Donetsk
- The self-declared leader of Donetsk said the region would not participate in the presidential election scheduled for May 2014
- Ukrainian President Olexander Turchynov condemned local security personnel in Luhanski and Donetsk for "inaction" and "criminal treachery"
- Four soldiers and about 30 separatists were killed in an "anti-terrorism operation" in the eastern town of Sloviansk
- Gunfire was reported in the port of Mariupol, which was taken over by pro-Russian militants
- Accusations emerged about former President Yanukovych and his associates stealing billions of dollars worth of assets
- Norway's defense ministry suspended all defense co-operation with Russia except on border controls
- The European Union published a new list of 15 individuals facing travel bans and asset freezes including major Russian intelligence officials
- The United States issued sanctions against individuals and companies with links to President Putin's "inner circle"
- The United States said it would deny export licenses for any high-technology items that could conceivably contribute to Russian military capabilities

At the end of the first week of May 2014, due to the violence in Odessa, Ukrainian authorities were trying to regain control there while locals buried their dead. Meanwhile, the negative rhetoric

between Ukraine and Russia was on the upswing with both sides accusing the other of tearing Ukraine apart. Indeed, there was a fairly open discourse about the high possibility of war in eastern Europe. Even previously cautious European leaders were speculating about that outcome with German Foreign Minister Frank-Walter Steinmeier saying, "The bloody pictures from Odessa have shown us that we are just a few steps away from a military confrontation."

By the second week of May 2014, in the port city of Mariupol, fierce fighting between Ukrainian forces and separatists ended in the deaths of several people. Ukrainian Interior Minister Arsen Avakov explained that 20 "terrorists" were killed when pro-Russian militants tried to take control over the police headquarters.

Meanwhile, Russia was attempting to advance the image of a country stepping back from the Ukrainian conflict as it announced it was pulling back its military forces from the border with Ukraine. Russia also urged the separatists in the eastern region to refrain from holding referenda on secession similar to the one that ensued in Crimea and ended in the Russian annexation of that region. Russia also expressed support for the presidential election in Ukraine set for May 25, 2014. Previously, Russia had disparaged the notion of that election taking place in a climate of civil strife. Now, Russian President Vladimir Putin was saying that Ukraine's presidential election was a step "in the right direction."

It was not known if these statements from Russia were to be regarded as a ploy. Such a possibility loomed large when NATO said that satellite imagery showed no evidence of a Russian pull back.

As well, Russian President Vladimir Putin arrived in Crimea on May 9, 2014, to celebrate the anniversary of the allied victory over the Nazis in World War II. The presence of Putin in Crimea, which had been annexed by Russia only a month before, was a sign that the Russian leader wanted to flaunt his effective "victory" over the Ukrainians with regard to Crimea. Clearly, he also wanted to extrovert his Russian nationalist agenda. Putin made this purpose for his presence in Crimea clear when he declared: "I am sure that 2014 will go into the annals of our whole country as the year when the nations living here firmly decided to be together with Russia, affirming fidelity to the historical truth and the memory of our ancestors."

It should be noted that Putin's presence in Crimea was frowned upon by the West, with NATO Secretary-General Anders Fogh Rasmussen saying, "His visit to Crimea is inappropriate."

By the second week of May 2014, separatists in eastern Ukraine made clear that irrespective of Russia's call for them to hold off on a breakaway referendum, they were going forward with that vote anyway. To that end, self-rule" referenda ensued in eastern Ukraine in the areas of Donetsk and Luhansk on May 11, 2014. Reports from the ground indicated an overwhelming affirmative vote ratifying self-rule in Donetsk. In fact, the separatist leader in Donetsk, Denis Pushilin, warned that with announcement of the results in favor of self-rule, all Ukrainian military troops in the

region would be regarded as "occupying forces." The next step for Donetsk was, apparently, to go down the road of Crimea and petition for Donetsk to be "absorbed" by Russia.

In Luhansk, following the self-rule referendum there, rebels declared independence. A statement by rebel leaders read as follows: "The people of Luhansk Region declare the creation of a sovereign state -- the Luhansk people's republic." The rebel leaders in Luhansk also said that the impending presidential election in Ukraine would not take place within its new self-declared independent borders.

Of course, it was to be seen if Ukraine would let wide swaths of eastern Ukrainian territory be lost to Russia as quietly as it assented to Russia's annexation of Crimea. With Donetsk and Luhansk providing significant industrial production and more than 15 percent of Ukraine's GDP, Ukraine was not likely to accept such a loss easily. In fact, the International Monetary Fund has warned that its aid package to Ukraine would have to be renegotiated if that country loss significant industrial territory in the eastern part of the country.

The vote -- largely cast as both illegal and a sham by Ukraine and the West -- was marked by disorganization, no electoral oversight, and violence, with at least one death reported. As well, persons with Ukrainian loyalties complained of death threats and intimidation, probably contributing to a scenario in which the only persons casting (unregulated) ballots were likely in the self-rule or pro-Russian corners anyway. For his part, Ukraine's acting president said in an address to the parliament, "The farce that terrorist separatists call a referendum is nothing more than propaganda to cover up murders, kidnappings, violence and other serious crimes." The United States and European Union joined the chorus of international powers condemning the referenda, with Herman Van Rompuy, the president of the European Council of European Union leaders, saying, "We will not recognize the so-called referendums of yesterday. They are illegal, illegitimate and incredible."

### Presidential election in Ukraine

A presidential election was set to be held in Ukraine on May 25, 2014. The election was intended to democratically decide a new head of state for the country, following the ousting of President Viktor Yanukovich in February 2014. There were also high hopes that the vote would settle the political landscape in Ukraine that deteriorated to a state of turmoil in the eastern part of the country. Indeed, the period following Yanukovich's ouster has been marked by the refusal of Russia to accept the new pro-European government of Ukraine, a pro-Russian uprising in eastern Ukraine, the Russian annexation of Crimea, and ongoing turbulence in Russian-speaking parts of the country.

Ahead of that election, Russian President Vladimir Putin promised his country would work with whatever new Ukrainian administration emerged following that election. Putin said: "We will

respect the choice of the Ukrainian people and will be working with the authorities formed on the basis of this election." The Russian leader made this pledge presumably with an eye on easing tensions in eastern Europe even as pro-Russian separatists continued to lobby for Russian integration and rail against the Ukrainian presidential election. Putin's tone of cooperation was welcomed by the West, which has been bedeviled by questions of how to deal with nationalist Russian ambitions in recent times.

Meanwhile, in Ukraine, all eyes were on a billionaire businessman and former cabinet minister Petro Poroshenko as a favorite to win the Ukrainian presidency although veteran politician, former Prime Minister Yulia Tymoshenko, was also viewed as one of the more significant players in the political game. In truth, however, the attention was less on which politician would emerge as the victor, and more on the matter of the election being a proxy sign for stabilization in the Ukrainian political scene.

#### Election result:

After the ballots were counted, it was the business tycoon, Petro Poroshenko, who claimed victory in Ukraine's presidential contest. The man known as the "chocolate king" because of his confectionary business enterprise, Roshen Chocolates, was also the owner of a television station and manufacturing interests. He was on track to secure 55 percent of the vote share and, thus, outright victory. Former Prime Minister Yulia Tymoshenko was in a distant second place with 12 percent of the vote share; however, she was quick to concede defeat and offered gracious congratulations to Poroshenko and to Ukraine, declaring: "I want to congratulate the whole of Ukraine since despite external aggression, despite the Kremlin's intent to disrupt this election we had an honest and democratic election in Ukraine."

Meanwhile, former boxing champion-turned opposition politician Vitaliy Klitschko was on track (according to exit poll data) to become the new mayor of Kiev. Klitschko had abandoned his bid for the presidency, turning instead to the mayorship as his first main foray into the political heavyweight scene in Ukraine; however, he was quick to endorse Poroshenko prior to the presidential contest, who was headed for the presidency.

The defeat of former Prime Minister Tymoshenko indicated that Ukrainians were ready for fresh leadership. To that end, Poroshenko also called for fresh parliamentary elections later in the year. Poroshenko additionally promised closer ties with the European Union -- effectively consolidating the pro-Western bent of Kiev since the ouster of Yanukovich at the start of the year. The new president also promised to work to restore peace and stability in the volatile eastern zone of the country, although Poroshenko made it abundantly clear that he would never recognize Russia's "occupation of Crimea." The new president also warned that in regards to relations with Russia, his biggest priority would be the "sovereignty and territorial integrity" of Ukraine. Clearly, Poroshenko was a fierce patriot, aware of the nationalist overtones of the citizenry in recent times, and was

determined to send the message that he would defend his country.

It should be noted that the election did not go off smoothly in those restive eastern regions where pro-Russian separatists did their best to disturb and disrupt the democratic process there. Indeed, there were no polling stations open in Donetsk where separatists hold sway.

That being said, the election was regarded as a positive development on Ukraine's difficult and tumultuous political landscape in recent times. As noted by United States President Barack Obama, the election in Ukraine was an "important step forward in the efforts of the Ukrainian government to unify the country."

#### Post-election Developments:

In the days after the election of a new president, Ukraine was subject to bloodshed and violence. On May 27, 2014, pro-Russian separatists tried to seize the airport in the eastern city of Donetsk. Newly-elected President Poroshenko made good on his promise to take a hardline approach to separatists and launched a rapid air and land assault. While dozens of people -- mostly separatist fighters -- were killed as a result, Ukrainian forces were able to regain control over the Sergei Prokofiev airport in Donetsk. The action shifted only two days later to the eastern city of Sloviansk when pro-Russian separatists shot down a Ukrainian army helicopter, killing 12 people including an army general. Ukraine's newly elected President Poroshenko warned that the pro-Russian rebels responsible for the attack would be punished. He said, "These criminal acts of the enemies of the Ukrainian people will not go unpunished. This is the moment of deep sorrow, and I express my sincere condolences to the families and relatives of the victims. We must make every effort to make sure that no more Ukrainians die at the hands of terrorists and bandits."

In the first week of June 2014, the bloodshed and violence in eastern Ukraine was ongoing. Ahead of the presidential inauguration ceremony, battles between the Ukrainian government and pro-Russian separatists sparked the landscape in the areas of Sloviansk and Donetsk. As well, pro-Russian separatists claimed they brought down an army surveillance helicopter close to Sloviansk and seized a hospital in Donetsk.

#### Inauguration:

On June 7, 2014, Petro Poroshenko was officially inaugurated as the new president of Ukraine. The day before, Poroshenko had a brief and unofficial meeting with his Russian counterpart, Putin, in France where world leaders marked the 70th anniversary of the D-Day invasion. Putin appeared to strike a conciliatory tone as he expressed support for Poroshenko's plans to end the violence in eastern Ukraine, saying he "overall has the right approach" to the crisis. That being said, Putin urged Poroshenko to end "punitive" military operations against pro-Russian separatists in eastern Ukraine.

### Multilateral action:

With an emphasis on security and stability in eastern Europe, United States President Barack Obama soon announced a \$1 billion fund earmarked for security in eastern Europe. The gesture was welcomed by NATO allies in Europe.

Entering the fray at the start of June 2014, NATO moved to bolster its security presence in eastern Europe as a deterrent against Russian aggression. According to NATO head Anders Fogh Rasmussen, NATO defense ministers forged an agreement to develop a "readiness action plan... to respond to the changed security environment" that had evolved in eastern Europe as a result of the conflict in Ukraine. He added, "We agreed that we will continue to reinforce NATO's collective defense with more air and sea patrols and more exercises and training, from the Baltic Sea to the Black Sea and the Mediterranean."

Rasmussen also took the opportunity to note that Russia's annexation of Crimea was "a blatant breach of the 1997 Founding Act." This reference was to the fact that the 1997 NATO-Russia Founding Act formalized post-Cold War borders in Europe and made clear that the West, the United States, and Russia would refrain from deploying forces or arms in the newly-independent nation states of eastern Europe in an aggressive mode.

With no small measure of irony, Russia responded to the news of NATO's decision to increase its security presence in eastern Europe by accusing NATO of breaching the same 1997 treaty. Left unaddressed by Russia was its own actions in Ukraine and its adherence (or lack thereof) to the 1997 NATO-Russia Founding Act. But Rasmussen was adamant that NATO had no choice but to take measures to counteract the threat posed by Russia.

On the matter of the threat posed by Russia, United States President Barack Obama publicly condemned Russia's aggression in Ukraine. During a trip to Europe at the start of June 2014, President Barack Obama said, "We will not accept Russia's occupation of Crimea or its violations of Ukraine's sovereignty. As we've been reminded by Russia's aggression in Ukraine, our free nations cannot be complacent in pursuit of the vision we share -- a Europe that is whole and free and at peace."

President Obama also took the opportunity to meet with newly-elected Ukrainian President Petro Poroshenko and pledge support for that country's path towards stability. That pledge included \$5 million in military assistance to Ukraine (separate from an earlier disbursement of aid funding in March 2014).

Meanwhile, leaders of the world's industrialized nations at a meeting in Belgium warned they were prepared to levy further sanctions against Russia for its actions in Ukraine. In a joint statement,

the leaders from G7 countries also excoriated Russia for its violation of Ukrainian sovereignty. The statement read as follows: "We are united in condemning the Russian Federation's continuing violation of the sovereignty and territorial integrity of Ukraine. We stand ready to intensify targeted sanctions and to consider meaningful additional restrictive measures to impose further costs on Russia should events so require."

Perhaps faced with the reality that further international action might be at play, Russia moved in a conciliatory direction in the second week of June 2014. At issue was a series of negotiations between Russia and Ukraine that was being brokered by the Organization for Security and Cooperation in Europe (OSCE). Following the talks between Moscow and Kiev, the authorities in Ukraine said they would work towards "mutual understanding" with Russia in actualizing newly-elected Ukrainian President Petro Poroshenko's stabilization plan.

The Ukrainian Foreign Ministry issued a brief statement noting that Russian and Ukrainian representatives had met several times to discuss Poroshenko's plan to end the violence in the eastern part of the country. The statement read as follows: "As a result of the work, the sides reached a mutual understanding on key stages of the implementation of the plan and on a list of priorities which will contribute to a de-escalation of the situation in the Donetsk and Luhansk regions of Ukraine."

In the background of these negotiations were threats by Russia that it would turn off its gas supplies if a satisfactory agreement with Ukraine was not reached. Clearly, this was Russia's "back pocket" ammunition that it was willing to use as a counterpoint to the West. This threat was itself a concern to European countries who receive significant gas imports from Russia -- and via Ukraine.

Note that on June 12, 2014, Russia indicated it would submit a draft resolution to the United Nations Security Council pressuring Ukraine to move forward with the OSCE's "roadmap" to peace. That roadmap was actually drafted in May 2014 and according to Russian Foreign Minister Sergei Lavrov, Ukraine was not adhering to the agreement's provisions. Of course, from the point of view of Ukraine, the obstacles to peace were emanating from Moscow and not Kiev.

Alert:

Attempts to return Ukraine to stability were severely marred by an incident in mid-June 2014 when pro-Russian separatists shot down a Ukrainian army transport plane in the eastern part of the country, killing as many as 50 troops. The incident took place at the Luhansk airport as the aircraft was coming in for a landing. While the government held control over the airport, pro-Russian separatists held sway elsewhere in the city. Already, there were claims by pro-Russian separatists that they shot down a Ukrainian air force bomber in the Donetsk region.

President Petro Poroshenko responded by convening his security team for talks and promising of an "adequate" response to the killing of some 50 servicemen. He declared a period of mourning and warning, "All those involved in cynical acts of terrorism of this magnitude must be punished." He continued, "Ukraine needs peace. Counterterrorism receives an adequate response."

It should be noted that pro-Russians showed little regret, with one separatist saying to Reuters News, "This is how we work. The fascists can bring as many reinforcements as they want but we will do this every time. We will talk to them on our own terms."

In more positive news for the Ukrainians, their forces were able to reclaim control over the major port town of Mariupol, with the Ukrainian flag returned to its place -- flying above the regional government compound.

Meanwhile, the global community was not ignoring the fact that pro-Russian separatists had access to significant military equipment -- a disturbing revelation for a so-called "grassroots" separatist movement. All eyes were on Russia as the likely source of such military resources. The United States Department of State spokesperson, Marie Harf, noted: "We assess that separatists in eastern Ukraine have acquired heavy weapons and military equipment from Russia, including Russian tanks and multiple rocket launchers." Harf added that a convoy of tanks, rocket launchers, and other military vehicles crossed from Russia into eastern Ukraine in mid-June 2014. She said, "Russia will claim these tanks were taken from Ukrainian forces, but no Ukrainian tank units have been operating in that area. We are confident that these tanks came from Russia."

NATO Secretary-General Anders Fogh Rasmussen had said that if these reported deployments were verified, they would constitute an "escalation" of the Ukrainian crisis. Unsaid by Rasmussen was the matter of how NATO would respond although he demanded that Russia withdraw its military forces on the border with Ukraine, "stop the flow of weapons and fighters across the border," and "exercise its [Russian] influence among armed separatist to lay down their weapons and renounce violence."

By the third week of June 2014, eastern Ukraine was beset by fierce fighting between Ukrainian troops and pro-Russian separatists. The advantage appeared to be with Ukrainian forces as a pro-Russian commander admitted that the separatists were suffering heavy losses.

While President Petro Poroshenko had been considering a resolution plan to end the uprising and violence in the eastern part of the country, he was nonetheless prepared to take a hardline approach against pro-Russian separatists. On the domestic agenda, Poroshenko also confirmed he would sign the association agreement with the European Union officially moving his country westward and further out of Moscow's orbit. It was the status of that very agreement that sparked the turmoil in Ukraine from late 2013 well into 2014.

It should be noted that Poroshenko's moves were finding resonance among Ukrainians in other parts of the country who were tired of being at the mercy of Moscow and its pro-Russian factions in Ukraine.

By June 20, 2014, the Ukrainian president called for a ceasefire as part of his aforementioned resolution plan. Also included in the plan's provisions was an amnesty for separatists willing to lay down their weapons, the release of hostages, and the establishment of a "regime of control" on the Ukrainian-Russian border.

On paper, the plan appeared to be a reasonable attempt to garner Russian support and on June 21, 2014, Russian President Putin issued a handful of statements in favor of the ceasefire, although he noted that there would have to be negotiations with the separatists to ensure the truce did not collapse. The statement by Putin was released officially by the Kremlin and read as follows: "The opportunity which the ceasefire opens up should be used to start meaningful negotiations and political compromise between the opposing sides in eastern Ukraine."

But the Ukrainian government was soon forced to accept that the separatists were not interested in disarmament and a new burst of fighting broke out. Pro-Russian separatists stormed a Ukrainian military base and attacked border posts by on the very night the ceasefire was to go into effect. As noted by a government forces spokesperson, Vladyslav Seleznyov, "We issued an ultimatum to the terrorists overnight to surrender their weapons. We guarantee their safety and investigation in line with Ukrainian law ... They refused." As a consequence, Ukrainian forces responded militarily, with most of the losses being suffered by the rebel side, as noted above.

Meanwhile, speaking on behalf of his country, United States Vice President Joe Biden made clear to Ukrainian President Poroshenko there would be "further costs on Russia" if it failed to use its influence to halt the violence by separatists in the eastern part of Ukraine.

NATO Secretary-General Anders Fogh Rasmussen was at the same time signaling the alarm about the deployment of thousands of Russian troops along Ukraine's eastern border. He said, "I consider this a very regrettable step backwards. It seems Russia keeps the option open to intervene further in Ukraine." he added a warning: "The international community would have to respond in a firm manner if Russia were to intervene further in Ukraine."

It should be noted that Russian officials have denied that they built up forces on the joint border with Ukraine, just as they denied that they provided military equipment to pro-Russian separatists, and certainly in much the same way as they have dismissed accusations that Russia has fomented separatist unrest in eastern Ukraine.

Adding to the pressure on Russia was the warning from the European Union and other Western powers that it would impose further sanctions on Russia if it failed to defuse tensions and more

pro-actively support the peace process in eastern Ukraine.

United States Secretary of State John Kerry warned that his country was collaborating with European partners to prepare a new round of sanctions against Russia. United Kingdom Foreign Secretary William Hague cautioned that if Russia did not "stop the flow of arms across the border and stop supporting illegally armed separatist groups," the argument in favor of for harsher sanctions would "of course become stronger." German Chancellor Angela Merkel joined the chorus, noting during a discussion in parliament : "Progress is slow... Diplomatic solutions are always preferable but, if nothing else works, sanctions can be put back on the agenda."

Latest Developments:

Perhaps with an eye on reducing the possibility of further international action, on June 24, 2014, Russian President Putin called on Russia's upper parliamentary house to revoke the right it had granted him authorizing military intervention into Ukraine to defend the Russian ethno-linguistic population there. The upper parliamentary chamber soon granted that request although some members of parliament noted that it would rapidly reinstate that authorization, if the need arose. A spokesperson for the Russian leader said that the move was aimed at facilitating the peace process in eastern Ukraine. Regardless of the actual intent, Ukrainian President Petro Poroshenko welcomed the move, calling it a "first practical step." Signaling that he was ready to extend his own olive branch, the Ukrainian president said that there were plans afoot to establish more regional autonomy in eastern Ukraine.

These moves by global power-brokers notwithstanding, pro-Russian separatists continued to act in a provocative manner. Despite the fact that they had agreed to a temporary ceasefire with the Ukrainian government, the militant activists continued to engage in fighting with Ukrainian forces. In the 24 hours after the truce was declared on June 23, 2014, the Ukrainian government said there had been approximately 45 violations by pro-Russian militants. For example, on June 24, 2014, at least one Ukrainian soldier was killed and several others were wounded due to the pro-Russian separatists' violation of the truce. On that same day, pro-Russian separatists shot down a Ukrainian military helicopter, killing all nine persons on board the aircraft. Around the area of Sloviansk, separatist militias were using grenade launchers and mortars to attack a military post. Ukrainian President Petro Poroshenko issued a hardline response, telling Ukrainian forces to return fire if they were attacked and threatening to abandon the truce completely.

By the start of July 2014, Ukrainian President Poroshenko ended the government ceasefire, which had been established in order to pursue peace talks. Explaining his decision, the Ukrainian leader said, "The unique chance to implement the peace plan was not realized. It happened because of the criminal actions of the militants. They publicly declared their unwillingness to support the peace plan as a whole and in particular the ceasefire."

In fact, the pro-Russian separatists refused to disarm and repeatedly violated the truce, as exemplified by the incident in which they shot down a helicopter thus killing nine individuals on board. Moreover, as noted by several Ukrainian security experts, the rebels were not simply unwilling to support the peace plan, but had used the ceasefire to regroup and reassert their campaign of violent resistance.

Accordingly, President Poroshenko wasted little time after ending the ceasefire and resumed a full-scale military operation against pro-Russia separatists in the eastern part of the country. In a national broadcast, the president emphatically asserted: "The decision not to continue the ceasefire is our answer to terrorists, militants and marauders." He then declared: "We will attack, we will free our land." Ukraine's parliamentary Speaker Oleksander Turchynov said in an address to the legislative body of Ukraine, "I can inform you that in the morning the active phase of the anti-terrorist operation was renewed. Our armed forces are carrying out strikes on terrorist bases and checkpoints."

Indeed, Ukrainian military forces were soon launching an aggressive operation against pro-Russian separatist bases in the eastern regions using aerial bombardment and artillery strikes. The Ukrainian military appeared to calculate the operation as a success, issuing the following statement: "The terrorists' plan to significantly escalate armed confrontation has been disrupted and the threat of losses to the civilian population and service personnel has been liquidated."

Predictably, Russia condemned Ukraine's move and President Vladimir Putin promised to protect the interests of ethnic Russians in Ukraine. Putin also tried to give the impression that his stance was backed by Western European powers as he said, "Unfortunately President Poroshenko took the decision to restart military operations and we -- I mean myself and my European colleagues -- could not convince him that the road to stable, strong and long-lasting peace does not lie through war."

In truth, it was difficult to determine if Western powers such as Germany and France shared this interpretation of their stances. For her part, German Chancellor Angela Merkel renewed threats of further sanctions against Russia, saying of that country's willingness to violate Ukraine's territorial integrity: "Regarding sanctions against Russia, we have so far reached level two and we cannot rule out having to go further."

That being said, Germany was also working to bring Russia, pro-Russian separatists, and Ukraine together, with an eye on a fresh ceasefire. At issue was a plan for multilateral negotiations involving all three parties, with the objective of forging a new ceasefire. To this end, German Foreign Minister Frank-Walter Steinmeier held talks with Russia's Foreign Minister Sergei Lavrov, Ukraine's Foreign Minister Pavlo Klimkin, and French Foreign Minister Laurent Fabius. Following that meeting, which he described as "constructive," he indicated that progress had been made in moving -- at least -- in the direction of multilateral negotiations starting on July 5, 2014.

Those negotiations would focus on establishing a new ceasefire that would be monitored by the Organization for Security and Cooperation in Europe (OSCE). Also on the agenda would be the terms of the ceasefire, cessation of violence on all sides, the release of hostages, and the return of control over Ukrainian border points from Russia to Ukrainian government control. With concurrence being found on following this path, the German foreign minister said, "It is a clear commitment to a multilateral ceasefire" and added that all parties "realize what responsibility we bear."

A turning point for eastern Ukraine?

As July 2014 moved through its second week, Ukrainian troops recaptured the pro-Russian separatist stronghold of Sloviansk. Ukrainian President Poroshenko characterized the event as a "turning point" in the eastern Ukrainian conflict that for months saw momentum on the rebel side. President Poroshenko noted that the return of the Ukrainian flag in Sloviansk was not a total victory, but instead a symbolically significant development. He said, "This is not a complete victory yet, and it is not the time for fireworks displays. But the cleansing of Sloviansk from gangs who are armed to the teeth is of huge symbolic importance. This is the start of a turning point in the fight against the militants."

Indeed, offensive operations in the eastern part of the country were ongoing with the pro-Russian separatists still in control of the regional capitals of Donetsk and Luhansk. Still, the recapture of Sloviansk -- the military center of the self-declared People's Republic of Donetsk -- indicated that the energy was on the side of the pro-government forces.

For their part, some rebels claimed they were simply going forward with a "tactical retreat" from Sloviansk; however, in truth, as many of them moved towards Horlivka, they were being intercepted by government troops. Moreover, other rebels were admitting that morale was low among the pro-separatist factions, with many of them claiming they had been abandoned.

That low morale was not likely to be boosted by the news on July 6, 2014, that pro-government forces had recaptured the east Ukrainian towns of Artyomivsk and Druzhkivka. While being of far less strategic value than Sloviansk, the hold on Artyomivsk and Druzhkivka reinforced the view expressed by President Poroshenko that Ukraine had reached a turning point. To that end, the Ukrainian president was poised to continue -- and even intensify -- the offensive assault against pro-Russian separatists in eastern Ukraine. Via Twitter, President Poroshenko declared, "My order is now in effect -- tighten the ring around the terrorists. Continue the operation to liberate Donetsk and Luhansk regions."

It should be noted that this military mission in eastern Ukraine meant that the proposed multilateral meetings (discussed above) were now less likely to involve separatist rebels. Those meetings were intended to discuss a renewed truce.

The prospects for a renewed ceasefire looked bleak on July 12, 2014, following a rocket attack by pro-Russian separatist rebels on Ukrainian soldiers close to the border with Russia. That attack involved a relentless volley of Grad missiles and left 20 Ukrainian troops dead and close to 100 others injured in the border village of Zelenopillya. Ukrainian President Poroshenko promised retribution, vociferously declaring that his forces would root out those responsible for the bloodshed. The Ukrainian leader asserted: "For every life of our soldiers, the militants will pay with tens and hundreds of their own. Not one terrorist will evade responsibility. Everybody will get what is coming to them."

It should be noted that around the same time of this deadly attack by pro-Russian separatist rebels in eastern Ukraine, a human rights organization publicized a damning report on abuses, including torture, by pro-Russian groups. Amnesty International's report titled "Abductions and Torture in Eastern Ukraine" accused pro-Russian groups of abducting hundreds of people, and targeting protesters and journalists particularly. Amnesty International noted in the report that its investigators had discovered "graphic and compelling evidence of savage beatings and other torture" by pro-Russian groups in eastern Ukraine. Ukrainian government forces were not exempt from criticism, with the human rights group noting that abuses had been committed on that end as well, albeit at far less of a pervasive level.

In mid-July 2014, a Ukrainian military transport aircraft was shot down in the eastern part of the country. Crew members were reported to have survived the attack and a search and rescue mission to find them was ongoing. It should be noted that the transport military aircraft was shot down using a missile launcher and was quite likely fired from Russian territory. While Russia did not offer any feedback on that report, pro-Russian rebels were being quite forthright about their intent to target the aircraft.

Also in mid-July 2014, Ukrainian forces launched air strikes on the pro-Russian stronghold of Luhansk, with the Ukrainian air force announcing it had successfully carried out "five powerful air strikes" on targets in the eastern region. Ukrainian authorities also announced that the country's military forces now held control over several villages around Luhansk and that the airport was no longer being blocked by pro-Russian separatists.

United States intensifies sanctions against Russia by targeting major firms --

On July 16, 2014, the Obama administration in the United States intensified its sanctions against Russia, targeting large Russian firms as a punitive measure against Russia for failing to de-escalate the conflict in eastern Ukraine.

On the target list of Russian firms being hit by United States sanctions were significant defense and energy companies, as well as large banks. Indeed, the targets of the new sanctions list

included Russia's largest oil producer, Rosneft, as well as the country's second largest gas producer, Novatek, and also Russia's third largest bank, Gazprombank. Other targets included Vnesheconombank, which functions as a payment agent for the government of Russia, and eight weapons companies, most notably the one that produces Kalashnikov assault rifles. Of significance was the fact that these particular enterprises were controlled by some of Putin's closest allies.

The new sanctions stopped short of cutting off entire key sectors of the Russian economy; however, they were the harshest measures to date against Russia. They were certainly more damaging than the financial and travel restrictions on a handful of individuals and businesses that went into effect months prior.

Across the Atlantic in Europe, leaders were meeting to discuss the measures they would take to intensify pressure on Russia. Together, the West was coordinating their efforts to punish Russia; however, European sanctions were not expected to go as far as those imposed by the United States

In Russia, the government of that country was reacting with furor to the United States' action, charging that such sanctions constituted "primitive revenge" and promising retaliation. Russian Prime Minister Dmitry Medvedev vituperatively cast the sanctions as "evil" while Russian President Putin warned that the move would bring relations with the United States to a "dead end." Putin also had sharp words for the European Union, which was yet to announce its measures. But with the knowledge that some action was in the offing, his government accused the European bloc of succumbing to the "blackmail of the U.S. administration."

In Ukraine, Prime Minister Arseny Yatseniuk noted that the action by the United States and Europe to punish Russia for its complicity in the Ukrainian crisis showed that Western countries were united in their support for Ukraine. In a cabinet meeting, he said, "All attempts by Russia to split the European Union, and to stop the European Union and United States from agreeing, were doomed to failure." He continued by demanding that Russia stop supplying weapons to Ukraine's rebels.

Geopolitical crisis as civilian airliner is shot down --

The landscape in eastern Ukraine took a disturbing turn on July 17, 2014, when a civilian passenger aircraft traveling from Netherlands to Malaysia went down in eastern Ukraine. All 298 people aboard the Boeing 777 airliner perished when Malaysian Airlines flight 17 crashed in the rebel-held territory of Donetsk close to the Russian border. Among the dead were nationals the Netherlands, Malaysia, Indonesia, Philippines, Australia, New Zealand, United Kingdom, Germany, Belgium, Canada, and United States among others. It was unclear if Americans were on board the flight. That event raised the stakes in the ongoing crisis in eastern Ukraine. Indeed, it

augured a geopolitical landmine as Ukraine said that Malaysian Airlines flight 17 bound from Amsterdam to Kuala Lumpur was shot down.

By far, the Netherlands suffered the greatest blow with the vast majority of the passengers aboard Malaysian Airlines flight 17 being from that country. Included in the dead was the Dutch senator Willem Witteveen as well as the world's leading HIV/AIDS researcher, Professor Joep Lange. In fact, as many as 100 HIV/AIDS activists and researchers were on the flight as they were scheduled to attend a conference in Australia. Their collective deaths were sure to strike a damaging blow to the global effort to fight the devastating HIV/AIDS disease.

For his part, Dutch Prime Minister Mark Rutte said, "I am deeply shocked by the dramatic reports on the crash of Malaysia Airlines MH17" while King Willem-Alexander expressed his heartfelt condolences about the tragedy.

In Malaysia, the loss of Flight 17 presented a painful blow to Malaysia Airlines, which earlier in the year suffered the mysterious disappearance of Flight 370, which was traveling from Kuala Lumpur to Beijing. Malaysian Prime Minister Najib Razak gave voice the sentiment felt by his citizens as he said, "This is a tragic day, in what has already been a tragic year, for Malaysia." But the Malaysian head of government also expressed his shock and outrage over the fate of Flight 17, saying via the social media outlet Twitter, "I am shocked by reports that an MH plane crashed. We are launching an immediate investigation." Demanding justice, he was also on the record declaring, "If it transpires that the plane was indeed shot down, we insist that the perpetrators must swiftly be brought to justice."

Ukrainian President Petro Poroshenko said in a statement that he would call for an immediate investigation into the fate of the of the flight. While there was some hesitation at first from the Ukrainian president to attribute the crash of the civilian airliner to a missile attack, he was soon unconditionally accusing "terrorists" in the eastern part of the country of shooting down Malaysian Airlines flight 17. Via the social media outlet, Twitter, Poroshenko declared: "MH-17 is not an incident or catastrophe, it is a terrorist attack."

The government of Ukraine also pointed to the fact that pro-Russian separatists had shot down a military transport plane only days earlier (discussed above). In fact, pro-Russian separatists have themselves been quite forthright about their efforts to target aircrafts entering "their" self-declared air space. To reiterate some of the coverage from above, a month earlier in mid-June 2014, pro-Russian separatists shot down a Ukrainian army transport plane as it was landing at the Luhansk airport in the eastern part of the country, killing as many as 50 troops. At that time, pro-Russians showed little regret, with one separatist saying to Reuters News, "This is how we work. The fascists can bring as many reinforcements as they want but we will do this every time. We will talk to them on our own terms."

In regards to the events of July 17, 2014, United States authorities were soon corroborating claims that the flight had gone down as a result of a missile attack. United States officials confirmed that based on its tracking of the missile's final trajectory from infra-red sensors on a spy satellite, a surface-to-air missile had indeed been used to impact the Malaysian airliner, which was flying at about 30,000 feet at the time. United States authorities stopped short of attributing blame to any group, while making it clear that the missile attack was deliberate. Indeed, United States Vice President Joe Biden expressly stated that the Malaysia Airlines jet was apparently "blown out of the sky."

Leaders of the rebel-held and self-declared Donetsk People's Republic denied being behind the missile attack on Malaysian Airline flight 17, with one representative saying to the international media, "We simply do not have such air defense systems. " He also noted that their shoulder-launched Man-portable air-defense systems (MANPADS) have the limited range of 4000 meters (around 13,000 feet). It was certainly true that MANPADs are typically used by insurgent and terrorist movements worldwide on low-flying aircrafts, and in this case, Flight 17 was known to be traveling at the altitude of 30,000 feet.

But Ukraine was accusing the pro-Russian rebels of using more sophisticated missile launchers, such as the Russian anti-aircraft Buk system (vis a vis MANPADs). The Buk system dates back to the 1970s; it is a radar-guided missile system, typically mounted on a truck, and codenamed SA-11 Gadfly. This system was absolutely capable of the range needed to hit a plane flying at an altitude of 30,000 feet. Ukraine was thus placing the blame at Russia for providing separatists with such sophisticated military equipment.

Worthy of note was the fact that the United States has for several months been sounding the alarm about Russia transporting heavy weaponry into eastern Ukraine. To recapitulate what was discussed above, pro-Russian separatists have had access to significant military equipment -- a disturbing revelation for a so-called "grassroots" separatist movement. All expectations were that Russia was the likely source of such military resources. In June 2014, the United States Department of State made the assertion that separatists in eastern Ukraine had acquired heavy weapons and military equipment from Russia, and specified that these resources included Russian tanks and multiple rocket launchers. At the time, NATO warned of consequences if these claims were verified.

Meanwhile, the accusations from Ukraine were bolstered by an unabashed claim of responsibility by a pro-Russian separatist leader in Donetsk. Igor Girkin (also known by the name of Strelkov) proudly claimed credit for shooting down an aircraft near the border of Russia around the same time the Malaysian Airlines flight went down. According to the Kiev Post, he proudly said, "The plane has just been taken down somewhere around Torez (Donetsk Oblast). It lays there behind the Progress mine. We did warn you -- do not fly in our sky." It could not be confirmed if he was actually referring to the Malaysian Airlines flight, mistaking it for a Ukrainian military jet, or

another aircraft entirely.

While Strelkov was prepared to brag about taking down what he believed to be a Ukrainian aircraft, such hubris can sometimes have deadly consequences. It was to be seen if Girkin would continue to claim responsibility now that close to 300 civilians were dead as a result of a plane going down in the same area he was targeting. It was possible that he and his Donetsk People's Army mis-identified Malaysian Airlines flight 17 for a Ukrainian army plane; as such, he might recant the claim of responsibility once the geopolitical implications of accidentally shooting down a passenger vessel became clear.

This version of the events that transpired -- that is, an accidental missile assault on a passenger jet misidentified as a Ukrainian military aircraft -- was further augmented by leaked recordings of a pro-Russian rebel commander talking to a Russian intelligence officer in which the pro-Russian separatists admit that they accidentally shot down a passenger aircraft.

Along a related vein, the security services of Ukraine released three intercepted telephone conversations, which that country said proved that pro-Russian separatists were responsible for downing the Malaysian airliner. In one recording, a pro-Russian separatist commander, Igor Bezler, was heard telling Russian military intelligence officer, Vasili Geranin, "We have just shot down a plane. That was Miner's group. It fell down outside Yenakievo." In the second recording, two separatists were heard confirming that the missile attack was carried out by a unit to the north of the crash site. In the third recording, supposedly between a local separatist leader and a militant, the following statement is heard in relation to the downed flight: "Well then it was bringing spies. Why the hell were they flying? There is a war going on."

It should be noted that both Russia and allied pro-Russian separatists denied any responsibility for the downing of Flight 17, irrespective of the material detailed in the leaked recordings mentioned just above. In fact, some pro-Russian separatist leaders were going so far as to suggest that Ukraine's armed forces may have shot down the plane, regardless of the fact that Ukraine was emphatic about the fact that it was not launching any missile attacks at the time.

The full facts of the tragedy were yet to be determined, but that process of fact-finding promised to be slow (and likely hindered) by rebel separatists unwilling to aid the West, and certainly unlikely to assist in a process that might ultimately implicate them as the culprits behind the downing of Malaysian Airlines aircraft.

There were attempts from the countries of the West to internationalize the fact-finding mission and evidence procurement effort, in order to preserve the crash site as best as possible. However, the pro-Russian separatists were showing little indication that they would be willing to relinquish control over the territory where the crash site was located. In fact, they displayed little interest in assuaging the humanitarian concerns of the global community by simply respecting the bodies of

the dead.

The fact of the matter was that the crash site was in the center of a war zone and under the control of rebels unfriendly to the West. Questions thus erupted as to why a commercial airliner would be flying about a conflict zone. It should, however, be noted that the flight path followed by Malaysian Airlines flight 17 was an established one for aircrafts traveling from Europe to Asia, and at an accepted level of 30,000 feet altitude. Thus it was difficult to apportion blame to Malaysian Airlines when it was compliant with prevailing guidelines. That being said, some countries such as United States authorities had earlier ordered its airliners to avoid flying over the Crimea region and eastern Ukraine, given the hostilities ongoing in that region of the world. Several other airliners from around the world, however, continued to fly over the volatile region. Now, with the tragedy of Flight 17, Ukraine closed its air space over the eastern part of the country.

The United Nations Security Council held an emergency meeting on the situation in Ukraine on July 18, 2014. In that emergency session, there was a call from the Security Council for a "full, thorough and independent international investigation" into the downing of Malaysian Airlines flight 17, as well as "appropriate accountability" for those responsible. However, with the exception of these broad terms, the emergency session was marked by dissonance and acrimony as envoys from Kiev and Moscow respectively blamed each other for the tragedy.

Russia blamed the crash of Malaysian Airlines flight 17 on Ukraine for carrying out its offensive operations in the eastern part of the country against pro-Russian separatists. At home, Russian President Vladimir Putin was emphasizing this claim as he accused Ukraine of creating the conditions for the uprising in eastern Ukraine that culminated with this tragedy.

But Ukraine dismissed this line of reasoning, characterizing the downing of a civilian airliner as an "act of terrorism" and releasing further intercepted phone recordings that it said proved Malaysian Airlines flight 17 was shot down by pro-Russian separatists. Yuriy Sergeyev, Ukraine's ambassador to the United Nations, went further by implicating Russia for the deaths of almost 300 people as he said that the attack have been impossible were it not for Russia's decision to provide sophisticated anti-aircraft missile systems to extremists. At home in Ukraine, the government underlined its accusations against Russia, announcing that it was in possession of "compelling evidence" that the missile launcher was not simply provided by Russia, but also operated by Russian citizens, who transferred the truck-mounted Buk system back over the border into Russia.

Russian Foreign Minister Sergei Lavrov dismissed any claims that his country was to blame, and instead accused Ukraine of dishonesty as he declared in an interview with Russian media, "I have not heard a truthful statement from Kiev for months."

During the emergency session of the Security Council on July 18, 2014, the United States added its

voice to the accusations that pro-Russia separatists in eastern Ukraine were behind the downing of the Malaysian Airlines jetliner. United States Ambassador to the United Nations, Samantha Power, said there was “credible evidence” that a Russian-built anti-aircraft system located in a separatist stronghold had fired the missile that destroyed the commercial Boeing 777 airliner and was thus responsible for the killing of all 298 people aboard.

United States President Barack Obama expanded on the claims of Ambassador Power, saying that a surface-to-air missile fired from territory controlled by pro-Russian separatists was responsible for the tragic fate of Flight 17 and cast the missile attack as "an outrage of unspeakable proportions." The United States president asserted that he would make sure that the real story of Malaysian Airlines flight 17 was told. He said, "This was a global tragedy... The eyes of the world are on eastern Ukraine, and we are going to make sure that the truth is out." In a clear prod to his European counterparts who have been unwilling to press too hard on Russian President Putin for economic reasons, President Obama added that the downing of the Malaysian jetliner by Russian-backed separatists should act as a "wake-up call for Europe and the world" to act more assertively. President Obama also demanded that Russia cease its flow of both weapons and fighters into eastern Ukraine. For Americans wary of further international engagement, President Obama foreclosed the notion of United States military intervention into the Ukrainian crisis; however, he made it clear that he was prepared to be more aggressive in its sanctions regime against Russia.

With outrage rising among the people of Europe, some leaders across the Atlantic were stirred to stake out firmer positions against Russia. Germany warned that Russia was now being presented with its last chance to cooperate, while the United Kingdom indicated that the European Union should rethink its hitherto cautious approach to Russia, given the emerging corpus of evidence pointing to Russian culpability. Following a meeting of the European Union's Foreign Council, a statement from the office of United Kingdom Prime Minister David Cameron was issued. Referring to the decision makers at that meeting, the statement read as follows: "They ... agreed that the EU must reconsider its approach to Russia and that foreign ministers should be ready to impose further sanctions on Russia."

The outrage in Europe rose to levels of furor on July 19, 2014. On that day, news broke that personnel from the Organization for Security and Co-operation in Europe (OSCE) were prevented by pro-Russian separatists from doing their work to secure the crash site and collect the bodies of the victims. In fact, a member of the OSCE team charged that the Russian-backed separatists behaved in an unprofessional manner and exhibited a lack of respect for the bodies of the victims. In an interview with journalists, Michael Bociurkiw, said: "Unfortunately the task was made very difficult. Upon arrival at the site ... we encountered armed personnel who acted in a very impolite and unprofessional manner. Some of them even looked slightly intoxicated." He also said the bodies of the victims had been left exposed to the elements.

United States Secretary of State John Kerry vociferously condemned pro-Moscow separatists at

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the crash sites in eastern Ukraine for their poor treatment of the remains of victims. In an interview with NBC News, he angrily said, "Drunken separatists have been piling bodies into trucks and removing them from the site...What's happening is really grotesque and it is contrary to everything President Putin and Russia said they would do." Kerry's counterpart in the United Kingdom, Foreign Secretary Philip Hammond, issued the following warning in an interview with Sky Television; "Russia risks becoming a pariah state if it does not behave properly." Dutch Prime Minister Rutte said he was "furious" about the disrespectful treatment of the corpses of the victims.

By July 20, 2014, there was some progress at the crash site with emergency workers being allowed to place dozens of bodies in bags and prepare them for removal. However, there was concomitant anxiety that the priority of pro-Russian separatists was to hide evidence related to the downing of Flight 17. To that end, Andriy Lysenko, a member of Ukraine's Security Council, accused the pro-Russians of a cover-up as he said in an interview with Ukrainian media, "The terrorists are doing everything to hide the evidence of the involvement of Russian missiles in the shooting down of that airliner." The announcement from the self-declared leader of Donetsk, Aleksander Borodai, that the Boeing 777's "black boxes" were now in his hands did little to assuage those concerns. According to international law, that flight recording equipment technically belonged to Malaysia and should have been immediately turned over to that country. On July 21, 2014, with international pressure on the rise, pro-Russian separatists finally turned over the "black boxes" to the International Civil Aviation Organization.

Meanwhile, at the United Nations Security Council, a draft resolution condemning the missile attack against Malaysian Airlines flight 17 was under consideration. The resolution would reportedly demand that emergency personnel be allowed access to the crash site, and call on all regional parties to cooperate with an international investigation. Because such a basic resolution was not imbued by controversy, all expectations were that it would be adopted. However, it was to be seen if further action at the Security Council would include determining responsibility for the tragedy, given the fact that Russia held veto power on that body.

As discussed here, one likely avenue of action involved even harsher sanctions by the West against Russia. The Obama administration had already announced punitive sanctions against major Russian firms with close ties to Putin only days before. Now, the United States could well intensify those measures unilaterally without having to deal with the United Nations Security Council, which in recent years has metamorphosed into an impasse-ridden body without any productive means to resolve major global conflicts.

With some 300 innocent civilians now paying the price in blood for the conflict in eastern Ukraine, and with the problematic behavior of pro-Russian separatists at the crash site, it was possible that the rest of the international community might close ranks and present a unified front in confronting Russian interference into Ukrainian affairs. Stated differently, the tragedy could well be a tipping point of sorts in the Ukrainian conflict.

Outrage from families of the victims was certainly intensifying, particularly from the Netherlands, which endured the heaviest death toll. In an address to the United Nations, Dutch Foreign Minister H.E. Frans Timmermans drew attention to the shocking treatment of the bodies of the crash victims in eastern Ukraine, saying: To my dying day I will not understand that it took so much time for the rescue workers to be allowed to do their difficult jobs and that human remains should be used in a political game. I hope the world will not have to witness this again, any time in the future." Foreign Minister Timmermans promised that the day of accountability would come in the future, saying, "Once the investigation ascertains who was responsible for the downing of the flight MH17, accountability and justice must be pursued and delivered. We owe that to the victims; we owe it to justice; we owe it to humanity. Please, provide full cooperation, so that justice can be served. My country will not rest until all facts are known and justice is served."

The mission to find who was responsible for the deaths of the victims was being augmented by the United States. President Barack Obama visited the Dutch embassy in Washington D.C. to offer his condolences personally and promised to "stand shoulder to shoulder" with the Netherlands in its time of need. To this end, United States Secretary of State John Kerry was stepping up his country's claims that Russia was complicit in the downing of Flight 17 by providing the separatists with sophisticated anti-aircraft systems.

In the last week of July 2014, Ukrainian forces were making strides in the eastern part of the country, recapturing territory in Torez and Shakhtarsk and certainly challenging pro-Russian separatists who have held sway there for months. In fact, Ukrainian forces were bearing down on the very area where Malaysian Airlines Flight 17 went down as a result of a Russian-supplied Buk missile system. But because of fighting in the region, the area of the crash was yet to be secured and emergency personnel and investigators were yet to complete their work, which included the recovery of human remains. At the same time, the conflict was yielding a price in blood with both Ukrainian soldiers and pro-Russian fighters dying as battles intensified in eastern Ukraine.

Among pro-Russian separatists in eastern Ukraine, the self-proclaimed leader of Donetsk was tacitly admitting that they were enduring tactical losses in the period following the downing of Malaysian Airline Flight 17. Borodai retreated to Moscow for "consultations" and re-emerged in eastern Ukraine with reinforcements in the form of Vladimir Antyufeyev (also known as Vadim Shevtsov), who was immediately named "deputy prime minister." A native Russian, Antyufeyev was a major player in Russia's effort to support pro-Russian separatists in the breakaway territory of Trans-Dnestria in Moldova.

These moves indicated that Moscow was at the center of the eastern Ukrainian separatist movement -- not only symbolically, or even practically in terms of providing heavy military weaponry (which the United States said was arriving in greater quantity in eastern Ukraine from Russia), but also tactically and politically as it was quite literally directing the separatist movement.

Indeed, Ukrainians with pro-Russian sensibilities were being shifted out of leadership roles in favor of Russians. As such, there could be no illusions about Russian centrality in the Ukrainian crisis. Indeed, there could be no illusions about the fact that the mission to "protect" Russian speakers in eastern Ukraine was just a proxy cause for a Russian war with Ukraine for daring to move out of Moscow's orbit. Ultimately, this engagement in Ukraine was aimed at reconstituting what Vladimir Putin's vision of "new Russia."

Accountability, responsibility, culpability, and new sanctions against Russia --

United States Secretary of State John Kerry was on the record on July 20, 2014, saying that separatists in eastern Ukraine used a surface-to-air missile from Russia to shoot down Malaysia Airlines flight 17.

In an interview with CNN, Kerry said that the United States had evidence of heavy weapons material being transferred from Russia into eastern Ukraine. The weapons and equipment at stake included a 150-vehicle convoy of armored personnel carriers, tanks, and rocket launchers, which were given to the separatists. Kerry also noted that the United States had access to intercepted conversations about the transfer of the Russian radar-guided SA-11 missile system to the pro-Russian separatists, saying, "It's pretty clear that this is a system that was transferred from Russia into the hands of separatists." In a separate interview with CBS News, Kerry said, "There's enormous amount of evidence, even more evidence that I just documented, that points to the involvement of Russia in providing these systems...training the people on them."

Kerry also dismissed separatists' accusations that Ukraine was behind the downing of the Boeing 777, noting that the United States knew "with confidence" that the Ukrainian government had no Buk missile launcher in the area of the attack.

Accordingly, the United States' top diplomat echoed President Obama's challenge to Europe that it act more aggressively. John Kerry said, "It would help enormously if some countries in Europe that have been a little reluctant to move would now recognize this wakeup call and join the United States and President Obama in taking the lead, and also stepping up."

By July 22, 2014, United States officials had confirmed that the missile that brought down Malaysian Airline flight 17, leading to the deaths of 298 innocent civilians, was fired from an area in eastern Ukraine under pro-Russian separatist control. United States authorities stopped short of accusing Russia of being behind the firing of the fatal missile; however, the Obama administration said its rationale for the latest tranche of sanctions was motivated by the fact that Russia continued to arm the pro-Russian separatists. Moreover, the Obama administration was adamant in noting that even after the tragedy of Flight 17, there continued to be a steady flow of arms from Russia into eastern Ukraine -- including heavy weaponry such as missile systems.

With the people of the West demanding a stronger response from their leaders in regard to the downing of Malaysian Airline Flight 17, including accountability for those responsible, attention refocused on wider sanctions against Russia. As noted by United Kingdom Prime Minister David Cameron, "The latest information from the region suggests that even since MH17 was shot down, Russia continues to transfer weapons across the border and to provide practical support to the separatists." Cameron argued that harsher measures against Russia were necessary as he said, "Leaders agreed that the international community should therefore impose further costs on Russia and specifically that ambassadors from across the EU should agree a strong package of sectoral sanctions as swiftly as possible."

To that end, on July 29, 2014, the United States and Europe imposed wider sanctions on Russia's financial, defense, and energy sectors. The sweeping punitive measures by the United States included accentuated sanctions against Russian banks, including the Bank of Moscow and the Russian Agriculture Bank, as well as defense firms. The measures also included a ban on technology sales to the Russian oil industry, which would negatively impact the future development of the energy sector. Across the Atlantic, Europe moved from limited sanctions against individuals to restricting the trade of equipment for the energy and defense industries, and to limiting "dual use" technology that would employ civilian and defense purposes. Also included in the new sanctions regime was a ban on Russia's state-run banks from raising funds in European capital markets.

The new sanctions would be future tracked and thus not affect "in process" contracts such as France's sale of military carriers to Russia. Nevertheless, there would still inflict pain on certain European firms, such as British Petroleum, which had a significant stake in the Russian oil company, Rosneft. Also affected would be a slate of European banks holding Russian credit accounts. German Chancellor Merkel had long been reluctant to go down the road of harsh sanctions due to the potential harm to Germany manufacturing firms; but now she deemed the punitive measures against Russia to be "unavoidable." To be sure, the deleterious consequence of sanctions had been weighed in the European capitals since the start of the Ukrainian crisis; but they were ultimately deemed worth the price in the face of so many deaths on Flight 17, and in the interests of long-term regional security.

Also at stake was the matter of Western credibility. To that end, the complementary measures from the United States and Europe stood as the strongest international action against Russia. They certainly constituted a show of solidarity from the West in the face of escalating Russian engagement in the crisis in eastern Ukraine.

For its part, Russia lashed backed rhetorically, accusing the United States of a "slander campaign," and warning that there would be decreased cooperation on regional security while members of parliament were drafting counter-measures to be levied against "aggressor countries." As well, Russian Foreign Minister Sergei Lavrov was already on the record dismissing the measures. At a

news conference, Lavrov said, "We will overcome any difficulties that may arise in certain areas of the economy, and maybe we will become more independent and more confident in our own strength."

In truth, however, the Russian economy was not in the best of health and the added pressure posed by this harsher tranche of sanctions would not aid Russia. In fact, unlike the targeted sanctions already in effect, these sectoral sanctions could potentially inflict notable damage on the already-weak Russian economy. As noted by United States President Obama in an address after the new sanctions against Russia were announced, "The sanctions that we've already imposed have made a weak Russian economy even weaker." President Obama also promised further action against Russia saying, "If Russia continues on this current path, the costs on Russia will continue to grow."

While the new sanctions regime would undoubtedly ensure that Russia felt a strong dose of economic punishment, there was also the question of whether there would be a penalty to be paid in the realm of international jurisprudence. While Russia appeared to have escaped unscathed from violating Ukrainian sovereignty and annexing Crimea, Russia's active continued engagement in the conflict in eastern Ukraine, as well as Russia's culpability in the downing of Malaysian Airlines Flight 17, were still matters demanding a response. At the humanitarian level, the United Nations High Commissioner for Human Rights, Navi Pillay, noted that the downing of the Malaysian airliner by pro-Russian separatists using a Russian missile system would likely be classified as a war crime.

For its part, Russia parried Western sanctions with some of its own. On Aug. 6, 2014, Russian President Vladimir Putin ordered that restrictions be placed on agricultural and food imports from Western countries for one year. While the impact on Western trade would be felt, there would also be an impact at home in Russia, which relied on food imports. Presumably, Russia would look to friendlier countries for food imports, such as the leftist autocratic regime of Venezuela, or perhaps Asia to the east.

#### Military Notes:

At the start of August 2014, Ukrainian government forces advanced on the eastern part of the country, forcing pro-Russian separatists into fierce battles on the outer perimeter of the separatist stronghold of Donetsk. Already, Ukrainian government forces had surrounded Luhansk. By the second week of August 2014, Ukrainian fighter jets were carrying out strikes on Donetsk, although the government of Ukraine made it clear that it was not bombing any populated areas. While Russia retained control over Crimea, it was evident that the momentum was now with Ukraine as it fought to retake the rest of its eastern territory from pro-Russian fighters. It should be noted that, according to sources from Kiev, almost all these fighters were being "led" not by local eastern Ukrainian separatists but, instead, Russian citizens.

The fighting, however, was making it difficult for responders to do the job of collecting the human remains of the victims of the tragic downing of Malaysian Airline Flight 17. To this end, United Kingdom Foreign Secretary Philip Hammond called on to Russian President Vladimir Putin to persuade the rebels to stop interfering with the international experts who were carrying out the difficult recovery effort at the site Flight 17's wreckage. He said, "It is an unspeakable abomination that, two weeks after this crash, there are still bodies on the crash site unrecovered and the Russians have not used their influence with the separatists." He continued, "I said last week that there is one man who can snap his fingers and make this happen and he hasn't done so. He must now do so." But in fact, that work was brought to a halt by Aug. 7, 2014, as the fighting in the region increased. As noted by Dutch Prime Minister Mark Rutte, "It doesn't make sense to continue the repatriation in this manner."

On Aug. 10, 2014, the Ukrainian military was pounding targets in the major pro-Russian rebel stronghold of Donetsk. A spokesperson from the Ukrainian military, Oleksiy Dmytrashkivsky, said that several strikes on enemy pro-Russian positions were being carried out. He said, "A large number of enemy hardware and personnel was destroyed. Panic and chaos have been noted among the terrorists." The offensive by Ukrainian forces was so intense, creating some degree of a seige scenario, that up to 300,00 residents had fled the city. As well, several rebel fighters apparently deserted the rebel militias.

Alexander Zakharchenko, the new prime minister of the self-proclaimed Donetsk people's republic (a local who was attempting to ensure the separatist operation remained in the hands of locals and not under Moscow's control), was calling for a humanitarian ceasefire to ensure basic supplies -- such as food, water, and medicine -- could enter the area of Donbass where fighting was going on. He said, "We are ready for a ceasefire to prevent the proliferation of a humanitarian disaster in Donbass." However, he was adamant in noting that a humanitarian ceasefire was not a surrender and the effort would continue to defend Donetsk for pro-Russians. Soon, the notion of a ceasefire was abandoned and Zakharchenko was claiming his forces would launch a counter-offensive against Ukrainian forces. But by Aug. 11, 2014, Ukrainian authorities said they were in the "final stages" of recapturing Donetsk.

Elsewhere in the other rebel stronghold of Luhansk, which was closer to the Russian border, many residents had left or were living under desperate conditions since the electrical power system was no longer functional, while food and health supplies were scarce. As well, Ukrainian military forces had gained control over the road between Luhansk and Donetsk, essentially restricting the flow of separatists' weapons in the region.

While Ukrainian military forces were clearly on the offensive, Russia was not about to quietly retreat with the consolation prize of Crimea alone. In an apparent response to the momentum from Ukrainian government forces, Russia reportedly placed tanks, artillery, air defense systems,

aircrafts, and special forces along Ukraine's border. NATO warned that up to 20,000 combat-ready Russian troops were now amassing along Ukraine's border. In a statement, NATO spokesperson Oana Lungescu, said, "We're not going to guess what's on Russia's mind, but we can see what Russia is doing on the ground -- and that is of great concern. Russia has amassed around 20,000 combat-ready troops on Ukraine's eastern border." NATO also added that Russia could well use the same argument of "protecting" the Russian ethno-linguistic population to move into eastern Ukraine in a ground assault. Indeed, Russia had a record of exploiting that rationale as shown by its actions in Georgian enclaves in 2008 and as illustrated by the annexation of Crimea from Ukraine months earlier in 2014.

As of mid-August 2014, heavy fighting was reported to be going on close to Donetsk with Luhansk under the proverbial gun. Given the landscape in Donetsk and Luhansk, there was rising anxiety that Russia would use the situation and the notion of a humanitarian mission to intervene in eastern Ukraine.

NATO Secretary-General Anders Fogh Rasmussen reminded the global community that Russian troops remained amassed on the Ukrainian border and said in an interview with Reuters interview that there was "a high probability" of a Russian military intervention. He said, "We see the Russians developing the narrative and the pretext for such an operation under the guise of a humanitarian operation, and we see a military build-up that could be used to conduct such illegal military operations in Ukraine."

Likewise, United State President Barack Obama said that any form of Russian intervention into Ukrainian territory without the consent from the Ukrainian government in Kiev would constitute a violation of international law. The European Commission also delivered its own warning with President Jose Manuel Barroso during a phone call with Vladimir Putin. In a statement, the European Commission summarized the conversation as follows: "President Barroso warned against any unilateral military actions in Ukraine, under any pretext, including humanitarian."

There was little actual hope that Russia would heed these messages and, the Kremlin made it clear that it would deploy a convoy to eastern Russia purportedly carrying humanitarian aid.

By Aug. 13, 2014, the movement of that Russian convoy was slowed when Ukrainian officials made it clear that they would not allow the trucks to move into Ukrainian territory. Via his Russian Facebook page, Ukrainian Interior Minister Arsen Avakov wrote, "Provocation by a cynical aggressor is not permissible on our territory." Reports from the ground said that the convoy had stopped in the area of Voronezh area, while other reports indicated that the convoy had diverted to the south. Prime Minister Arseny Yatsenyuk characterized the Russian aid convoy as a measure of "boundless cynicism." He said, "First they deliver tanks, Grad rocket launchers, terrorists and bandits..., and then they deliver water and salt."

A day later on Aug. 14, 2014, Ukrainian forces were bearing down on Donetsk, quite literally encircling the city. As well, for the first time, shelling hit the city center. As well, Ukrainian forces took control of the settlement of Novosvitlivka, the remaining route used by the separatists to travel between Luhansk and Donetsk. It was a clear strategic gain for Ukraine.

Meanwhile, two leading separatist commanders aligned with Moscow resigned from their posts. Of note was the resignation of the well known Colonel Igor Strelkov (also known as known as Igor Girkin) who was regarded as the defense chief in the self-proclaimed Donetsk People's Republic, but who was also believed to be a Russian intelligence officer. As well, Valery Bolotov, the head of the self-proclaimed rebel government in Luhansk, announced he was stepping down due to injuries. These two moves seemed to suggest the pro-Russian leadership in the two rebel separatist strongholds of Luhansk and Donetsk was in shambles, presumably because of the Ukrainian military offensive.

Ukrainian forces enjoyed a victory in the former separatist stronghold of Luhansk, which continued to be under siege as of Aug. 18, 2014. While street fighting was still apparently going on in the city, Ukrainian forces were able to raise their national flag over the Zhovtneviy police station in Luhansk. Control over Luhansk would be regarded as a crucial development since it is a major venue along the supply route from Russia into eastern Ukraine. Not all the news was positive for Ukraine as, once again, pro-Russian separatists were able to shoot down a Ukrainian warplane in eastern Ukraine.

The action was also intensifying in Donetsk where the prime minister of the self-declared republic, Alexander Zakharchenko, expressed his confidence in holding the area. He pointed to the fact that his fighters would soon have access to 150 armored vehicles, including 30 tanks, and 1,200 Russian-trained fighters, who would aid in a major counter-offensive intended to stave off ascendant Ukrainian forces. His remarks should put paid to continuing claims by Russia that it was not supplying pro-Russian separatists with arms and armies. Yet despite Zakharchenko's declaration on video that "they are joining at the most crucial moment" a spokesperson for Russian President Putin, Dmitry Peskov, issued the following statement: "We have repeatedly said that we don't supply any equipment there."

Note that as of Aug. 19, 2014, Donetsk stood at the center of the battle between Ukrainian government forces and pro-Russian separatists. A gun battle in the middle of the city actually forced residents to flee the scene, as the fight to reclaim eastern Ukraine was now situated in the most significant stronghold for pro-Russian separatists. Regardless, the fighting in Donetsk had deadly consequences with artillery fire striking apartment buildings, and killing and wounding residents as a result.

In Yasynuvata, to the north of Donetsk, Ukrainian forces took control there by recapturing a railway junction. However, fighting between the two sides continued elsewhere in the town.

Fighting was also reported in Iovaisk and Torez, with both sides issuing competing claims that they had the advantage.

While fighting continued in eastern Ukraine, the foreign ministers of Ukraine, Russia, France, and Germany had been meeting to try to achieve a ceasefire. For Ukraine, France, and Germany, a main issue at the gathering was the problem of fighters and arms crossing over the border from Russia into Ukrainian territory. However, it was unclear how that objective would be achieved when, as indicated above, Russia has refused to fully acknowledge its active involvement in the Ukrainian crisis. Also of note has been the fact that as Ukrainian forces achieve military victories against pro-Russian separatists in eastern Ukraine, the incentive to forge any kind of deal with Russia has been lessened to some extent.

Still, it was to be seen if some diplomatic breakthrough could be reached at a summit in Belarus set for Aug. 26, 2014. While that event was aimed at discussing relations between the European Union and the eastern European customs union, it would nonetheless be attended by both Russian President Putin and Ukrainian President Poroshenko, with the Ukrainian crisis at the center of the agenda.

Ahead of that meeting in Belarus, Ukraine marked its independence celebration on Aug. 24, 2014, with a military parade in Kiev. As well, President Poroshenko offered a passionate national address in which he said his country was fighting "a war against external aggression, for Ukraine, for its freedom, for its people, for independence." He warned of a future in which Ukraine would have to defend itself against that external aggression from Russia, saying. "It is clear that in the foreseeable future, unfortunately, a constant military threat will hang over Ukraine. And we need to learn not only to live with this, but also to be always prepared to defend the independence of our country."

Pro-Russian separatists retaliated by marching captured Ukrainian troops through their stronghold of Donetsk. Residents both heckled and threw bottles at the prisoners of war who were presented in the public square for ridicule. But Donetsk was soon returned to a site of conflict with fierce fighting reported on Aug. 24 and 25, 2014.

Government Notes:

On July 24, 2014, the entire Ukrainian cabinet, headed by Prime Minister Arseniy Yatsenyuk, resigned following the collapse of the ruling coalition. Volodymyr Hroysman was soon named as the country's acting prime minister, who presumably would preside over government until the time of the new parliamentary elections. However, on July 31, 2014, the Ukrainian parliament voted to reject Prime Minister Arseniy Yatsenyuk's resignation. Yatsenyuk was also given a legislative victory when members of parliament approved his proposed amendments to the 2014 budget, which would offset lower revenues by increasing overall spending, which would be used to pay

for the military operations against pro-Russian separatists in the eastern part of the country.

A month later, as August 2014 was drawing to a close, Ukrainian President Petro Poroshenko dissolved the country's parliament, thus paving the way for fresh elections. The office of the president said that parliamentary elections would be held on Oct. 26, 2014. President Poroshenko announced the decision himself via the social media outlet, Twitter, saying: "I have decided to prematurely end the authority of parliament."

The last parliamentary elections were held in 2012 and, as such, elections were not actually scheduled to be held until 2017. However, the power dynamics in parliament shifted as a result of the political upheaval that has plagued Ukraine in late 2013 and into 2014 with the ousting of Yanukovich from power and the ensuing conflict in the eastern part of the country. Indeed, party loyalties moved quite rigorously in varying directions. President Petro Poroshenko said that these early elections of 2014 were intended to "cleanse" parliament, essentially starting fresh with a new legislative branch of government that would look at the challenges facing the country through the prism of the realities of 2013/2014 crisis.

NATO accuses Russia of violating Ukraine's sovereignty amidst rising fears of Russian invasion:

In the last week of August 2014, Russia again announced it would be sending another "humanitarian" convoy into Ukraine. This gesture -- like the previous humanitarian convoy -- was likely to be interpreted by the Ukrainian government as an invasion of Ukrainian territory.

Meanwhile, fighting in eastern Ukraine was not limited to the two main fronts of Donetsk and Luhansk. The Ukrainian military said that it engaged armored vehicles that crossed into Ukraine from Russia and were moving in the direction of the port city of Mariupol on the Azov Sea. The Ukrainian military said the pro-Russian separatists might be attempting to open a new front in the conflict and accordingly intercepted the column of armored vehicles at Novoazovsk. Ultimately, however, pro-Russian separatists were able to seize control of Novoazovsk. Elsewhere -- in the village of Markyne -- dangerous clashes were reported to be taking place. Meanwhile, Russian forces reportedly destroyed almost every home in the town of Novosvitlivka close to the separatist stronghold of Luhansk.

As August 2014 was drawing to a close, there were fierce battles going on in Mariupol as separatists clearly were moving to open up a third major front. However, Ukrainian government troops were determined to hold control on Mariupol and deny the pro-Russians a foothold there. Andriy Lysenko, a military spokesperson, said that Ukrainian forces would rally to defend Mariupol. He said, "Fortifications are being built. Local people are coming out to help our troops, to stop the city being taken. We are ready to repel any offensive on Mariupol."

But even with the defensive effort at Mariupol, Ukraine was being subject to Russian aggression.

On Aug. 29, 2014, NATO accused Russia of violating Ukraine's sovereignty and becoming embroiled in military operations in support of pro-Russian separatists in eastern Ukraine. In truth, the Russian presence and involvement in the eastern Ukraine conflict had been well-known for some time. However, rather than a clandestine effort, now the Russian engagement was a far more direct operation. At issue were satellite images released by NATO showing columns of Russian armed forces inside Ukrainian territory. NATO warned that more than 1,000 Russian troops were now operating inside Ukraine.

NATO Secretary-General Anders Fogh Rasmussen made it clear that "despite hollow denials," Russia had illegally crossed Ukraine's border and violated Ukraine's sovereignty. Rasmussen said, "This is not an isolated action, but part of a dangerous pattern over many months to destabilize Ukraine as a sovereign nation." He continued, "This is a blatant violation of Ukraine's sovereignty and territorial integrity. It defies all diplomatic efforts for a peaceful solution."

For his part, Ukrainian President Poroshenko warned that his country was "close to a point of no return" with "full scale-war" in the offing. Speaking from Belgium where he was attending a meeting with European Union leaders, Poroshenko explained that Ukraine was a victim of "military aggression and terror."

In response to Russian aggression, Ukraine declared its intent to apply for membership in NATO. Ukrainian Prime Minister Arseny Yatsenyuk said he would introduce a bill in parliament that would call for the cancellation of Ukraine's non-aligned status, and thus set the path for Ukraine to join NATO. It was a move sure to anger and outrage Russia, which has long been concerned about Ukraine's alignment with the West. Ironically, though, it was precisely Russia's aggression and interference into Ukrainian affairs that was driving Ukraine westward -- out of Russia's orbit and towards Europe and the United States.

As August 2014 drew to a close, Russian President Vladimir Putin seemed determined to reverse that westward drift by force or will, if necessary. On Aug. 31, 2014, Putin called for negotiations on the "statehood" of southern and eastern Ukraine – underlining his stance that portions of Ukrainian territory should be removed from Kiev's jurisdiction. Around the same time, during a visit to a youth camp, he declared that Ukrainians and Russians were "practically one people," essentially dismissing the particular historic legacy and cultural heritage of the Ukrainian nation.

Before the arrival of Russian troops and columns in eastern Ukraine, the conventional wisdom had been that Russian President Vladimir Putin would use the organic gains for Ukrainian forces to gently back away from his "New Russia" ambitions, and instead rest his imperial laurels upon the annexation of Crimea. But the apparent invasion of Ukraine by Russian troops suggested that Vladimir Putin was not about to retreat quietly from his visions of "New Russia."

It should be noted that while Putin was enjoying high approval ratings for his nationalist agenda at

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home in Russia, in the wider world, Russia's reputation internationally had suffered a cataclysmic meltdown. According to data compiled by Pew Research, a majority of respondents in Europe, Latin America, and the Middle East viewed Russia unfavorably. In Poland, for example, only 12 percent of people had a favorable view of Russia. The increase in hostility towards Russia from 2013 to 2014 was conceivably connected to Russia's lack of respect for Ukraine's territorial integrity, compounded by fears from European neighbors that they too might suffer at the hands of Russian aggression.

Would this global view have an impact on Russian policies? Governments in European capitals would no doubt take note of the unfavorable way in which their citizens now viewed Putin's Russia. Those governments could well be spurred to hold steady with the sanctions regime against Russia as a result. With Russia oil trading at \$100 a barrel and with the Russian budget being based on \$114 a barrel standard, and given the fact that Russia would now have to deal with increased military spending, the effects on the Russian economy at home would eventually be felt. It was to be seen if the effect would extend to Putin's domestic popularity.

Outside of Russia, however, Russian aggression in Ukraine was evoking negative reactions across Europe. Lithuanian President Dalia Grybauskaitė said Russia was "practically in a war against Europe." Recognizing the vulnerability of any eastern European country, she said: "We need to support Ukraine, and send military materials to help Ukraine defend itself. Today Ukraine is fighting a war on behalf of all Europe." Meanwhile, Poland denied permission for Russia's defense minister to fly over its air space following a trip to Slovakia.

The harshest condemnation of Russian aggression to date emanated from the president of Estonia. President Toomas Hendrik Ilves said: "Ukraine is under attack by the armed forces of the Russian Federation. This military aggression should finally dispel any doubts that Russia's words fail to match its actions." A statement from the office of the president issued the following declaration: "It is not possible to speak seriously of a diplomatic process or of ceasefire negotiations while one country has brought without permission its armed forces de facto into another, while refusing formally to admit its involvement in the conflict. The destabilization of Ukraine by Russia has continued for too long. Today, in addition to terrorists, clearly identifiable Russian military forces are operating in Eastern Ukraine. In other words, this is an undeclared war. Russia's actions are a clear violation of the United Nations Charter, the Helsinki Final Act and the Paris Charter. Western allies should agree on their part on the need to intervene in an even more determined way to protect Ukraine's sovereignty and territorial integrity."

For its part, the European Union appeared poised to move forward with harsher sanctions against Russia. German Chancellor Angela Merkel said, "I have to say there is also an impact when you are allowed to move borders in Europe and attack other countries with your troops...Accepting Russia's behavior is not an option. And therefore it was necessary to prepare further sanctions."

Regardless of these excoriations and warnings, Russia for the time being remained undeterred by its global pariah status. Instead, Russian President Vladimir Putin was thrusting forward with his vision of "New Russia" irrespective of the actual sense of self-determination felt by the Ukrainian people, or the rebuke being issued by the international community.

NATO announces rapid reaction force and military exercises in eastern Europe:

On Sept. 4, 2014, at a NATO meeting in Wales, member states of the West agreed to form a new rapid reaction force intended to respond to crisis scenarios in NATO countries. Included in the rapid reaction force would be an agile and precise "spearhead" force consisting 4,000 to 5,000 troops, and capable of being deployed within 48 hours to any location across the Northern Atlantic alliance.

The head of NATO, Anders Fogh Rasmussen, said Russia's invasion of Ukraine's sovereignty had been the catalyst forcing NATO to move forward with the formation of the rapid-reaction force.

NATO also moved to intensify joint exercises in eastern Europe.

These actions were aimed at delivering reassurances to eastern European countries fearful of suffering a similar fate as Ukraine at the hands of Russian aggression. Of particular note were the Baltic states; these countries were particularly worried that Russian President Putin would use the same tactics -- the defense of ethno-linguistic Russians in the region -- as he used to justify Russia's invasion of Ukraine and annexation of Crimea.

On Sept. 5, 2014, NATO followed up with its warning of intensifying joint exercises in eastern Europe by staging major military exercises in Latvia. The exercises were aimed at simulating a crisis deployment of NATO forces in a member state. It was an act intended to remind Russia that NATO was committed to defending all member states, especially those in the Baltics, from Russian aggression.

However, General Hans-Lothar Domrose, the commander of the NATO military command in the Netherlands, noted that the Latvian exercises were only part of the process as other NATO military exercises were set to take place in Estonia, Lithuania, Poland and Germany as well. Domrose explained, "We want to assure our people that we are able to protect them." He continued, "Certainly on top of this we send a clear message to everyone who wants to threaten NATO, that it's not a thing you should do. NATO will always defend and protect its people."

Predictably, Russia reacted unfavorably to NATO's announcements and promised that there would be increased tensions as a result. A statement from the Russian foreign ministry declared: "The essence and tone of [NATO] statements on the Ukraine situation, and the plans announced to hold joint NATO exercises with Kiev on the territory of that country before the end of 2014, will

inevitably lead to heightened tension."

For his part, Russian President Putin reacted to the actions by NATO by claiming that the Northern Atlantic alliance was using the crisis in Ukraine to "resuscitate itself."

Fragile truce established and quickly violated in eastern Ukraine:

Meanwhile, as NATO enacted the aforementioned measures, negotiations were going on between Ukraine and pro-Russian separatists in Belarus to try to forge a ceasefire. Ironically, the ceasefire was being negotiated at a time when clashes were taking place in Donetsk and Mariupol.

Around the same time as the ceasefire negotiations were ongoing, the European Union was preparing fresh sanctions. The new measures included restrictions on the ability of Russian state-owned oil companies to raise money in European financial markets. Russia's so-called "leading" oil company, Rosneft, as well as Gazprom Neft, the oil component of the Gazprom natural gas monopoly, and the Transneft pipeline operator would all be affected; on the other hand, the natural gas sector was left out of this tranche of measures. The new sanctions also expanded on existing visa bans and asset freezes on Russian officials and pro-Russian activists in Ukraine. The timing of the implementation of the sanctions was left vague -- presumably to give time for a ceasefire to take either take root or dissolve.

Note that later in September 2014, the United States also expanded its sanctions against Russia. The United States' moves targeted oil and defense industries, while intensifying sanctions that have limited access of major Russian banks to United States debt and equity markets. (Of note was the fact that the financial sanctions targeted Russia's Sberbank.)

Meanwhile, on Sept. 5, 2014 after five months of fighting, thanks to the negotiations brokered by the Organization for Security and Cooperation in Europe (OSCE), the two sides were able to sign on to a truce in Belarus. The agreement, known as the Minsk Agreement, did not expressly deal with the positions of Ukrainian authorities and pro-Russian separatists -- namely, Kiev's right to holding onto its territorial integrity, or the separatists' breakaway aspirations. Still, the truce would bring an end to the fighting, and thus offer time for the two sides to work out a roadmap of sorts for longer term regional stability plan. Included in the agreement were provisions for an exchange of prisoners of war and the establishment of a humanitarian corridor for the transportation of aid and displaced persons.

For his part, Ukrainian President Poroshenko said he welcomed the ceasefire. Poroshenko said he and Russian President Putin had shared a phone call in which they agreed that "overall the ceasefire was being implemented" and that there was a need to make it more durable. Poroshenko noted, "It is very important that this ceasefire lasts long, and during this ceasefire we continue the political dialogue to bring peace and stability." Both President Poroshenko and United States

President Barack Obama noted that the ceasefire was accomplished, at least partially, because of the sanctions imposed on Russia.

On Sept. 6, 2014, despite the prevailing ceasefire, pro-Russian separatists fired artillery at Ukrainian government forces close to the city of Mariupol. For several days leading up to the ceasefire, pro-Russian separatists had been targeting the strategic port city. Now, irrespective of the ceasefire, Mariupol -- which was under Ukrainian control -- was emerging as the new flashpoint city and one that could very well derail the new ceasefire agreement. For the rebels, it seemed that taking control over Mariupol, which was located on the highway to Crimea, was a strategic goal for pro-Russian separatists. However, for Ukraine, there was a high priority on holding that city and not ceding any further territory to Russia and pro-Russian separatists. Given Ukraine's determination to hold Mariupol, President Poroshenko himself traveled to the strategic city, where he promised that Mariupol would be reinforced and defended, and that any separatist attempt to advance on the city would be met with a "crushing defeat."

As of Sept. 7, 2014, less than two days after the establishment of the truce, shelling continued in Mariupol and at least one death had been reported there. Meanwhile, sporadic clashes were also being reported in rebel-held Donetsk. The Red Cross said shelling in Luhansk prevented the movement of humanitarian aid vehicles.

As the next few days went on, there were further sporadic violations of the ceasefire in eastern Ukraine. The area of the Malaysian Airlines crash as a result of a pro-Russian missile continued to be a conflict zone. There was also an increasingly complex scenario unfolding in the region of eastern Ukraine with the arrival of Chechen fighters eager to exact "revenge" on Russia and Russian fighters.

That being said, in keeping with the ceasefire agreement, pro-Russian separatists in Ukraine released 1,200 prisoners. As well, Ukrainian President Poroshenko said that most of the Russian forces that had penetrated Ukrainian territory had been withdrawn. He said, "According to the latest information I have received from our intelligence, 70 percent of Russian troops have been moved back across the border." Now, it should be noted that Russia has never actually admitted that its forces violated Ukraine's sovereignty irrespective of the evidence to the contrary. That being said, as noted by President Poroshenko, "This further strengthens our hope that the peace initiatives have good prospects."

On the other side of the border, Russia also lauded the truce -- as fragile as it might be. According to the Kremlin, Russian President Vladimir Putin was satisfied that the ceasefire was still in place several days later after its establishment.

Ukrainian parliament grants more autonomy to the East; Minsk peace plan laid out --

With an eye on the future, President Poroshenko laid out a plan for the future of Ukraine that would preserve its sovereignty and territorial integrity, while offering greater autonomy to the eastern part of the country under an uprising from pro-Russian separatists. In a televised cabinet meeting, the Ukrainian leader said that he would propose legislation that would confer "special status" to areas in Donetsk and Luhansk in eastern Ukraine. That status would be neither full independence demanded by separatists, nor the federal system proposed by Russia; however, it would certainly offer considerable self-determination. President Poroshenko noted that his proposal was consistent with the provisions of the ceasefire agreement that was forged in Belarus. He said, "The Minsk protocol envisages the restoration and preservation of Ukrainian sovereignty on all the territory of the Donbass (in eastern Ukraine), including that controlled by the fighters."

By mid-September 2014, the parliament of Ukraine passed legislation granting greater autonomy to the two flashpoint areas of eastern Ukraine -- Donetsk and Luhansk - for a three year period. As well, the legislation granted amnesty to pro-Russian separatist in those two regions. It should be noted that the amnesty provision would not apply to separatists believed to have committed grave crimes, such as the shooting down of the Malaysian Airline passenger plane carrying mostly Dutch citizens. As noted by President Poroshenko, the legislation would guarantee the "sovereignty, territorial integrity and independence" of Ukraine, while setting the path towards decentralization.

It was not clear that eastern Ukraine separatists would accept these gestures. Indeed, a pro-Russian leader from Donetsk, Andrei Purgin, as quoted as saying, "Ukraine is free to adopt any law it wants. But we are not planning any federalism with Ukraine." It was apparent that for many separatists, their notion of creating a new independent state known as "Novorossiya" remained the central goal.

But even in Kiev, there were mixed reactions to the new legislation, with some Ukrainian nationalists in parliament casting it as the appeasement of Russia and pro-Russians. Oleh Tyahnybok, the leader of the Svoboda party, was cited by *Ukrainska Pravda* as saying, "A capitulation was announced today in this war."

As September 2014 entered its final week, the government of Ukraine and pro-Russian separatists met for peace talks in the Belarusian capital of Minsk. There, in the city where the initial ceasefire was announced at the start of the month, more details were furnished regarding the path forward to end the conflict in eastern Ukraine.

While the ceasefire has continued to endure intermittent violations, it remained in effect. This agreement at the end of September 2014, however, was intended to add more detail to the ceasefire deal, with an eye on ensuring it would be a sustainable plan for regional stability.

The agreement included provisions for the establishment of a buffer zone, the removal of heavy artillery from the front lines, a ban on overflights by military aircraft in the newly-established

security zone, a ban on offensive operations, and the withdrawal of "foreign mercenaries" on both sides from the conflict zone. Also included in the plan was the implementation of an OSCE monitoring mission in eastern Ukraine. Left outside of the agreement, according to separatist leader, Alexander Zakharchenko, was the status of Luhansk and Donetsk. He said, "We have our opinion on it while Ukraine has its own."

In fact, as noted above, the parliament of Ukraine passed legislation granting self-determination and greater autonomy to Donetsk and Luhansk for a three-year period, thus garnering the condemnation of Ukrainian nationalists. But even those measures were regarded as insufficient by pro-Russian separatists who continued to demand a fully independent state (known as "Novorossiya" as noted above).

In another complication, Ukraine was soon refusing to pull back from the front lines in eastern Ukraine and, instead, calling for a new buffer zone deal. Ukraine said it would not withdraw its forces until the ceasefire was fully implemented, with Andriy Lysenko, a spokesperson for Ukraine's National Security and Defense Council, noting that two government soldiers had been killed, at least eight others had been injured, and pro-Russian separatists had fired at Ukrainian government forces in 22 different locations – and all within 24 hours of the signing the Minsk agreement. He emphasized that the pro-Russian separatists were hardly abiding by the terms of the deal, thus Ukraine's decision to hold its positions.

Ukraine's stance was backed by NATO with top military commander United States General Philip Breedlove charging that the ceasefire of Sept. 5, 2014, existed "in name only."

Ukrainian parliament ratifies deal with EU; President Poroshenko unveils reforms aimed at securing EU accession -

Meanwhile, Ukraine strengthened its relationship with the West when the parliament ratified an Association Agreement with the European Union. It was the Association Agreement that sparked the Ukrainian uprising in the first place, when now-ousted former President Yanukovich decided to shelve the pact in favor of a customs agreement with Russia. Now, after an uprising, an annexation of Crimea, a war, and a fatal plane crash, not to mention the loss of countless lives, the Association Agreement had returned to the fore.

This move was likely to upset Moscow, which has throughout been dismayed about Ukraine slipping out of its orbit. The ratification of the Association Agreement quite literally underlined the passage of Ukraine from Russia's realm to the European sphere. The price paid in blood for this movement from east to west was illustrated by President Poroshenko's words: "No nation has ever paid such a high price to become Europeans."

That thrust to become European was accelerated on Sept. 25, 2014, with Ukrainian President

Poroshenko unveiling a package of social and economic reforms aimed at ultimately securing accession to the European Union. Speaking of the package, he said, "This program foresees about 60 reforms and special programs that will allow Ukraine to prepare for submitting in six years a bid for membership of the European Union."

Putin calls for withdrawal of Russian troops from Ukrainian border; Poroshenko strengthens defense posture --

In the first part of October 2014, Russian President Vladimir Putin ordered Russian troops to withdraw from their positions along the Ukrainian border and return to their permanent bases. While the news was welcomed, Western powers warned that they would not take the announcement as a genuine commitment until they saw actual evidence of the announced withdrawal from the border. Of course, the fact of the matter was that most Western powers also believed that Russian forces remained across the border in eastern Ukraine.

It should be noted that the call by Putin to withdraw Russian troops from the border occurred in the aftermath of military exercises that took place in the region of Rostov region. The move was being regarded as a cautiously optimistic sign that tensions between Russia and Ukraine were easing to some degree.

This lessening of tension came at an opportune time -- ahead of a meeting between Russian President Putin and Ukrainian President Poroshenko set to take place in mid-October 2014 in Italy on the sidelines of a scheduled summit of Asian and European leaders. With that summit underway, however, there was no sign that the two leaders had made any significant strides.

Meanwhile, Ukrainian President Poroshenko moved to strengthen the defense system of his country. At issue was his appointment of National Guard Chief Stepan Poltorak as the new defense minister and the ensuing ratification of that move by the parliament. Poltorak would replace Valery Heletey, who faced scathing criticism for his military leadership against Russian-backed separatists in August 2014. A series of defeats during that period around Donetsk compelled the newly-elected President Poroshenko to back away from a military mission to defeat the pro-Russian separatists in the east, and instead move towards the negotiating table.

While peace negotiations remained a priority for the Ukrainian leadership, President Poroshenko wanted to strengthen his military infrastructure. To that end, Poroshenko was looking towards the appointment of the well-respected Poltorak at the helm of the defense ministry as one who would be well-positioned to "create a powerful system of defense for Ukraine."

As October 2014 was coming to a close, that defense strategy remained a key consideration given NATO's warning that Russian troops remained in eastern Ukraine and had substantial forces amassed on the border, despite claims of a withdrawal (mentioned just above). NATO's new

Secretary-General Jens Stoltenberg, the former leader of Norway, said of Russia and Russian forces: "They are still violating the sovereignty and the territorial integrity of Ukraine by having Russian forces in Ukraine."

United States Air Force General Philip Breedlove, NATO's supreme allied commander, said in an interview with international media, "We've seen a pretty good withdrawal of the Russian forces from inside Ukraine but, make no mistake, there remain Russian forces inside eastern Ukraine." Breedlove continued, "But the force that remains and shows no indications of leaving is still a very, very capable force." Breedlove noted that the continued presence of a "large coercive force" on the Ukraine border was not conducive to the implementation of the Minsk ceasefire agreement, and a complete withdrawal of Russian forces from inside Ukraine and along the border with Ukraine would be needed to take Russian commitments to peace seriously.

The only bright spot in the realm of Russian-Ukrainian relations was forging of a short-term agreement at the start of November 2014, which was aimed at securing Russian gas for Ukrainian use through the duration of the winter.

#### Primer on 2014 parliamentary elections

Even with amidst a complicated political landscape, snap parliamentary elections were set to be held in Ukraine on Oct. 26, 2014. At stake would be the composition of the unicameral Verkhovna Rada or Supreme Council, which contains 450 seats. Half the seats in the legislative body are allocated on a proportional basis to those parties that gain five percent or more of the national electoral vote; the other half of the seats go to members elected in single mandate districts. Members of the Supreme Council serve five-year terms.

It should be noted that on July 24, 2014, the entire Ukrainian cabinet, headed by Prime Minister Arseniy Yatsenyuk, resigned following the collapse of the ruling coalition. Volodymyr Hroysman was soon named as the country's acting prime minister, who presumably would preside over government until the time of the new parliamentary elections. However, on July 31, 2014, the Ukrainian parliament voted to reject Prime Minister Arseniy Yatsenyuk's resignation. Yatsenyuk was also given a legislative victory when members of parliament approved his proposed amendments to the 2014 budget, which would offset lower revenues by increasing overall spending, which would be used to pay for the military operations against pro-Russian separatists in the eastern part of the country.

A month later, as August 2014 was drawing to a close, Ukrainian President Petro Poroshenko dissolved the country's parliament, thus paving the way for fresh elections to be held. The office of the president said that parliamentary elections would be held on Oct. 26, 2014. President Poroshenko announced the decision himself via the social media outlet, Twitter, saying: "I have decided to prematurely end the authority of parliament."

The last elections were held in 2012 and, as such, elections were not actually scheduled to be held until 2017. However, the power dynamics in parliament shifted as a result of the political upheaval that has plagued Ukraine in late 2013 and into 2014, with the ousting of Yanukovich from power and the ensuing conflict in the eastern part of the country. Indeed, party loyalties moved quite rigorously in varying directions. President Petro Poroshenko said that these early elections of 2014 were intended to "cleanse" parliament, essentially starting fresh with a new legislative branch of government that would look at the challenges facing the country through the prism of the realities of 2013/2014 crisis.

Ahead of these snap 2014 elections, all indications that a political bloc supportive of President Poroshenko was on track to gain the most seats. According to polling data by GfK research, which considered only the seats elected by party list (about half of the total 450 seats at stake), the pro-Poroshenko bloc was likely to carry close to 30 percent of the vote share. About nine percent of those surveyed would cast their lot with former Prime Minister Yulia Tymoshenko. As well, the Radical Party, led by a populist, Oleh Lyashko, would take between seven and eight percent. Meanwhile, it was clear that the pro-Russia crowd, which had a strong presence in the previous parliament during the presidency of now-ousted Viktor Yanukovich, would be a relic of the past. Yanukovich's Regions Party seemed to have been eliminated from the field of competition entirely in the aftermath of the Russian annexation of Crimea and ongoing unrest in the east, with many of its members now joining other opposition parties. It was possible that in their reconstituted roles they could gain representation in the single-mandate constituencies calculated by the "first past the post" system; however, the outcome was yet to be decided.

This polling data proved to be somewhat predictive as the pro-Poroshenko bloc did, indeed, register a strong performance at the polls. Poroshenko's bloc was on track to carry about 22 percent. However, the party of his ally, Prime Minister Arseny Yatseniuk, was set to take about slightly more of the vote share -- between 22 and 23 percent. Another pro-Western party allied with Poroshenko, Samopomich (Self Help in English), stood in third place with 13 percent. Together, these parties would have significant power in the incoming parliament.

Both the populist Radical Party and the nationalist Svoboda (Freedom) party were likely to have gained enough support to enter parliament, along with the Batkivshchyna (Fatherland) party of former Prime Minister Yulia Tymoshenko, who nonetheless saw a sharp drop in popular support. With close to six percent of the vote share, Batkivshchyna (Fatherland) would be able to enter parliament. But clearly, the new pro-Western parties of President Poroshenko and Prime Minister Arseny Yatseniuk were the ones commanding the lion's share of popular support in post-EuroMaiden Ukraine. Tymoshenko's influence on the Ukrainian political landscape was waning.

Meanwhile, the pro-Russian Opposition Bloc, led by former Fuel Minister Yuri Boiko (a stalwart of ousted President Yanukovich, secured around eight percent. This result for the opposition was a

reminder that pro-Russian sentiment remained in the Ukrainian political sphere and Opposition Bloc would offer a voice in the new parliament. However, other parties affiliated with Russia and former regime of President Yanukovych went down to spectacular defeat.

Note that these results were for votes by party only to fill half the parliamentary seats. The rest of the parliamentary seats would be decided on the basis of individual electoral districts.

Overall, the election result provided further legitimacy to the new pro-Western authorities in Ukraine and bolstered the president's security plan for dealing with pro-Russians in the restive and rebellious eastern region of Ukraine. In a national address, President Poroshenko said that voters had given "strong and irreversible backing to Ukraine's path to Europe." He added that the election result showed support for the "political methods" he employed to end the conflict with pro-Russian separatists in eastern Ukraine.

The government formation process was expected to begin with Prime Minister Yatsenyuk saying that the incoming coalition government would be "very pro-reform and pro-European." Meanwhile, as the leader of the People's Front, which won the most votes in the parliamentary elections, Yatsenyuk was expected to keep his job as head of government. Yatseniuk said, "The party which has taken first place in the elections has to begin the process of forming a coalition ... the leader of (this) party heads the government." He reaffirmed his commitment to the Western and pro-European orientation of any future coalition government he might form, saying, "I propose we call this the European Ukraine coalition... A new pro-Europe government and a new pro-reform European majority should emerge in parliament which will be capable of launching speedy reforms that can not be put off."

President Poroshenko on Oct. 31, 2014 endorsed Yatseniuk for a new term as prime minister. Announcing his backing via the social media outlet Twitter, President Poroshenko tweeted: "I have proposed to the faction of the Poroshenko bloc that it submits Arseny Yatseniuk as a candidate for prime minister."

Elections and effects on Russian-Ukrainian relations --

As discussed above, in the last week of October 2014, Ukrainians went to the polls to vote in parliamentary elections. Ukrainian President Poroshenko was looking for allies to be elected to the parliament in the elections so he would gain legislative support and a mandate for his aforementioned defense strategy against pro-Russians in the east. The president was also looking for an endorsement from the citizenry for his Westward push for the country, as he advocated Ukraine's closer ties with Europe, and ultimately, accession to the European Union. President Poroshenko received that mandate on election day (Oct. 26, 2014), following a strong showing at the polls by his own party, and other pro-European and allied nationalist parties. As such, President Poroshenko was well-positioned to move forward not only with his security agenda, but

also with his pro-Europe moves.

But at the start of November 2014, the eastern portion of Ukraine (which had not participated in parliamentary elections mentioned here due to separatist inclinations) was moving forward with illegal elections of their own. The big winners of the vote in the pro-Russian east were Alexander Zakharchenko and Igor Plotnitsky who respectively claimed victory as the new leaders of the self-declared Donetsk and Luhansk "people's republics" of "new Russia."

As expected, these results of these elections that took place on Nov. 2, 2014, were rejected by Ukraine and the larger international community, while (unsurprisingly) being backed by Russia.

In a move sure to heighten tensions between the two countries, Russia made clear that it would recognize the results of the elections of pro-Russian separatists in eastern Ukraine. The Ukrainian Foreign Ministry blasted Russia for this decision, declaring in a statement: "The Kremlin is consciously making the situation worse ... In such an extraordinarily fragile situation, this is an irresponsible step by Russia which can threaten the peace process."

Meanwhile, the Obama administration in the United States made clear to Kiev that it would not recognize any elections held in areas of eastern Ukraine under the control of pro-Russian separatists. Likewise, the governments of other Western countries, including Germany and France, made it clear that the vote in eastern Ukraine would be treated as illegitimate.

The vote among pro-Russian separatists in eastern Ukraine prompted Ukrainian President Poroshenko to act in the political arena. He called on the newly-elected parliament of Ukraine to repeal the law that was passed granting greater autonomy for the separatists regions. That legislation moved forward despite the objections of nationalists for the purpose of advancing peace, and as an act of good faith in the Minsk ceasefire process. However, the elections in eastern Ukraine constituted a flagrant violation of the spirit of the peace process. There was now no reason for the Ukrainian president to go against his nationalist allies in parliament to appease separatists in the east who clearly had no intention of being appeased.

On the ground in eastern Ukraine, the situation appeared to be devolving. At issue was the flare of renewed violence between Ukrainian government forces and pro-Russian separatists in eastern Ukraine, with shelling intensifying around Donetsk, the main separatist stronghold. President Poroshenko addressed the shelling between government forces and pro-Russian separatists in the eastern Donetsk and Luhansk regions, saying that there was no need to panic. He explained, "If events begin to unravel in spite of the peace plan, Ukrainian armed forces today are ready and capable of repelling."

Meanwhile, the government of Ukraine in Kiev said that there was mounting evidence of continued Russian support for the separatists in the east, in clear violation of the Minsk ceasefire agreement.

Of note was the fact that the pro-Russian separatists received fresh stores of ammunition and other military equipment. The Kiev government also accused Russia of sending mercenaries to the front lines in the east and further charged that there had been Russian incursions into its territory. Kiev authorities said that a column of tanks and troops crossed the border from Russia and crossed into eastern Ukraine in the first week of November 2014. This claim was backed by observations reported by both the Organization for Security and Cooperation in Europe as well as Reuters News correspondents. Radio Free Europe also pointed out that there was no shortage of videotaped clips of the convoy available on the Internet.

For its part, Russia denied the accusations despite the evidence to the contrary. Nevertheless, Ukraine was deploying reinforcements to the region in response to apparent threats of Russian aggression. The truth of the matter was that the movement of troops from both sides on the Ukrainian-Russian border suggested that Ukraine and Russian-supported separatists were preparing for renewed conflict.

In many senses the fragile ceasefire agreement discussed above was on the brink of collapse. As noted by United States Air Force General Philip Breedlove, NATO's supreme allied commander, the conditions were clearly in place for a so-called "frozen conflict" between Greater Ukraine under the control of Kiev and the pro-Russian east under the protection of Moscow. Still, with heavy bombardment and shelling of rebel-held Donetsk in the second week of November 2014, and with reports of a build-up of pro-Russian reinforcements in eastern Ukraine, it was fair to say that the conflict retained many traits of a "hot" war.

Indeed, Ukrainian Prime Minister Arseny Yatseniuk said on Nov. 14, 2014, that the top priority for his country would be to strengthen the army so it would be able to stop Russian aggression. Days later, he also dismissed Russian calls that Ukraine engage in direct talks with separatist leaders, making clear that his government would take no action aimed at legitimizing "terrorists."

#### International Relations --

Given this landscape, it was perhaps not surprising that the West was telegraphing no end to the sanctions against Russia. In fact, the European Union was hinting that it might intensify its sanctions regime against Russia given the clear violations of the Minsk Agreement.

At the G20 summit in Australia in mid-November 2014, Western leaders placed pressure on Russian President Putin for continued backing of pro-Russian separatists in eastern Ukraine. In one particularly marked exchange, Canadian Prime Minister Stephen Harper said: "I guess I'll shake your hand but I have only one thing to say to you: You need to get out of Ukraine." According to Reuters News, Putin's response contained the same kind of mendacious denial that has come to characterize Russia's official stance on Ukraine. Putin said: "Unfortunately, this is impossible to do because we are not there."

President Barack Obama noted that the United States was leading the charge of "opposing Russia's aggression against Ukraine, which is a threat to the world, as we saw in the appalling shoot-down of MH17." (MH17 was the Malaysian airliner shot down by pro-Russian separatists in eastern Ukraine in July 2014.) The United States was joined by Australia and Japan in issuing a joint statement expressing solidarity in "opposing Russia's purported annexation of Crimea and its actions to destabilize eastern Ukraine."

Even outside the summit, the mood was distinctly anti-Putinesque, with protesters accusing the Russian leader of murder, while others wore headbands with the words "Putin, Killer" emblazoned on them. The summit thus highlighted Putin's isolation and estrangement from the rest of the world's leading nation states.

Ultimately, Putin left the summit early, returning to Russia before other G20 leaders had completed their sidebar meetings. He explained his early departure as follows: "It will take nine hours to fly to Vladivostok and another eight hours to get Moscow. I need four hours sleep before I get back to work on Monday. We have completed our business." However, the general consensus was that the Russian leader was likely departing the summit in order to avoid further unpleasant exchanges with world leaders.

Given his alienation from the world's leading Western nation states, Putin was looking for new allies. To that end, he was hoping to improve Russian ties with the paranoid and pariah nation state of North Korea. The leaders of the two countries were apparently interested in working together to improve regional security. With a United Nations resolution in the offing regarding North Korea's human rights violations and possible action at the International Criminal Court, no doubt Pyongyang was looking to cultivate a better relationship with a veto-wielding country (other than China) on the United Nations Security Council.

Meanwhile, Moscow was on the hunt for new friends.

## Status Update

In December 2014, fighting had intensified at the Donetsk airport in eastern Ukraine - a violation of the Minsk ceasefire agreement. The government of Ukraine accused Russia of providing special operatives to bolster support for the pro-Russian separatists there, as well as of smuggling heavy artillery ammunition into its territory.

With the fighting going on irrespective of the Minsk agreement, and with signs of continued Russian involvement in eastern Ukraine, the United States and the European Union telegraphed that they would be working to intensifying their sanctions against Russia, while simultaneously working to shore up European energy security. One measure in that direction would be the export of United States liquefied natural gas to Europe to diversify supplies on the other side of the

Atlantic. To date, Europe has been concerned that tougher sanctions against Russia would create negative consequences, given that region's reliance on Russian energy supplies. United States President Barack Obama urged patience in regards to the sanctions against Russia, noting that it would take some time before Russian President Vladimir Putin's foreign policy choices would ultimately create economic pain for Russia, which would have to be transposed into domestic political pressure before Putin could be persuaded to change course. With an eye on creating that economic pain, in the third week of December 2014, President Obama said that he had signed onto a new Russian sanctions bill that had been signed by the United States Congress.

As December 2014 drew to a close, there was a prisoner exchange between the Ukrainian government and pro-Russian separatists. This action was regarded to be a positive step in tamping down the tensions in eastern Ukraine, and may have been - at least partially - driven by economic pressures on Russia due to the combination of lower oil prices and economic sanctions imposed by the West.

Around the same period of late 2014, Ukrainian President Poroshenko said he intended to meet with his Russian, French, and German counterparts on Jan. 15, 2015, in the Kazakh capital of Astana for discussions on the restoration of peace in the eastern part of the country -- now a hotbed of pro-Russian separatist activity. Poroshenko described the priority for the meeting as follows: "The most important thing is to turn a fragile ceasefire into a stable peace and return previously occupied territories under the control of Ukrainian authorities." That imperative could prove difficult because Ukraine regarded its territorial integrity and sovereignty to be of paramount importance while Russia was unlikely to cede control of Crimea back to Ukraine.

Meanwhile, on the domestic political landscape in Ukraine, a new government was approved by parliament in the aftermath of the parliamentary elections. The new cabinet, led by Prime Minister Arseny Yatseniuk, included technocrats and made clear that no major shifts in policy were in the offing.

In the realm of foreign policy, on Dec. 23, 2014, Ukraine's westward drift was emphasized when President Poroshenko signed legislation revoking Ukraine's status as a neutral country. The bill, which nullified Ukraine's official "non-aligned" status, effectively set the path towards the pursuit of NATO membership at some point in the future. It was a move sure to raise the ire of Russia, which has opposed Ukraine's alliances with Western multilateral powers, such as the European Union and NATO.

Not surprisingly, Russian Foreign Minister Sergei Lavrov expressed disapproval for these latest developments, casting the decision to revoke Ukraine's neutrality as "counter-productive" and warning that it would only amplify regional tensions. But Ukraine was undeterred; Foreign Minister Pavlo Klimkin noted Ukraine was determined to intensify its alliances with Europe and the West. He said: "This will lead to integration in the European and the Euro-Atlantic space."

It should be noted that the entire crisis in the region was precipitated by Russia's desire to prevent Ukraine from aligning more closely with the European Union. Now, in the aftermath of Russian aggression in eastern Ukraine, including the annexation of Crimea, not only was Ukraine looking to join the European Union, but it was also looking potentially towards NATO, which Russia has long regarded as a threat to its power in the region. In truth, NATO was not necessarily interested in having Ukraine join its body; however, Ukraine's ambitions along these lines were likely enough to enrage Russia and imperil prevailing efforts to end the conflict in eastern Ukraine. Of note was Russian Prime Minister Dmitry Medvedev's Facebook post warning that Ukraine's rejection of neutrality augured "negative consequences." He posted, "In essence, an application for NATO membership will turn Ukraine into a potential military opponent for Russia."

In January 2015, there was no end in sight as to the conflict in eastern Ukraine. In fact, fighting was still going on at the international airport in Donetsk. As noted by a presidential adviser, Yuri Biryukov, via the social media outlet, Facebook: "They (the separatists) launched a full storm from this morning. We have wounded on our side. There is hot combat going on there and the tension and the situation there is the worst I have seen." Not surprisingly, attempts to revive peace talks had ended in failure and the prevailing Minsk ceasefire agreement could be regarded as effectively defunct. But in some good news for Ukraine, on Jan. 19, 2015, their forces were successfully able to regain control over the Donetsk airport and the surrounding territory in eastern Ukraine, which had been lost to the pro-Russian separatists over the course of weeks. Ukrainian military spokesperson, Andriy Lysenko, said, "We succeeded in almost completely cleansing the territory of the airport, which belongs to the territory of Ukrainian forces as marked by military separation lines."

With Russia increasing its support of the separatists in the east, the Ukrainian parliament in mid-January 2015 voted affirmatively to rotate its forces on the front lines and resume conscription into its military. Oleksander Turchynov, secretary of the national defense council, said in an address to parliament that 8,500 Russian regular forces were now deployed in eastern Ukraine. He said, "Russian aggression is continuing. There has been a significant surge in the intensity of firing." He also made note of the fact that Ukrainian positions were fired on more than 100 times in mid-January 2015, and that several Ukrainian soldiers had been killed, while even more had been wounded. In addition, 12 civilians died at an army checkpoint due to shelling of a passenger bus. Thus the need for Ukraine to be ready to respond militarily. To this end, Turchynov said, "There is an urgent need to strengthen the combat and mobilization readiness of our forces and other military forces up to a level which guarantees an adequate reaction to threats to national security from continuing Russian aggression."

Meanwhile, with Russia continuing to play a central role in the eastern Ukrainian crisis (despite claims to the contrary), the West made clear that there would be no easing of sanctions, and the alienation of Russia would continue. To that end, German Chancellor Angela Merkel, who was to

host the next meeting of G7 countries, made it clear that Russian President Vladimir Putin would not be invited to the summit of the world's economic super-powers. In an interview with the Frankfurter Allgemeine Zeitung newspaper, Merkel said, "The G7 and former G8 group has always viewed itself as a community of values. The annexation of Crimea, which is a blatant violation of the principles of international law, and the events in eastern Ukraine are serious violations of these common values." She explained that, as a result, there was "no chance" that the Russian president would be invited to attend the summit in Bavaria scheduled to take place in June 2015. Merkel also noted that given Russia's continued aggression, sanctions would remain in place as she said, "In spring we will discuss the question how to deal with the sanctions that we decided to impose after Russia's annexation of Crimea. Given the current situation, they will remain in place." Accordingly, Russia's pariah status remained unchanged.

In the third week of January 2015, pro-Russian separatists were able to send Ukrainian forces into retreat from the Donetsk airport where a lengthy battle had been ongoing for weeks. However, Ukrainian President Poroshenko insisted that despite that obvious setback due to an intensified effort from the pro-Russian rebels, his country's troops were holding the line. He said, "Across all front lines we are firmly holding our positions." Still, there were casualties with at least 10 Ukrainian soldiers being killed in the period of the third week of January 2015. There was also a trolleybus attack in Donetsk that left eight civilians dead, which both sides blamed on one another.

Around the same period, NATO released a report noting that in violation of the Minsk ceasefire agreement, fighting in separatist territories was actually more intense than it had been prior to the ceasefire being announced in September 2014. Ukrainian Prime Minister Arseny Yatseniuk said the increased violence and bloodshed should be blamed on pro-Russian separatists, who were being supported by Moscow despite Russian President Putin's claim to the contrary. For his part, Putin appeared determined to sow the seeds of mischief as he suggested that, in fact, NATO troops were fighting alongside Ukrainian forces. NATO dismissed this claim by the Russian president as ludicrous.

Pro-Russian separatist aggression was highlighted on Jan. 23, 2015, when Alexander Zakharchenko, the head of the self-declared Donetsk People's Republic, dismissed the notion of further peace talks with the government of Ukraine in Kiev, saying his forces would instead launch a new offensive into the eastern regions not yet under separatists' control.

Making good on this threat, on Jan. 24, 2015, pro-Russian separatists launched an offensive against the strategic port city of Mariupol located on the Sea of Azov. The city administration of Mariupol said the pro-Russian separatists fired rockets using long-range GRAD missile systems, killing at least 30 people and injuring scores more. In an interview with Russia's RIA news agency proudly took responsibility for his rebels' attack on Mariupol saying it was intended to avenge the deaths of his people. He said, "Today an offensive was launched on Mariupol. This will be the best possible monument to all our dead." He added that his separatists fighters intended to target

the town of Debaltseve, to the northeast of Donetsk, next in its war campaign.

At home in Kiev, President Poroshenko promised to protect Ukrainian's territorial sovereignty and convened an emergency meeting of his country's security council on Jan. 25, 2015. He issued a statement that read as follows: "We are for peace, but we accept the challenge of the enemy. We will protect our motherland."

As January 2015 came to a close, scores of people were killed as fighting raged on between Ukrainian troops and pro-Russian separatists in eastern Ukraine. The pro-Russians were now penetrating the town of Debaltseve, consolidating pre-Russian separatist control of the region.

Also in late January 2015, cracks began to form in the normally strong Russia-Belarus alliance. With Russia backing pro-Russian separatists in eastern Ukraine and annexing Crimea a year earlier, Belarus -- like many of Russia's neighbors -- was suddenly wary of Russia's imperial ambitions, and Russian President Vladimir Putin's apparent hopes to reconstitute the Soviet empire. Once one of Russia's closest allies in the region, Belarus was suddenly shifting its stance with Belarusian President Alexander Lukashenko declaring in vociferous language that his country would never be part of the "Russian world" -- a term adopted by the Russian Kremlin as Moscow seeks to draw its former republics back under its umbrella.

It should be noted that Belarus has played a key regional role in the Ukrainian crisis, hosting talks that led to the (now collapsed) Minsk ceasefire agreement of 2014. But as Russia has sought to extend a controlling hand over Belarus' assets, the Belarusian president was keen to draw the proverbial line in the sand. For Belarus, suspicion of Russia was sparked when Moscow tried to restrict exports in violation of the regulations ensconced within the Eurasian Economic Union, which includes Russia, Belarus, Armenia, Kazakhstan, and Kyrgyzstan. Belarus warned that if the rules of the Eurasian Economic Union were not observed, it would withdraw from the alliance.

President Lukashenko made it clear that Belarus' independence would have to be respected as he declared, "Those who think that the Belarusian land is part as what they call the Russian world, almost part of Russia, forget about it!" He continued, "Belarus is a modern and independent state." Lukashenko went one step further, noting that he wished to normalize ties with the West. It was a move certain to infuriate Moscow, which seeks the opposite outcome. However, as Russian aggression in eastern Ukraine exists, it has stood as reminder to surrounding countries of their own vulnerability, and concomitantly driven stalwart allies, such as Belarus, in a Westward direction.

By the start of February 2015, fighting in the Ukrainian east was fierce and the death toll was increasing around the transport hub of Debaltseve, while pro-Russian rebels had not only advanced on the nearby town of Vuhlehirsk. Indeed, on Feb. 4, 2015, pro-Russian rebels appeared to be in full control of the garrison town. The fall of Vuhlehirsk was a clear blow to the Ukrainian government in Kiev. Surrounding towns were also suffering the effects of heavy

shelling with residents of Avdiivka saying that large swaths of that town had been completely destroyed.

It was a clear fact that fighting in eastern Ukraine had escalated at an alarming level in the first part of February 2015, prompting the United Nations to warn that the violence was reaching "catastrophic" levels with civilian casualties on a marked increase. Flashpoints included the Donetsk and Luhansk regions as well as the town of Debaltseve. United Nations human rights chief, Zeid Ra'ad Al Hussein, said there had been a "clear breach of international humanitarian law which governs the conduct of armed conflicts." To this end, he noted that public venues, such as bus stops, marketplaces, schools, and hospitals had become battlegrounds.

Meanwhile, talks in Belarus aimed at reviving truce ended in failure. Ukraine's representative, former Ukrainian President Leonid Kuchma, said the negotiations were "thwarted" by the actions of pro-Russian rebels. The Organization for Security and Cooperation in Europe (OSCE), which took part in the talks in Minsk, along with envoys from Ukraine and Russia, shared the view that pro-Russian rebels had sabotaged the peace negotiations. The OSCE said that pro-Russian separatists were simply not interested in serious discussions pertaining to a peace plan. Furthermore, as noted in an OSCE statement: "In fact, they [pro-Russian separatists] were not even prepared to discuss implementation of a ceasefire and withdrawal of heavy weapons."

Given this landscape, as well as the increase in Russian-aided aggression on Ukrainian territory, the West was warning of consequences to come. Speaking from a state visit in India, United States President Barack Obama said his country was looking at a wealth of options, just short of military action, to isolate Russia. He said, "We are deeply concerned about the latest break in the ceasefire and the aggression that these separatists -- with Russian backing, Russian equipment, Russian financing, Russian training and Russian troops -- are conducting. I will look at all additional options that are available to us short of military confrontation and try to address this issue. And we will be in close consultation with our international partners, particularly European partners."

The European Union convened an emergency meeting of foreign ministers, headed by the European Union foreign affairs chief, Federica Mogherini. But the sharpest language came from the new leader of the European Council, Former Polish Prime Minister Donald Tusk, who delivered harsh rebuke not only of Russian aggression, but of Europe's response to it. Tusk conjured up memories of World War II, as he condemned the "appeasement" of Moscow. Via the social media outlet, Twitter, he said: "Once again, appeasement encourages the aggressor to greater acts of violence. Time to step up our policy based on cold facts, not illusions." Ultimately, the European Union opted to extend the sanctions regime against Russia in response to continued Russian aggression and support for separatists in eastern Ukraine.

Debate over arming Ukraine --

On Feb. 2, 2015, the New York Times in the United States reported that President Barack Obama was considering additional support for Ukrainian forces -- possibly in the form of defensive weapons and equipment -- for the purpose of protecting Ukraine from the pro-Russian offensive. United States officials said that no decision had been made on the matter. In fact, in an interview with CNN, Ben Rhodes, the deputy national security adviser to President Barack Obama, said: "We're not going to bring the Ukrainian military into parity with Russia's military, certainly not in the near future. We have to keep the perspective that the best tool that we have to apply pressure on Russia is that economic pressure through the sanctions."

On Feb. 5, 2015, Ukrainian President Poroshenko called on NATO states to provide additional weaponry to his country, saying, "The escalation of the conflict that's happening today, the increasing number of civilian casualties, especially after the terrorist attacks in Volnovakha and, Donetsk as well as the bombardment of Mariupol... should move the alliance to provide Ukraine with more support." In his interview with the publication, Die Welt, he said, "(That) includes, among other things, delivering modern weapons for protection and for resisting the aggressor." Poroshenko added that while his country aspired to peace, Ukraine nonetheless had to be defended.

While NATO was not expected to assent to this call easily, there was nevertheless a plan afoot for the establishment of new command and control NATO units in eastern Europe. According to NATO Secretary General Jens Stoltenberg, the units would be made up of about 50 officers and would be established in Estonia, Latvia, Lithuania, Romania, Bulgaria, and Poland. Ultimately, they would be geared to the rapid deployment of NATO forces in the region. It was a plan sure to cause consternation for Russia, which has eschewed NATO's footprint in its east European backyard.

Also on February 5, United States Secretary of State John Kerry was in Ukraine to show solidarity with that country and to announce \$16.4 million in new humanitarian aid to help Ukrainians affected by the war raging in the east. During a news conference, Secretary of State Kerry was asked if he believed Russia was active militarily in Ukraine despite Russian claims to the contrary. He referred the question to Ukrainian Prime Minister Arseniy Yatsenyuk, who said: "It is crystal clear that (the) Russian military is on the ground... We are not fighting so-called rebels or guerrillas. We are fighting with the Russian regular army." The Ukrainian prime minister also mocked Russia and its leader for denying this reality as he sarcastically declared that the only country denying Russian military boots are on the ground was the Russian Federation. In a dramatic flourish, Yatsenyuk removed his glasses and offered to lend them to Russian President Vladimir Putin.

Some Western think tanks were suggesting that a stronger Ukrainian military -- once capable of confronting Russian-backed separatists -- could help push the separatists into peace talks that they recently eschewed. Emboldened by their success on the battlefield, pro-Russian rebels have

become more aggressive rather than less so; it was conceivable that some reversals on the battlefield might make a truce look more attractive. To this end, the Atlantic Council said that Ukraine would benefit from military aid, such as anti-armor missiles, drones, and armored Humvees. In a report, the Atlantic Council noted: "A stronger Ukrainian military, with enhanced defensive capabilities, will increase the prospects for negotiation of a peaceful settlement."

Of course, the obvious counter-argument was that military aid from the West, and specifically from the United States, might spur Russia to retaliate by amplifying its own military footprint in eastern Ukraine, thus escalating the war. As well, there was the political aspect, which was that the West likely preferred a united approach rather than one by which a country was acting out of sync with NATO. That type of disunity would certainly provide an opening for Russian President Putin to exploit.

It was clear that the issue of arming the Ukrainian military was soon becoming an issue of contention within the countries of the West. At issue was German Chancellor Angela Merkel's objections to the notion of sending arms to Ukraine to help that country's military battle Russian-backed separatists. To this end, she said, "I understand the debate but I believe that more weapons will not lead to the progress Ukraine needs. I really doubt that."

While the Obama White House remained reticent about actually moving forward on this front, key Republican politicians from the United States accused Germany of turning its back on Ukraine. Senator John McCain said, "The Ukrainians are being slaughtered and we're sending them blankets and meals. Blankets don't do well against Russian tanks." Senator Lindsey Graham added, "At the end of the day, to our European friends, this is not working...Stand up to what is clearly a lie and a danger."

U.S. Vice President Joe Biden, speaking on behalf of the Obama administration was far more restrained in his view, saying that the effort should be made to resolve the conflict in eastern Ukraine peacefully. However, Biden noted that Russian President Putin was not to be trusted, as he said, "Too many times President Putin has promised peace and delivered tanks, troops and weapons."

Meanwhile, making it clear that Ukrainian-Russian relations were at a new low, the Ukrainian government in Kiev introduced new laws requiring Russians to present a passport (vis a vis internal identity documents) to enter Ukrainian territory.

Ukrainian President Poroshenko reiterated his country's right to defend itself, saying, "We are an independent nation and we have a right to defend our people." He did receive European support from Lithuanian President Dalia Grybauskaitė, who declared that Ukraine should be supported "with all means necessary to defend, not to attack, to defend its people and its territory."

But the peace path was not yet abandoned. The leaders of Ukraine, Russia, Germany, and France were set to meet in Belarus' capital city of Minsk in the second week of February 2015 to discuss a resolution to the violence in eastern Ukraine. The proposal on the table was not actually new -- it seemed to build upon the now-defunct Minsk ceasefire agreement of September 2014, and focus on the establishment of a 40 mile demilitarized zone around the current front lines of the conflict. In an act of good faith in anticipation of the Minsk meeting, the European Union opted to impose further sanctions against pro-Russian separatist, Russians, and key organizations, but to delay the proposed assets freeze and visa bans until after the peace summit had taken place. The intent was to give the talks a chance to yield results and implement them on the basis of the results of the meeting. As noted by French Foreign Minister Laurent Fabius, "The principle of these sanctions remains but the implementation will depend on results on the ground."

Meanwhile, German Chancellor Merkel was by-passing the contingent of United States politicians advocating the arming of the Ukrainian military and, instead, conferring with the president of the United States, Barack Obama, on the details of the new peace plan. A meeting between the two heads of government was held on Feb. 9, 2015, ahead of the Minsk meeting with the leaders of Ukraine, Russia, and France on Feb. 11, 2015. Speaking of the meeting between Obama and Merkel, the spokesperson for the United States National Security Council, Mark Stroh, paid tribute to the German chancellor on behalf of the United States president, saying, "The President values the Chancellor's judgement, and appreciates her strong efforts in marshalling European support and maintaining Transatlantic unity throughout the Ukraine crisis. She has been tireless in her pursuit of a diplomatic solution to the crisis, and the President anticipates a useful and informative discussion about this and other issues."

Even as discussions about a new ceasefire were ongoing, the reality was that pro-Russian separatists were interested only in war as they prepared for fresh assaults on Debaltseve and Mariupol. In fact, on Feb. 8, 2015, reports from eastern Ukraine indicated that pro-Russian separatists were making repeated attempts to attack government positions in Debaltseve, with massive shelling reported in that town. The commander of a squadron that captured the town of Vuhlehirsk close to Debaltseve told international media that his forces had no interest in a truce.

On Feb. 11, 2015, the leaders of Ukraine, Russia, France, and Germany convened peace talks in the city of Minsk in Belarus. Of note was a televised handshake between Ukrainian President Poroshenko and Russian President Putin. However, the meeting was immediately overshadowed from the news in eastern Ukraine that pro-Russian separatists' assaults close to Debaltseve had left as many as 20 Ukrainian soldiers dead. A separate incident resulted in the deaths of several people when a shell hit a bus station in Donetsk.

New Minsk Ceasefire Agreement --

On Feb. 12, 2015, following close to 24 hours of marathon talks, French President François

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Hollande announced that an agreement for peace in eastern Ukraine had been forged to end the fighting and ultimately stabilize the region. The ceasefire was to go into effect at midnight on Feb. 14, 2015 (technically 00.01 on Feb. 15, 2015) and was to be observed by international monitors.

There were provisions for a forthcoming concord that would end the war, and settle difficult issues such as disarmament, the withdrawal of heavy weaponry, amnesty for all fighters, prisoner exchanges, and border control. There was also a roadmap for constitutional reforms that would facilitate the decentralization of separatist-dominated regions of the east. There was also the matter of self-determination in the flashpoint pro-Russian separatist regions of Donetsk and Luhansk. As indicated here, under the terms of the concord, the territory in the east would be returned to Ukraine, but only after the holding of fresh elections in Donetsk and Luhansk under the aegis of Ukrainian law, and on the basis of the aforementioned constitutional reforms that would deal with decentralization.

President Hollande of France hailed the truce, saying, "It is a relief for Europe." German Chancellor Merkel was more restrained, saying that the ceasefire offered a "glimmer of hope." President Poroshenko made initially accused Russia of making "unacceptable" demands of his country but said that Ukraine has stood strong in the face of "ultimatums." Russian President Putin said in an interview with Russian media, "It wasn't the best night for me, but it's a good morning."

Across the Atlantic in the United States, the United States government noted the "significant step" constituted by the agreement, but pointed out that continued fighting in eastern Ukraine was "inconsistent with the spirit of the accord." In truth, it was to be seen if the new Minsk ceasefire agreement would end more positively than the last one. At issue was the ongoing fighting in Debaltseve, where pro-Russian fighters were on the offensive and Ukrainian forces were under pressure. Would the truce be observed there? The rebel leader of Luhansk, Igor Plotnitskiy, issued a more promising note, saying, "We hope that thanks to our efforts today, Ukraine will change and stop firing at civilians, hospitals and socially important facilities." The rebel leader of Donetsk, Alexander Zakharchenko, said the blame would be placed on Ukraine if the ceasefire collapsed, and ominously warned that in that event, there would "be no meetings and no new agreements."

On Feb. 16, 2015, the new Minsk ceasefire agreement appeared to be a conceptual notion rather than a reality as fighting continued in some parts of eastern Ukraine. In truth, the truce did indeed seem to be in place in significant portions of eastern Ukraine; however, in the flashpoint town of Debaltseve where intensive fighting had gone on for weeks, there was no sign of peace. In fact, pro-Russian separatists who were advancing on the town and assaulting Ukrainian forces made clear that there would be no ceasefire in Debaltseve.

By the third week of February 2015, Debaltseve was under pro-Russian separatist control and Ukrainian forces were in retreat. As well, Ukrainian authorities said that pro-Russian were

attacking government-held positions in eastern Ukraine -- including the area around the strategic port of Mariupol. Anatoly Stelmach, a spokesperson for the Ukrainian military, said, "The number of attacks show the terrorists do not want to completely silence their guns." Ukrainian authorities then went further, accusing Russia of dispatching more troops and tanks to the region, specifically in the direction of the town of Novoazovsk on the southern coast. As noted by another Ukrainian military spokesperson, Andriy Lysenko: "In recent days, despite the Minsk (ceasefire) agreement, military equipment and ammunition have been sighted crossing from Russia into Ukraine." Of note was the movement of 20 Russian tanks, 10 missile systems, and deployment of troops into the eastern Ukrainian conflict zone. These moves appeared to hint towards a new battlefield in the war, irrespective of the fact that a new ceasefire agreement was supposedly in place.

Meanwhile, a year after the original Maidan uprising in Kiev ousted former pro-Russian President Yanukovich from power, the one-year anniversary was marked by a somber remembrance in the capital of the lives and territory lost as Ukraine has sought to hold onto its sovereignty in the face of pro-Russian aggression and imperialistic expansion.

But on Ukraine's second largest city of Kharkiv, the situation took a dark turn as citizens marked the occasion. On Feb. 22, 2015, a bomb exploded at a rally for national unity near the city's Palace of Sport, killing two people and injuring 10 more. Four individuals with alleged ties to Russia were detained in connection with the attack. The reality was that Ukraine was still being plagued by conflict despite the latest Minsk ceasefire agreement. Ukrainian President Poroshenko characterized the attack as "a bold attempt to expand the territory of terrorism" and vowed that justice would be served.

As February 2015 came to a close, pro-Russian separatists attempted to win the public relations debate over who was responsible for the latest Minsk ceasefire not taking hold, as they invited journalists to witness the withdrawal of heavy weapons from the eastern Ukrainian front line. Ukrainian authorities dismissed the move, saying that the gesture was intended to obfuscate the reality that the pro-Russian were simply preparing for a fresh offensive.

Nevertheless, the fact of the matter was that in eastern Ukraine at the end of February 2015 was marked by increasing calm. Of course, it was quite possible that pro-Russians were willing to ease up on the fighting now that the railway hub of Debaltseve was under their control. Regardless of the actual cause for the slowing activity in the battlefield, it was to be seen if this sense of calm would prove sustainable.

In the third week of March 2015, amidst the ongoing -- but fragile -- ceasefire agreement, fighting was reported in Donetsk. Of concern was the Spartak district of the city which has seen no cessation of hostilities since the time of the announcement of the new Minsk ceasefire deal. Still, the rest of the region was enjoying some calm, albeit of an uneasy variety.

Western leaders have said that more resources would be needed for monitors to oversee the truce, while warning of further sanctions, should Russian-backed separatists advance further into Ukrainian territory.

Indeed, German Chancellor Angela Merkel has warned that any significant violation of the new -- but fragile -- ceasefire in eastern Ukraine would spur Europe to move forward with further sanctions against Russia for its support of pro-Russian separatists. She said, "So far we've got a fragile ceasefire which needs to be stabilized. But if the Minsk agreement is seriously violated, European leaders and the (European) Commission stand ready to prepare and impose further sanctions."

Then, in the last week of March 2015, leaders of European Union countries said that they intended to link the lifting of economic sanctions on Russia with the full implementation of a Ukraine ceasefire agreement. According to the president of the European Council, Donald Tusk, "The duration of economic sanctions will be clearly linked to the full implementation of the Minsk agreement. We have to maintain our sanctions until the Minsk agreement is fully implemented." This stance made clear that while the European Union was not officially extending its sanctions regime, which was due to expire in mid-2015, without clear benchmarks being met as regards the implementation of a sustainable peace in eastern Ukraine, sanctions would, in fact, be continued.

Meanwhile, the United Kingdom announced it would deploy military forces to Ukraine to help train that country's military in the fight against Russian-backed rebels aiming to establish a "new Russia."

In the first part of April 2015, there was a flare of violence in eastern Ukraine. In the aftermath of the death of one Ukrainian soldier and the wounding of several others, Ukraine accused Russian-backed separatists of using weapons, such as heavy weapons and artillery, that were banned under the terms of the Minsk ceasefire agreement. As stated by a Ukrainian military spokesperson, Oleksandr Motuzyanyk, "The rebels have not stopped firing at Ukrainian positions ... Over the past day, the enemy has used weapons banned under the Minsk agreements." On the other side of the equation, Russian-backed separatists blamed Ukrainian attacks on the injuring of two journalists close to the flashpoint city of Donetsk.

As the spike in violence ensued in eastern Ukraine, foreign ministers from Ukraine, Russia, France, and Germany held talks and agreed to move forward with a plan to remove weaponry from the frontlines of the conflict. The list of items targeted for withdrawal included heavy caliber weapons, mortars, tanks, and armored vehicles.

Note:

To date, as many as 5,000 people have died in a year of war marked by violence and bloodshed.

Could Russian encroachment into Ukraine be part of an economic plot?

In a separate development in late February 2015, the Russian independent newspaper, Novaya Gazeta, published an apparent strategy document showing Russian plans to annex Crimea and integrate other portions of eastern Ukraine. The plan was supposedly presented to the leadership in the Russian Kremlin leaders in early February 2014 -- a period preceding the ousting of pro-Russian President Yanukovich from power in Ukraine and suggestive of an entrenched imperative to get Ukraine under the de facto control of Moscow. Novaya Gazeta characterized the document as an "analytical note" that outlined the economic failures of the Yanukovich regime and the costs to continued support from Moscow. The note also warned against the economic costs to Russia as regards the Ukrainian energy market and control over Ukraine's gas pipelines, which would ultimately redound negatively on Russia.

Key excerpts from the document included the following quote: "The V. Yanukovich regime finally went bankrupt. For the Russian Federation to continue to support it politically, diplomatically, financially and informationally no longer makes any sense" and suggestions that Russia risked "losing not just the Ukrainian energy market, but what is much more dangerous, even indirect control over Ukraine's gas transport system."

But the document went further, as it mused over the benefits of integrating eastern Ukraine into the Russian fold either in a de facto economic alliance or in a more explicit geopolitical manner. A key quote was as follows: "Russia... should attempt to enter into cross-border cooperation agreements and then establish direct inter-government relations with those Ukrainian territories, where there is stable pro-Russian electoral support." The document continues by noting that although the integration of eastern Ukrainian territories into Russia would be costly, the benefits would be "invaluable" from "a geopolitical point of view," since Russia would "gain access to new demographic resources" and "highly qualified personnel in industry and transport."

There was no official response from Western powers, although a NATO military official acknowledged that the contents of the document were consistent with the perception that Russia was "directly involved" in the destabilization of eastern Ukraine. In a report published by Voice of America, that NATO official was quoted as saying, "NATO does not have any comment on the forthcoming publication of an alleged Kremlin strategy document. But it comes to no surprise to NATO that Russia has been directly involved in destabilizing military activities in Ukraine and Crimea from the outset."

While the veracity of the contents of the "analytical note" was yet to be established, it certainly presented a calculating rationale as to why Russia would back pro-Russian separatists in a bid to control eastern Ukraine.

For its part, the Kremlin dismissed the document as nonsense; however, in March 2015, a new dimension of Russia's territorial ambitions in Ukraine emerged when Russian President Putin said in an interview on the Rossiya-1 state television channel that he ordered officials in his government to look at ways to take control over Crimea as early as February 2014. Putin said that he convened an emergency with the commanders of his special forces to discuss the overthrow of pro-Russian President Viktor Yanukovich, and to secure the ousted Ukrainian leader's safe passage to Russia. At the end of that meeting, according to Putin, he signaled his ambitions in Crimea. To this end, Putin said, "This was on the night of Feb. 22 through to Feb. 23. We finished around 7 in the morning. And, while saying goodbye, I told all the colleagues: We have to start the work on Crimea's return into Russia."

Of note was the fact that until this interview with Putin, Russian authorities had insisted that the decision to annex Crimea only occurred after the referendum in the Black Sea peninsula, which ensued on March 16, 2014 and resulted in ratification of the initiative to join Russia. Now, however, Putin was advancing quite a different account. Regardless of the rationale, the fact of the matter was that Crimea was now under Russian control.

Moreover, by the third week of March 2015, Russia made clear that it had no intention of returning Crimea to Ukraine. A spokesperson for the Kremlin, Dmitry Peskov, refused to even acknowledge that Ukraine had any right to the territory, emphasizing that Crimea was now a Russian region. He said, "There is no occupation of Crimea. Crimea is a region of the Russian Federation and of course the subject of our regions is not up for discussion." In truth, however, the vast majority of the countries of the world did not recognize Russia's annexation of Crimea as legitimate, given the flagrant and illegal violation of Ukraine's sovereignty and territorial integrity.

Undeterred by world opinion, and interested only in advancing his national popularity, Russian President Putin intensified his hawkish and aggressive rhetoric, saying in an interview that he had been ready to put nuclear weapons on standby during the Crimea crisis. The Russian president's willingness to play the nuclear threat card was being regarded as a dangerous development, especially since Russia was soon carrying out major military exercises across northern Russia involving more than 45,000 troops, in what was a clear show of military strength intended to intimidate its neighbors. As well, Russian President Putin was flexing his aggressive and hawkish muscles in the region as he ordered the Russian Northern Fleet to be on a state of full combat readiness in the Arctic.

For its part, Ukraine has reminded the world that the annexation of Crimea was illegal and that there would be no normalization of ties with Russia in the future without the return of Crimea to its fold and respect for its sovereignty and territorial integrity. Ukrainian Foreign Minister Pavlo Klimkin was on the record saying, "There could be no slightest way of normalizing or getting back to business in the relations between Ukraine and Russia without returning to status quo and establishing full Ukrainian sovereignty over Crimea." He continued, "The ultimate precondition for

any effective, final settlement is to fully close down the Ukrainian-Russian border... Because everything that has been destabilizing the situation in (the Ukrainian cities of) Donetsk and Lugansk - mercenaries, money, weapons, heavy weaponry, and of course Russian rebel troops - came through the Russian-Ukrainian border."

### Developments in mid-2015

At the start of June 2015, irrespective of the prevailing Minsk ceasefire agreement, the pro-Russian stronghold of Donetsk in eastern Ukraine was mired by fierce fighting between Ukrainian forces and pro-Russian separatists. Battles were also said to be taking place in the nearby areas of Maryinka and Krasnohorivka. Journalists on the ground reported that it was the worst flare of violence in the region since the signing of the new ceasefire in the Belarusian capital of Minsk months prior, with a significant death toll likely to be calculated.

As before, the government of Ukraine, several Western powers, and NATO repeated their accusation that Russia was playing an active role in the conflict, even supplying both weaponry and troops to the separatists. For its part, Russia dismissed these claims and even registered discontent over the term "annexation" as regards its seizure of the Ukrainian region of Crimea, insisting that Crimea was simply "reunited" with Russia. These stances by Russia made clear that there was no consensus between the various parties about the basic events that transpired in eastern Ukraine over the course of the last year.

As regards the latest flare of violence in eastern Ukraine, the Russian Kremlin placed the blame on the Ukrainian military, claiming that those forces had acted provocatively. But the Ukrainian government had a different view and said that Russian-supported separatists were responsible for launching a fresh offensive to the west of Donetsk.

Regardless of the veracity of the respective claims being made by either side, the fact of the matter was that this eruption of violence could not be simply be regarded as simple skirmishes that might blight any peace accord. Instead, the use of heavy weapons made clear that these fresh battles augured a shift in the landscape.

Indeed, Ukrainian President Petro Poroshenko went so far as to call on his military to prepare for a possible "full-scale invasion" by Russia. He said, "There is a colossal threat of a renewal of large-scale military operations from the side of the Russian-terrorist groups. "The military must be ready as much for a renewal of an offensive by the enemy in the Donbass as they are for a full-scale invasion along the whole length of the border with Russia. We must be truly ready for this." The Ukrainian president also noted that rather than reducing its military footprint in the border zone, instead there were more Russian troops in the region than a year before. He said, "The concentration of Russian troops near the state border is one and a half times greater than a year ago."

Unsurprisingly, Russian authorities dismissed this claim with a Russian defense ministry spokesperson, Igor Konashenkov, insisting, "There are no regular Russian troops, let alone tactical combat groups in Ukraine." However, journalists in the field have made note of the buildup of Russian troops and heavy weaponry along the border with Ukraine in the late spring of 2015.

Nevertheless, the West was warning of fresh sanctions against Russia, if needed. United States Treasury Secretary Jack Lew offered support to Ukraine by saying that the United States and its allies from other G7 countries would be prepared to impose more sanctions, should Russia act in an aggressive manner in eastern Ukraine.

But financial repercussions were not the only possible consequences on the table. By mid-June 2015, the United States Pentagon indicated it would move heavy weaponry, such as battle tanks and other infantry fighting vehicles, and even United States troops, to Eastern European and Baltic countries. The move, should it come to pass, would be the first time the United States has placed heavy military equipment on the territories of young NATO states in the region since the end of the Cold War. As such, it was sure to anger Russia, which has been trying to increase its hegemonic presence in the region while driving the countries in the region from the NATO orbit. Instead, Russian aggression in eastern Ukraine was having the opposite effect.

For its part, Russia warned that it would react by ramping up its own forces in the region. In an interview with the Interfax news agency, Russian General Yuri Yakubov said, "If heavy U.S. military equipment, including tanks, artillery batteries and other equipment really does turn up in countries in eastern Europe and the Baltics, that will be the most aggressive step by the Pentagon and NATO since the Cold War. Russia will have no option but to build up its forces and resources on the Western strategic front."

#### Key Developments in the second part of 2015 --

In mid-2015, Ukraine's parliament was moving forward with constitutional reforms aimed at establishing temporary self-rule in the eastern part of the country under pro-Russian rebel rule. The changes to the constitution were aimed at meeting Ukraine's obligations under the prevailing Minsk peace accord. The main provisions contained in the constitutional changes centered on plans for decentralization of power, granting the pro-Russian rebels autonomy in key areas, such as financial and local administration. Ukraine would retain control in areas of defense, foreign policy, national security, rule of law, and civil liberties.

While the legislative progress in Ukraine signaled to some that the government in Kiev was adhering to its Minsk peace accord commitments, Russia objected to the changes, arguing that they did not go far enough to fulfill the obligations of the Minsk. Russian President Vladimir Putin also argued that the constitutional changes were conceived without consulting the Russian-

backed rebels in eastern Ukraine. But there were objections at home in Ukraine where nationalists railed against the move to grant autonomy to pro-Russian rebels, arguing angrily that it constituted political surrender to Russia.

In late August 2015, as legislation on the constitutional reforms granting eastern Ukraine greater self-rule were being debated, violent clashes erupted outside the parliamentary building in Kiev. Nationalist protesters hurled grenades, firecrackers, and smoke bombs at the parliament as the so-called "decentralization" legislation was being advanced for a first reading in the legislative chamber. The ensuing melee resulted in the deaths of at least two Ukrainian national guardsmen charged with protecting the building, as well as injuries to another 100 people -- most of whom were security personnel.

Ukrainian Prime Minister Arseny Yatseniuk as well as Interior Minister Arsen Avakov placed the blame for the violence on the hardline nationalist party, Svoboda (Freedom), which they said was fomenting unrest.

For his part, Ukrainian President Poroshenko concentrated on the political aspect, warning that if the decentralization legislation was not passed by parliament, in keeping with the commitments required by the Minsk Agreement, Ukraine would be at risk of losing its Western support. To this end, President Poroshenko said, "There would have been a real possibility of us being left alone with the aggressor." Heeding this warning, the Ukrainian parliament passed the bill although some hardline nationalist member of parliament railed against the move, screaming "Shame" as the vote was going forward. But this was just a first reading vote with further parliamentary measures to go before the bill actually became the law of the land. It was to be seen if it would survive the heated political environs in Ukraine.

In September 2015, the schedule for local elections in the pro-Russian eastern part of Ukraine was the cause of consternation. Under the terms of the prevailing Minsk peace agreement, local elections in the pro-Russian separatist regions of eastern Ukraine were to be held at the same time as elections across Ukraine. But due to continuing unrest in eastern Ukraine, the government in Kiev said that the vote would have to be postponed. Angered by the prospect of delayed elections, the pro-Russian separatists decided to schedule local polls for October and November 2015 anyway.

The government of Ukraine responded to this act of defiance by the separatists by declaring that it would not view those polls as legitimate and thus not recognize the results. As noted by Ukrainian President Poroshenko: "These aren't elections, they're not free, they will not meet the standards of the OSCE. This directly and severely contradicts the Minsk agreements." The imbroglio was thus threatening to erode and even upend the Minsk peace agreement.

Given these deteriorating conditions, Russia entered to fray in October 2015 and urged the pro-

Russian separatists to postpone the local elections. With the polls now set for February 2016 instead, both sides were given some breathing room and necessary time to craft a scheduling solution that would be mutually acceptable. The West applauded Moscow for playing a constructive role and effectively saving the Minsk peace agreement from collapse. More skeptical observers suggested that Moscow's shift to being a more cooperative player in the Ukrainian crisis was likely driven by its impending financial woes that might require external assistance as well as its new pre-occupation with the Syrian quagmire.

Meanwhile, tensions between Ukraine and the pro-Russian elements continued to be an issue in the region, with Ukraine clearly alarmed about the potential collapse of the peace deal. Of note was Ukraine's request that NATO provide military weaponry to help that country defend itself from Russian-backed rebels. As noted by Ukrainian Prime Minister Arseny Yatseniuk, "Defense capabilities are essential to us in the face of a nuclear country, which has spent tens of billions of dollars on modernizing its army." Not keen to be drawn into the conflict and threatening the already-fragile Minsk peace accord, NATO Secretary-General Jens Stoltenberg signed an agreement to help modernize the Ukrainian armed forces, but stopped short of agreeing to directly provide Ukraine with military weapons. In an interview with Reuters News, Stoltenberg said, "NATO does not provide or supply weapons." He added, "The main focus now is the implementation of the Minsk agreement."

In another sign that the Minsk ceasefire -- fragile as it was -- remained in tact was the fact that both pro-Russian rebels and Ukrainian forces withdrew their light weapons. Given this development, it was perhaps not entirely surprising that NATO was not interested in sparking a fire that was now simmering instead of blazing. Overall, the developments in eastern Ukraine in October 2015 were being cautiously regarded as hopeful signs for a more enduring peace.

Update on Malaysian Air shoot-down disaster:

In mid-2015, a year after Malaysian Airlines Flight 17 was shot down over an eastern Ukrainian war zone, killing close to 300 people, there was a call for justice as evidence began to mount against Russian-backed rebels. Of particular note was a proposal for a United Nations tribunal to prosecute suspects of Malaysian Air shoot-down disaster over eastern Ukraine, as well as a legal case seeking compensation for the families of victims. As July 2015 came to a close, Russia vetoed that proposal when it came before the United Nations Security Council, raising questions that its action was politically motivated. Those suspicions were raised more acutely when, in August 2015, Dutch investigators said fragments of a Russian missile system were found at the crash site, essentially implicating Russia more directly in the shoot-down disaster, which had been generally attributed to pro-Russian separatists in eastern Ukraine. Now, with physical evidence of a Russian missile system being found at the scene of the crash, the Russian veto of the proposal for a United Nations tribunal to prosecute suspects stood out as an example of Russia acting in its own self-interest.

Going back to mid-2014, the landscape in eastern Ukraine was beset by crisis as Russian-backed separatists were at war with the Ukrainian forces in what was becoming a bloody and violent conflict. The already-dire geopolitical landscape took a disturbing turn on July 17, 2014, when a civilian passenger aircraft traveling from Amsterdam in the Netherlands to Kuala Lumpur in Malaysia went down in eastern Ukraine. All 298 people aboard the on board the Boeing 777 airliner -- 283 passengers, including 80 children, and 15 crew members -- perished when Malaysian Airlines flight 17 crashed in the rebel-held territory of Donesk close to the Russian border.

That event augured a geopolitical landmine when it was revealed that the Malaysian Airlines flight was shot down and blame was soon placed on pro-Russian separatists battling Ukrainian forces. Of particular significance was the mounting evidence pointing to the fact that the aircraft was struck by a Russian-supplied missile, which was likely fired by pro-Russian rebels operating in the area.

Indeed, a preliminary report released in September 2014 made note of the fact that the damage to the Flight 17's fuselage and cockpit indicated that it had been impacted by high-energy objects from outside the aircraft. This finding was consistent with the theory that Malaysian Airlines Flight 17 was hit by a missile of some kind. This theory was further bolstered when the Office of the Director of National Intelligence in the United States reported that there was a "solid case" that a SA-11 missile -- also known as the Buk surface-to-surface missile -- was fired from eastern Ukraine and likely struck the airliner, causing it to crash and killing all those on board. Other evidence involved voice recordings of pro-Russian rebel commanders admitting they had shot down the airliner.

The tragedy soon transposed into something of a scandal when the Russian-backed rebels prevented emergency responders from gathering the remains of passengers, and in fact treated both the human remains and the belongings of victims with grave disrespect. As such, in the aftermath of the tragic downing of the Malaysian Airlines flight, and because the majority of the victims with Dutch nationals, Europe's stance against Russia hardened. Accordingly, the West -- including the United States and the European Union -- intensified its sanctions regime against Russia. For its part, Russia has throughout denied any responsible for the tragedy.

A year later in mid-July 2015, the Dutch Safety Board, which was leading a multinational investigation into the tragedy, was in the process of compiling a report on the shoot-down disaster. While the final report was not due to be released until October 2015, preliminary findings indicated the following: 1. There was "no evidence of technical or human error" ; 2. The flight data recorder showed that "all engine parameters were normal for cruise flight" until the recording "stopped abruptly" at the time of the crash; 3. Evidence pointed to the fact that the Russian Buk surface-to-surface missile was fired from a village in eastern Ukraine under pro-Russian control and struck Malaysian Air Flight 17, precipitating the crash. The report also chided Malaysian

Airlines for continuing to fly over a dangerous war zone despite other countries' dispatches and warnings, known as "notices to airmen" or NOTAMs.

As these preliminary findings began to circulate in the public sphere, Malaysia -- one of the countries involved in the multinational inquest -- demanded that the United Nations authorize a tribunal to further probe the crash. This call was echoed by Prime Minister Mark Rutte of the Netherlands -- the country that bore the brunt of the tragic death toll in the downing of Malaysian Airlines Flight 17 -- as he argued that an international tribunal would be needed to ensure justice was served. For his part, Russian President Vladimir Putin dismissed this call for the establishment of such a prosecutorial United Nations tribunal, casting the move as "premature." But his stance was not finding resonance across the world.

Meanwhile, relatives of the Flight 17 victims were wasting no time seeking legal recourse and financial reparations as they filed a \$900 million lawsuit against a Russian-supported rebel leader believed to be responsible for the shoot-down disaster over the eastern Ukrainian warzone. The legal writ filed in the United States alleged that a Russian national, Igor Strelkov (also known as Igor Girkin) was functioning as a rebel leader in eastern Ukraine, and was acting with the "actual or apparent" authority of Russian government when Malaysia Airlines Flight 17 was shot down over eastern Ukraine. Court documents made available to Agence France Presse included the following assertion: "Flight 17 flew over the airspace of the area in which the aforesaid rebel army was waging its war activities and the rebel army under the command responsibility of defendant Girkin shot down the subject Boeing 777-200 aircraft."

Floyd Wisner, the attorney who advanced the lawsuit on behalf of the victims' families said the legal action had "nothing to do with the money." Instead, he made clear that it was intended to pressure both the United Nations and Russia to bring those responsible to justice. Wisner said, "The relatives want answers, and we believe Girkin has answers. This lawsuit could shed light on the families' concerns, particularly over slow-moving diplomatic measures."

Note that as July 2015 came to a close, Russia -- a permanent and thus veto-wielding member of the United Nations Security Council -- vetoed a draft resolution calling for a United Nations tribunal to be established to prosecute suspects of Malaysian Air shoot-down disaster over eastern Ukraine. The proposal was rewarded with 11 of the 15 members of the United Nations Security Council voting in its favor, and with Angola, Venezuela, and China abstaining from the vote. But even that overwhelming tally was not enough to save the draft from surviving Russia's veto.

Given Russia's apparent complicity in the disaster, the general consensus was that the veto was a measure of self-interest by Moscow. Ukrainian Foreign Minister Pavlo Klimkin made this point himself as he said, "There can be no reason to oppose this [unless you are a perpetrator yourself]." For his part, Russia's Ambassador to the United Nations, Vitaly Churkin, dismissed the claim that his country's was attempting to stymie the process of accountability. He noted that

criminal prosecutions would have been carried out in a "closed fashion" and blamed the media for "aggressive propaganda."

Despite this defense, Russia's veto was decried internationally and vociferously. United States Ambassador to the United Nations, Samantha Power, condemned Russia's veto of the draft proposal seeking, as she declared, "Russia has callously disregarded the public outcry in the grieving nations." Australian Foreign Minister Julie Bishop cast the Russian veto as "an affront to the memory of the 298 victims of MH17 and their families and friends." Foreign Minister Bishop also intimated that the Russian veto was not the end of the matter. Instead, she said that her country would be joined by Malaysia, the Netherlands, Belgium, and Ukraine in seeking an alternative pathway to prosecution mechanism.

By August 2015, suspicions about the Russian veto at the United Nations Security Council and Russia's eagerness to evade accountability were heightened more acutely when Dutch investigators said fragments of the Russian Buk surface-to-air missile system were found at the crash site. Fred Westerbeke, a spokesperson for the Dutch Prosecutor's Office, made clear that the fragments were very clearly not parts of the downed aircraft, and that examinations had shown that they were likely from a missile system. He said, "We are going to need more investigation to really find out what exactly this is and if it is part of a possible system that took down MH17. If we can establish that, then we can say that it is a breakthrough."

In a statement, the Joint Investigation Team (JIT) -- led by the Netherlands, but also including representatives of Ukraine, Belgium, Malaysia and Australia -- announced that seven missile fragments had been "secured during a previous recovery mission in eastern Ukraine." The JIT added that further investigation was thus in the offing, noting, "The parts are of particular interest to the criminal investigation as they can possibly provide more information about who was involved in the crash of MH17. For that reason the JIT further investigates the origin of these parts." It was expected that the JIT would prevail upon the expertise of weapons experts and forensic specialists to refine its examination. The investigators stopped short of outright accusing Russia of being behind the shoot-down disaster, noting in careful terms that they had not yet proved a "causal connection" between Russia and the crash of Malaysian Airlines Flight 17 that killed close to 298 people on board.

The discovery of physical evidence of the Russian missile system essentially implicated Russia more closely in the shoot-down disaster, which had been generally attributed to pro-Russian separatists in eastern Ukraine. But in truth, the main question going forward would be whether or not the fatal missile was fired by Russian-backed separatists, or, if the Russian military had played a more direct role in the disaster.

A concluding note --

Ukraine's "Maidan" uprising of 2013 and 2014, resulting in the removal of the pro-Russian Viktor Yanukovich from office and the dismantling of his authority in 2014, were signs that Ukraine was actively resisting influence from Moscow. They were also clear signals that Ukraine was determined to set its own course -- and quite likely in the direction of Europe. The people of Ukraine were delivering Russia a clear message that they would be the agents of their own self-determination. However, Russian President Vladimir Putin was not in a mood to receive that message.

The invasion and de facto annexation of the Ukrainian territory of Crimea by Russia, under the guise of "protecting" the Russian ethno-linguistic population, showed that Russia felt entitled to stake a claim on Ukraine. For the wider world, this action recalled alarming memories of the Soviet invasion of Czechoslovakia in 1968, under the aegis of the Brezhnev Policy, to subdue the independence-minded Prague Spring. It also evoked suggestions that Putin was attempting to recraft a Cold War Russian quasi-empire in the mold of the former Soviet Union.

While the "Maidan" or Independence Square in the Ukrainian capital of Kiev would be stamped in the history books as "Ground Zero" of Ukraine's 2014 unrest, the battleground had clearly move eastward with Crimea as a new flashpoint. But with fighting going on elsewhere in eastern Ukraine, and with "new Russia" enclaves been declared in Donetsk and Luhansk later in 2014, it was evident that Russia would not end its Ukrainian adventure at the borders of Crimea.

In much the same way as the Turks annexed northern Cyprus from that country in 1976, claiming it was protecting the rights of the Turkish ethnic population in Cyprus, which was home to an ethnically Greek population, Russia has done the same in eastern Ukraine. To date, Cyprus has remained divided by the so-called "Green Line," with an internationally recognized Cyprus encompassing most of the island, and a Turkish enclave to the north, which does not enjoy international recognition. A similar Ukraine/Crimea division could materialize as the likely outcome of this unfolding crisis. But with an alternative scenario unfolding that takes Russian ambitions beyond Crimea, possibly in pursuit of the gas pipelines that traverse wider Ukrainian territory, a tidy solution was unlikely.

At stake were Russian ambitions to regain territory lost following the collapse of the Soviet Union. The reality was that Russia was attempting to destabilize Ukraine by supporting pro-Russian cabals in eastern Ukraine, and with an eye on establishing southern and eastern Ukraine as part of Vladimir Putin's "new Russia."

It was to be seen if the landscape in eastern Europe represented the foundation for a renewed Cold War between the East and West. Given the geopolitical and geostrategic stakes, the outcome was clearly being textured by bloodshed and tears. Russian President Putin was banking on the West's rationality and its reluctance to be drawn into another conflict -- especially one on European soil. From the point of view of United States President Barack Obama, the very notion of a Cold War

being in the offing was to be dismissed. According to President Obama, Russia was no longer a superpower and was now operating from a position of weakness as it intimidated neighbors such as Ukraine. But the tragic downing of a commercial airliner in eastern Ukraine in July 2014 raised the geopolitical stakes, and has since spurred the West to apply economic sanctions to Russia.

Economic pressures may have played a hand in forcing Russia to the negotiating table and the forging of two separate ceasefire agreements in the Belarusian capital of Minsk. But, to date, neither Minsk ceasefire agreement has managed to stem the flow of blood, and the encroachment of pro-Russian forces into eastern Ukrainian territory.

In the long run, the outcome to this story was yet to be written.

### Governing Note

#### New prime minister for Ukraine

The spring of 2016 saw the government of Ukraine, led by Prime Minister Arseny Yatseniuk, on the verge of collapse. This landscape was due to an ongoing political crisis that has left proposed reforms in a stalled state, and concomitantly delayed foreign financial loans needed to repair the war-torn economy. It should be noted that Ukrainian President Petro Poroshenko was looking at Finance Minister Natalia Yaresko as a possible prime minister selection to replace Arseny Yatseniuk, whom the president charged no longer commanded the confidence of the people.

In truth, though, Prime Minister Yatseniuk's cabinet actually survived a no confidence vote in February 2016. Nevertheless, President Poroshenko was reported to be convening meetings with the head of political parties in Ukraine to consider a solution to the country's political crisis. One such solution would be the appointment of Yaresko, who was not a career politician, to the helm of a technocratic government. The path down that road would require the consent of Prime Minister Yatseniuk and his party, which commanded control over the second largest bloc of seats in parliament.

By the end of the month, attention had moved to Ukraine's parliamentary speaker Volodymyr Groysman as the likely successor to Yatseniuk, although the prevailing issue remained the same as before -- there would be a need to garner support from parliament. It was to be seen how this would be balanced with the revelation that a new coalition was being formed. To that end, three major parliamentary parties agreed to form a new coalition and nominate parliamentary speaker Volodymyr Groysman to be the new Ukrainian prime minister. The three coalition partners included Prime Minister Yatsenyuk's party, President Petro Poroshenko's faction, and former Prime Minister Yulia Tymoshenko's Fatherland party. With all these machinations unfolding it remained unclear who would emerge as the next prime minister at the helm of a fresh government

coalition.

In the second week of April 2016, Prime Minister Yatseniuk announced that he was resigning, and expressed hopes that his exit as head of government would open the door for Ukraine to institute electoral, constitutional and judicial reforms. At the same time, Yatsenyuk indicated that it was clear that "the political crisis in the government has been unleashed artificially," and the effort to see him exit the political field had "blinded politicians and paralyzed their will to bring about real changes in the country." The outgoing prime minister's resignation would go forward on April 12, 2016 with Yatsenyuk saying, "I have taken the decision to resign as prime minister of Ukraine. On Tuesday, April 12, my request will be submitted to the parliament."

Meanwhile, an arrangement for the formation of a new government was moving forward with parliamentary speaker Volodymyr Hroysman expected to be named as Ukraine's new prime minister. In mid-April 2016, Hroysman was approved in a parliamentary vote to become Ukraine's new prime minister. His objective would be to try to secure loan funding from the International Monetary Fund. But in an address after his confirmation as the new head of government, he said, "I understand the threats that face us. In particular I would like to highlight three threats -- corruption, ineffective governance and populism, which do not pose less of a threat than the enemy in eastern Ukraine."

-- April 2016

Written by Dr. Denise Youngblood Coleman, Editor in Chief, [www.countrywatch.com](http://www.countrywatch.com); see Bibliography for list research resources used to compose this report.

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## Political Risk Index

### Political Risk Index

The **Political Risk Index** is a proprietary index measuring the level of risk posed to governments, corporations, and investors, based on a myriad of political and economic factors. The [Political Risk Index](#) is calculated using an established methodology by CountryWatch's Editor-in-Chief and is based on varied criteria\* including the following consideration: political stability, political representation, democratic accountability, freedom of expression, security and crime, risk of

conflict, human development, jurisprudence and regulatory transparency, economic risk, foreign investment considerations, possibility of sovereign default, and corruption. Scores are assigned from 0-10 using the aforementioned criteria. A score of 0 marks the highest political risk, while a score of 10 marks the lowest political risk. Stated differently, countries with the lowest scores pose the greatest political risk. A score of 0 marks the most dire level of political risk and an ultimate nadir, while a score of 10 marks the lowest possible level of political risk, according to this proprietary index. Rarely will there be scores of 0 or 10 due to the reality that countries contain complex landscapes; as such, the index offers a range of possibilities ranging from lesser to greater risk.

Country	Assessment
Afghanistan	2
Albania	4
Algeria	6
Andorra	9
Angola	4
Antigua	8
Argentina	4
Armenia	4-5
Australia	9.5
Austria	9.5

Azerbaijan	4
Bahamas	8.5
Bahrain	6
Bangladesh	3.5
Barbados	8.5-9
Belarus	3
Belgium	9
Belize	8
Benin	5
Bhutan	5
Bolivia	5
Bosnia-Herzegovina	4
Botswana	7
Brazil	7
Brunei	7
Bulgaria	6
Burkina Faso	4
Burma (Myanmar)	4.5

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Burundi	3
Cambodia	4
Cameroon	5
Canada	9.5
Cape Verde	6
Central African Republic	3
Chad	4
Chile	9
China	7
China: Hong Kong	8
China: Taiwan	8
Colombia	7
Comoros	5
Congo DRC	3
Congo RC	4
Costa Rica	8
Cote d'Ivoire	4.5
Croatia	7

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Cuba	4-4.5
Cyprus	5
Czech Republic	8
Denmark	9.5
Djibouti	4.5
Dominica	7
Dominican Republic	6
East Timor	5
Ecuador	6
Egypt	5
El Salvador	7
Equatorial Guinea	4
Eritrea	3
Estonia	8
Ethiopia	4
Fiji	5
Finland	9
Fr. Yugoslav Rep. Macedonia	5

France	9
Gabon	5
Gambia	4
Georgia	5
Germany	9.5
Ghana	6
Greece	4.5-5
Grenada	8
Guatemala	6
Guinea	3.5
Guinea-Bissau	3.5
Guyana	4.5
Haiti	3.5
Holy See (Vatican)	9
Honduras	4.5-5
Hungary	7
Iceland	8.5-9
India	7.5-8

Indonesia	6
Iran	3.5-4
Iraq	2.5-3
Ireland	8-8.5
Israel	8
Italy	7.5
Jamaica	6.5-7
Japan	9
Jordan	6.5
Kazakhstan	6
Kenya	5
Kiribati	7
Korea, North	1
Korea, South	8
Kosovo	4
Kuwait	7
Kyrgyzstan	4.5
Laos	4.5

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Latvia	7
Lebanon	5.5
Lesotho	6
Liberia	3.5
Libya	2
Liechtenstein	9
Lithuania	7.5
Luxembourg	9
Madagascar	4
Malawi	4
Malaysia	8
Maldives	4.5
Mali	4
Malta	8
Marshall Islands	6
Mauritania	4.5-5
Mauritius	7
Mexico	6.5

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Micronesia	7
Moldova	5
Monaco	9
Mongolia	5
Montenegro	6
Morocco	6.5
Mozambique	4.5-5
Namibia	6.5-7
Nauru	6
Nepal	4
Netherlands	9.5
New Zealand	9.5
Nicaragua	5
Niger	4
Nigeria	4.5
Norway	9.5
Oman	7
Pakistan	3.5

Palau	7
Panama	7.5
Papua New Guinea	5
Paraguay	6.5-7
Peru	7
Philippines	6
Poland	8
Portugal	7.5
Qatar	7.5
Romania	5.5
Russia	5.5
Rwanda	5
Saint Kitts and Nevis	8
Saint Lucia	8
Saint Vincent and Grenadines	8
Samoa	7
San Marino	9
Sao Tome and Principe	5.5

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Saudi Arabia	6
Senegal	6
Serbia	5
Seychelles	7
Sierra Leone	4.5
Singapore	9
Slovak Republic (Slovakia)	8
Slovenia	8
Solomon Islands	6
Somalia	2
South Africa	7
Spain	7.5
Sri Lanka	5
Sudan	3.5
Suriname	5
Swaziland	5
Sweden	9.5
Switzerland	9.5

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Syria	2
Tajikistan	4.5
Tanzania	6
Thailand	6.5
Togo	4.5
Tonga	7
Trinidad and Tobago	8
Tunisia	6
Turkey	7
Turkmenistan	4.5
Tuvalu	7
Uganda	6
Ukraine	3.5-4
United Arab Emirates	7
United Kingdom	9
United States	9.5
Uruguay	8
Uzbekistan	4

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Vanuatu	7
Venezuela	4
Vietnam	5
Yemen	3
Zambia	4.5
Zimbabwe	3

#### \*Methodology

The [Political Risk Index](#) is calculated by CountryWatch's Editor-in-Chief and is based on the combined scoring of varied criteria as follows --

1. political stability (record of peaceful transitions of power, ability of government to stay in office and carry out policies as a result of productive executive-legislative relationship, perhaps with popular support vis a vis risk of government collapse)
2. political representation (right of suffrage, free and fair elections, multi-party participation, and influence of foreign powers)
3. democratic accountability (record of respect for political rights, human rights, and civil liberties, backed by constitutional protections)
4. freedom of expression (media freedom and freedom of expression, right to dissent or express political opposition, backed by constitutional protections)
5. security and crime (the degree to which a country has security mechanisms that ensures safety of citizens and ensures law and order, without resorting to extra-judicial measures)
6. risk of conflict (the presence of conflict; record of coups or civil disturbances; threat of war; threats posed by internal or external tensions; threat or record of terrorism or insurgencies)
7. human development (quality of life; access to education; socio-economic conditions; systemic concern for the status of women and children)

8. jurisprudence and regulatory transparency (the impartiality of the legal system, the degree of transparency within the regulatory system of a country and the durability of that structure)
9. economic conditions (economic stability, investment climate, degree of nationalization of industries, property rights, labor force development)
10. corruption ( the degree of corruption in a country and/or efforts by the government to address graft and other irregularities)

Editor's Note:

As of 2015, the current climate of upheaval internationally -- both politically and economically -- has affected the ratings for several countries across the world.

North Korea, [Afghanistan](#), [Somalia](#), and [Zimbabwe](#) -- retain their low rankings.

Several Middle Eastern and North African countries, such as [Tunisia](#), [Egypt](#), [Libya](#), [Syria](#), [Iraq](#) and [Yemen](#) were downgraded in recent years due to political instability occurring in the "season of unrest" sweeping the region since 2011 and continuing today. The worst downgrades affected [Syria](#) where civil war is at play, along with the rampage of terror being carried out by Islamist terrorists who have also seized control over part of Syrian territory. [Iraq](#) has been further downgraded due to the rampage of Islamist terrorists and their takeover of wide swaths of Iraqi territory. [Libya](#) has also been downgraded further due to its slippage into failed state status; at issue in [Libya](#) have been an ongoing power struggle between rival militias. [Yemen](#) continues to hold steady with a poor ranking due to continued unrest at the hands of Houthi rebels, secessionists, al-Qaida in the Arabian Peninsula, and Islamic State. Its landscape has been further complicated by the fact that it is now the site of a proxy war between [Iran](#) and [Saudi Arabia](#). Conversely, [Tunisia](#) and [Egypt](#) have seen slight upgrades as these countries stabilize.

In Africa, [Zimbabwe](#) continues to be one of the bleak spots of the world with the Mugabe regime effectively destroying the country's once vibrant economy, and miring [Zimbabwe](#) with an exceedingly high rate of inflation, debilitating unemployment, devolving public services, and critical food shortages; rampant crime and political oppression round out the landscape. [Somalia](#) also sports a poor ranking due to the continuing influence of the terror group, al-Shabab, which was not operating across the border in [Kenya](#). On the upside, [Nigeria](#), which was ineffectively dealing with the threat posed by the terror group, Boko Haram, was making some strides on the national security front with its new president at the helm. [Mali](#) was slightly upgraded due to its efforts to return to constitutional order following the 2012 coup and to neutralize the threat of separatists and Islamists. But the [Central African Republic](#) was downgraded due to the takeover of the

government by Muslim Seleka rebels and a continued state of lawlessness in that country. South [Sudan](#) -- the world's newest nation state -- has not been officially included in this assessment; however, it can be unofficially assessed to be in the vicinity of "3" due to its manifold political and economic challenges. [Burkina Faso](#), [Burundi](#) and [Guinea](#) have been downgraded due to political unrest, with [Guinea](#) also having to deal with the burgeoning Ebola crisis.

In Europe, [Ukraine](#) was downgraded due to the unrest facing that country following its Maidan revolution that triggered a pro-Russian uprising in the eastern part of the country. [Russia](#) was also implicated in the Ukrainian crisis due to its intervention on behalf of pro-Russian separatists, as well as its annexation of the Ukrainian territory of Crimea. Strains on the infrastructure of southern and eastern European countries, such as [Serbia](#), [Croatia](#), and [Hungary](#), due to an influx of refugees was expected to pose social and economic challenges, and slight downgrades were made accordingly. So too, a corruption crisis for the Romanian prime minister has affected the ranking of that country. Meanwhile, the rankings for [Spain](#), [Portugal](#), [Ireland](#), and [Italy](#) were maintained due to debt woes and the concomitant effect on the euro zone. [Greece](#), another euro zone nation, was earlier downgraded due to its sovereign debt crisis; however, no further downgrade was added since the country was able to successfully forge a bailout rescue deal with creditor institutions. Cyprus' exposure to Greek banks yielded a downgrade in its case.

In Asia, [Nepal](#) was downgraded in response to continuous political instability and a constitutional crisis that prevails well after landmark elections were held. Both [India](#) and [China](#) retain their rankings; [India](#) holds a slightly higher ranking than [China](#) due to its record of democratic representation and accountability. Increasing violence and political instability in [Pakistan](#) resulted in a downgrade for this country's already low rating. Meanwhile, [Singapore](#) retained its strong rankings due to its continued effective stewardship of the economy and political stability.

In the Americas, ongoing political and economic woes, as well as crime and corruption have affected the rankings for [Mexico](#), [Guatemala](#), and [Brazil](#). [Argentina](#) was downgraded due to its default on debt following the failure of talks with bond holders. [Venezuela](#) was downgraded due to its mix of market unfriendly policies and political oppression. For the moment, the [United States](#) maintains a strong ranking along with [Canada](#), and most of the English-speaking countries of the Caribbean; however, a renewed debt ceiling crisis could cause the [United States](#) to be downgraded in a future edition. Finally, a small but significant upgrade was attributed to [Cuba](#) due to its recent pro-business reforms and its normalization of ties with the United States.

Source:

Dr. Denise Youngblood Coleman, Editor in Chief, CountryWatch Inc. [www.countrywatch.com](http://www.countrywatch.com)

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## Political Stability

### Political Stability

The **Political Stability Index** is a proprietary index measuring a country's level of stability, standard of good governance, record of constitutional order, respect for human rights, and overall strength of democracy. The [Political Stability Index](#) is calculated using an established methodology\* by CountryWatch's Editor-in-Chief and is based on a given country's record of peaceful transitions of power, ability of a government to stay in office and carry out its policies vis a vis risk credible risks of government collapse. Threats include coups, domestic violence and instability, terrorism, etc. This index measures the dynamic between the quality of a country's government and the threats that can compromise and undermine stability. Scores are assigned from 0-10 using the aforementioned criteria. A score of 0 marks the lowest level of political stability and an ultimate nadir, while a score of 10 marks the highest level of political stability possible, according to this proprietary index. Rarely will there be scores of 0 or 10 due to the reality that countries contain complex landscapes; as such, the index offers a range of possibilities ranging from lesser to greater stability.

Country	Assessment
Afghanistan	2
Albania	4.5-5
Algeria	5
Andorra	9.5
Angola	4.5-5

Antigua	8.5-9
Argentina	7
Armenia	5.5
Australia	9.5
Austria	9.5
Azerbaijan	5
Bahamas	9
Bahrain	6
Bangladesh	4.5
Barbados	9
Belarus	4
Belgium	9
Belize	8
Benin	5
Bhutan	5
Bolivia	6
Bosnia-Herzegovina	5
Botswana	8.5

Brazil	7
Brunei	8
Bulgaria	7.5
Burkina Faso	4
Burma (Myanmar)	4.5
Burundi	4
Cambodia	4.5-5
Cameroon	6
Canada	9.5
Cape Verde	6
Central African Republic	3
Chad	4.5
Chile	9
China	7
China: Hong Kong	8
China: Taiwan	8
Colombia	7.5
Comoros	5

Congo DRC	3
Congo RC	5
Costa Rica	9.5
Cote d'Ivoire	3.5
Croatia	7.5
Cuba	4.5
Cyprus	8
Czech Republic	8.5
Denmark	9.5
Djibouti	5
Dominica	8.5
Dominican Republic	7
East Timor	5
Ecuador	7
Egypt	4.5-5
El Salvador	7.5-8
Equatorial Guinea	4.5
Eritrea	4

Estonia	9
Ethiopia	4.5
Fiji	5
Finland	9
Fr. Yugoslav Rep. Macedonia	6.5
France	9
Gabon	5
Gambia	4.5
Georgia	5
Germany	9.5
Ghana	7
Greece	6
Grenada	8.5
Guatemala	7
Guinea	3.5-4
Guinea-Bissau	4
Guyana	6
Haiti	3.5-4

Holy See (Vatican)	9.5
Honduras	6
Hungary	7.5
Iceland	9
India	8
Indonesia	7
Iran	3.5
Iraq	2.5
Ireland	9.5
Israel	8
Italy	8.5-9
Jamaica	8
Japan	9
Jordan	6
Kazakhstan	6
Kenya	5
Kiribati	8
Korea, North	2

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Korea, South	8.5
Kosovo	5.5
Kuwait	7
Kyrgyzstan	5
Laos	5
Latvia	8.5
Lebanon	5.5
Lesotho	5
Liberia	3.5-4
Libya	2
Liechtenstein	9
Lithuania	9
Luxembourg	9.5
Madagascar	4
Malawi	5
Malaysia	8
Maldives	4.5-5
Mali	4.5-5

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Malta	9
Marshall Islands	8
Mauritania	6
Mauritius	8
Mexico	6.5-7
Micronesia	8
Moldova	5.5
Monaco	9.5
Mongolia	6.5-7
Montenegro	8
Morocco	7
Mozambique	5
Namibia	8.5
Nauru	8
Nepal	4.5
Netherlands	9.5
New Zealand	9.5
Nicaragua	6

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Niger	4.5
Nigeria	4.5
Norway	9.5
Oman	7
Pakistan	3
Palau	8
Panama	8.5
Papua New Guinea	6
Paraguay	8
Peru	7.5
Philippines	6
Poland	9
Portugal	9
Qatar	7
Romania	7
Russia	6
Rwanda	5
Saint Kitts and Nevis	9

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Saint Lucia	9
Saint Vincent and Grenadines	9
Samoa	8
San Marino	9.5
Sao Tome and Principe	7
Saudi Arabia	6
Senegal	7.5
Serbia	6.5
Seychelles	8
Sierra Leone	4.5
Singapore	9.5
Slovak Republic (Slovakia)	8.5
Slovenia	9
Solomon Islands	6.5-7
Somalia	2
South Africa	7.5
Spain	9
Sri Lanka	5

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Sudan	3
Suriname	5
Swaziland	5
Sweden	9.5
Switzerland	9.5
Syria	2
Tajikistan	4.5
Tanzania	6
Thailand	6
Togo	5
Tonga	7
Trinidad and Tobago	8
Tunisia	5
Turkey	7.5
Turkmenistan	5
Tuvalu	8.5
Uganda	6
Ukraine	3.5-4

United Arab Emirates	7
United Kingdom	9
United States	9
Uruguay	8.5
Uzbekistan	4
Vanuatu	8.5
Venezuela	4.5-5
Vietnam	4.5
Yemen	2.5
Zambia	5
Zimbabwe	3

### \*Methodology

The Political Stability Index is calculated by CountryWatch's Editor-in-Chief and is based on the combined scoring of varied criteria as follows --

1. record of peaceful transitions of power ( free and fair elections; adherence to political accords)
2. record of democratic representation, presence of instruments of democracy; systemic accountability
3. respect for human rights; respect for civil rights
4. strength of the system of jurisprudence, adherence to constitutional order, and good governance

5. ability of a government to stay in office and carry out its policies vis a vis risk credible risks of government collapse (i.e. government stability versus a country being deemed "ungovernable")
6. threat of coups, insurgencies, and insurrection
7. level of unchecked crime and corruption
8. risk of terrorism and other threats to national security
9. relationship with regional powers and international community; record of bilateral or multilateral cooperation
10. degree of economic strife (i.e. economic and financial challenges)

Editor's Note:

As of 2015, the current climate of upheaval internationally -- both politically and economically -- has affected the ratings for several countries across the world. The usual suspects -- North Korea, [Afghanistan](#), and [Somalia](#) -- retain their low rankings. The reclusive and ultra-dictatorial North Korean regime, which has terrified the world with its nuclear threats, has exhibited internal instability. Of note was a cut-throat purge of hundreds of high ranking officials deemed to be a threat to Kim Jung-un. Despite their attempts to recover from years of lawlessness, war, and warlordism, both [Afghanistan](#) and [Somalia](#) continue to be beset by terrorism and turmoil. In [Afghanistan](#), while international forces have seen success in the effort against the terror group, al-Qaida, the other Islamist extremist group, the Taliban, continues to carry out a vicious insurgency using terrorism. In [Somalia](#), while the government attempts to do the nation's business, the terror group, al-Shabab continues to make its presence known not only in [Somalia](#), but across the border into [Kenya](#) with devastating results/ Also in this category is [Iraq](#), which continues to be rocked by horrific violence and terrorism at the hands of Islamic State, which has taken over wide swaths of Iraqi territory.

Syria, [Libya](#), and [Yemen](#) have been added to this unfortunate echelon of the world's most politically unstable countries. [Syria](#) has been mired by the twin hazards of 1. a civil war as rebels oppose the Assad regime; and 2. the rampage of terror being carried out by Islamic State, which also seized control over vast portions of Syrian territory. Meanwhile, the post-Qaddafi landscape of [Libya](#) has devolved into chaos as rival militias battle for control -- the elected government of the country notwithstanding. Rounding out this grim triad is [Yemen](#), which was dealing with a Houthi rebellion, secessionists in the south, as well as the threat of terrorism from al-Qaida in the Arabian Peninsula as well as Islamic State, while also being the site of a proxy war between Shi'a [Iran](#) and Sunni [Saudi Arabia](#).

Meanwhile, several Middle Eastern and North African countries, such as [Tunisia](#), [Egypt](#), and [Bahrain](#) were downgraded in recent years due to political instability occurring in the "season of unrest" sweeping the region since 2011 and continuing today. All three of these countries have stabilized in recent years and have been upgraded accordingly. In [Bahrain](#), the landscape had calmed. In [Egypt](#), the secular military-backed government has generated criticism for its crackdown on the Muslim Brotherhood; however, the country had ratified the presidency via democratic elections and were on track to hold parliamentary elections as the country moved along the path of democratization. Perhaps the most impressive story was coming out of [Tunisia](#) -- the country whose Jasmine Revolution sparked the entire Arab Spring -- and where after a few years of strife, a new progressive constitution was passed into law and a secular government had been elected to power. [Tunisia](#), [Egypt](#), and [Bahrain](#) have seen slight upgrades as these countries stabilize.

In Africa, the [Central African Republic](#) was downgraded the previous year due to the takeover of the government by Muslim Seleka rebels. Although the country has been trying to emerge from this crisis, the fact of the matter was that it was difficult to halt the precipitous decline into lawlessness in that country. [Zimbabwe](#) has maintained its consistently poor ranking due to the dictatorial regime of Mugabe, who continues to hold a tight grip on power, intimidates the opposition, squashes dissent, and oppresses the white farmer population of the country. Moving in a slightly improved direction is [Nigeria](#), which has sported abysmal ratings due to the government's fecklessness in dealing with the threat posed by the Islamist terror group, Boko Haram. Under its newly-elected government, there appears to be more of a concerted effort to make national security a priority action item. [Mali](#) was also slightly upgraded due to its efforts to return to constitutional order following the 2012 coup and to neutralize the threat of separatists and Islamists. Political instability has visited [Burkina Faso](#) and [Burundi](#) as the leaders of those countries attempted to side-step constitutional limits to hold onto power. In [Burundi](#), an attempted coup ensued but quelled, and the president won a (questionable) new term in office; unrest has since punctuated the landscape. In [Burkina Faso](#), the political climate has turned stormy as a result of a successful coup that ended the rule of the president, and then a putsch against the transitional government. These two African countries have been downgraded as a result.

It should be noted that the African country of South [Sudan](#) -- the world's newest nation state -- has not been officially included in this assessment; however, it can be unofficially assessed to be in the vicinity of "3" due to its manifold political and economic challenges. [Guinea](#) has endured poor rankings throughout, but was slightly downgraded further over fears of social unrest and the Ebola health crisis.

In Europe, [Ukraine](#) was downgraded due to the unrest facing that country following its Maidan revolution that triggered a pro-Russian uprising in the eastern part of the country. [Russia](#) was also implicated in the Ukrainian crisis due to its intervention on behalf of pro-Russian separatists, as

well as its annexation of the Ukrainian territory of Crimea. [Serbia](#) and [Albania](#) were slightly downgraded due to eruptions of unrest, while [Romania](#) was slightly downgraded on the basis of corruption charges against the prime minister. [Spain](#), [Portugal](#), [Ireland](#), and [Italy](#) were downgraded due to debt woes and the concomitant effect on the euro zone. [Greece](#), another euro zone nation, was downgraded the previous year due to its sovereign debt crisis; however, the country successfully forged a rescue deal with international creditors and stayed within the Euro zone. Greek voters rewarded the hitherto unknown upstart party at the polls for these efforts. As a result, [Greece](#) was actually upgraded slightly as it proved to the world that it could endure the political and economic storms. Meanwhile, [Germany](#), [France](#), [Switzerland](#), the [United Kingdom](#), the [Netherlands](#), and the Scandinavian countries continue to post impressive ranking consistent with these countries' strong records of democracy, freedom, and peaceful transfers of power.

In Asia, [Nepal](#) was downgraded in response to continuous political instability well after landmark elections that prevails today. [Cambodia](#) was very slightly downgraded due to post-election instability that has resulted in occasional flares of violence. Despite the "trifecta of tragedy" in [Japan](#) in 2011 -- the earthquake, the ensuing tsunami, and the resulting nuclear crisis -- and the appreciable destabilization of the economic and political terrain therein, this country has only slightly been downgraded. Japan's challenges have been assessed to be transient, the government remains accountable, and there is little risk of default. Both [India](#) and China retain their rankings; [India](#) holds a slightly higher ranking than [China](#) due to its record of democratic representation and accountability. Increasing violence and political instability in [Pakistan](#) resulted in a downgrade for this country's already low rating.

In the Americas, [Haiti](#) retained its downgraded status due to ongoing political and economic woes. [Mexico](#) was downgraded due to its alarming rate of crime. [Guatemala](#) was downgraded due to charges of corruption, the arrest of the president, and uncertainty over the outcome of elections. [Brazil](#) was downgraded due to the corruption charges erupting on the political landscape, the stalling of the economy, and the increasingly loud calls for the impeachment of President Rousseff. [Argentina](#) was downgraded due to its default on debt following the failure of talks with bond holders. [Venezuela](#) was downgraded due to the fact that the country's post-Chavez government is every bit as autocratic and nationalistic, but even more inclined to oppress its political opponents. [Colombia](#) was upgraded slightly due to efforts aimed at securing a peace deal with the FARC insurgents. A small but significant upgrade was attributed to [Cuba](#) due to its recent pro-business reforms and its normalization of ties with the United States. Meanwhile, the [United States](#), [Canada](#), [Costa Rica](#), [Panama](#), and most of the English-speaking countries of the Caribbean retain their strong rankings due to their records of stability and peaceful transfers of power.

In the Pacific, [Fiji](#) was upgraded due to its return to constitutional order and democracy with the holding of the first elections in eight years.

In Oceania, [Maldives](#) has been slightly downgraded due to the government's continued and rather

relentless persecution of the country's former pro-democracy leader - former President Nasheed.

Source:

Dr. Denise Youngblood Coleman, Editor in Chief, CountryWatch Inc. [www.countrywatch.com](http://www.countrywatch.com)

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## Freedom Rankings

### Freedom Rankings

#### Freedom in the World

Editor's Note: This ranking by Freedom House quantifies political freedom and civil liberties into a single combined index on each sovereign country's level of freedom and liberty. The initials "PR" and "CL" stand for Political Rights and Civil Liberties, respectively. The number 1 represents the most free countries and the number 7 represents the least free. Several countries fall in the continuum in between. The freedom ratings reflect an overall judgment based on survey results.

Country	PR	CL	Freedom Status	Trend Arrow
Afghanistan	6 ?	6	Not Free	
Albania*	3	3	Partly Free	

Algeria	6	5	Not Free
Andorra*	1	1	Free
Angola	6	5	Not Free
Antigua and Barbuda*	3 ?	2	Free
Argentina*	2	2	Free
Armenia	6	4	Partly Free
Australia*	1	1	Free
Austria*	1	1	Free
Azerbaijan	6	5	Not Free
Bahamas*	1	1	Free
Bahrain	6 ?	5	Not Free ?
Bangladesh*	3 ?	4	Partly Free
Barbados*	1	1	Free
Belarus	7	6	Not Free
Belgium*	1	1	Free
Belize*	1	2	Free
Benin*	2	2	Free
Bhutan	4	5	Partly Free

Bolivia*	3	3	Partly Free	
Bosnia-Herzegovina*	4	3	Partly Free	
Botswana*	3 ?	2	Free	
Brazil*	2	2	Free	
Brunei	6	5	Not Free	
Bulgaria*	2	2	Free	
Burkina Faso	5	3	Partly Free	
Burma	7	7	Not Free	
Burundi*	4	5	Partly Free	↑
Cambodia	6	5	Not Free	↓
Cameroon	6	6	Not Free	
Canada*	1	1	Free	
Cape Verde*	1	1	Free	
Central African Republic	5	5	Partly Free	
Chad	7	6	Not Free	
Chile*	1	1	Free	
China	7	6	Not Free	
Colombia*	3	4	Partly Free	

Comoros*	3	4	Partly Free	
Congo (Brazzaville )	6	5	Not Free	↓
Congo (Kinshasa)	6	6	Not Free	↓
Costa Rica*	1	1	Free	
Cote d'Ivoire	6	5	Not Free	
Croatia*	1 ?	2	Free	
Cuba	7	6	Not Free	
Cyprus*	1	1	Free	
Czech Republic*	1	1	Free	
Denmark*	1	1	Free	
Djibouti	5	5	Partly Free	
Dominica*	1	1	Free	
Dominican Republic*	2	2	Free	↓
East Timor*	3	4	Partly Free	
Ecuador*	3	3	Partly Free	
Egypt	6	5	Not Free	
El Salvador*	2	3	Free	
Equatorial Guinea	7	7	Not Free	

Eritrea	7	7 ?	Not Free	
Estonia*	1	1	Free	
Ethiopia	5	5	Partly Free	↓
Fiji	6	4	Partly Free	
Finland*	1	1	Free	
France*	1	1	Free	
Gabon	6	5 ?	Not Free ?	
The Gambia	5	5 ?	Partly Free	
Georgia	4	4	Partly Free	
Germany*	1	1	Free	
Ghana*	1	2	Free	
Greece*	1	2	Free	
Grenada*	1	2	Free	
Guatemala*	4 ?	4	Partly Free	
Guinea	7	6 ?	Not Free	
Guinea-Bissau*	4	4	Partly Free	
Guyana*	2	3	Free	
Haiti*	4	5	Partly Free	

Honduras	4 ?	4 ?	Partly Free	
Hungary*	1	1	Free	
Iceland*	1	1	Free	
India*	2	3	Free	
Indonesia*	2	3	Free	
Iran	6	6	Not Free	↓
Iraq	5 ?	6	Not Free	
Ireland*	1	1	Free	
Israel*	1	2	Free	
Italy*	1	2	Free	
Jamaica*	2	3	Free	
Japan*	1	2	Free	
Jordan	6 ?	5	Not Free ?	
Kazakhstan	6	5	Not Free	↓
Kenya	4	4 ?	Partly Free	
Kiribati*	1	1	Free	
Kosovo	5 ?	4 ?	Partly Free ?	
Kuwait	4	4	Partly Free	

Kyrgyzstan	6 ?	5 ?	Not Free ?	
Laos	7	6	Not Free	
Latvia*	2	1	Free	
Lebanon	5	3 ?	Partly Free	
Lesotho*	3 ?	3	Partly Free ?	
Liberia*	3	4	Partly Free	
Libya	7	7	Not Free	
Liechtenstein*	1	1	Free	
Lithuania*	1	1	Free	
Luxembourg*	1	1	Free	
Macedonia*	3	3	Partly Free	↑
Madagascar	6 ?	4 ?	Partly Free	
Malawi*	3 ?	4	Partly Free	
Malaysia	4	4	Partly Free	
Maldives*	3 ?	4	Partly Free	
Mali*	2	3	Free	
Malta*	1	1	Free	↓
Marshall Islands*	1	1	Free	

Mauritania	6	5	Not Free	
Mauritius*	1	2	Free	
Mexico*	2	3	Free	
Micronesia*	1	1	Free	
Moldova*	3 ?	4	Partly Free	
Monaco*	2	1	Free	
Mongolia*	2	2	Free	↑
Montenegro*	3	2 ?	Free ?	
Morocco	5	4	Partly Free	↓
Mozambique	4 ?	3	Partly Free	
Namibia*	2	2	Free	
Nauru*	1	1	Free	
Nepal	4	4	Partly Free	
Netherlands*	1	1	Free	
New Zealand*	1	1	Free	
Nicaragua*	4	4 ?	Partly Free	
Niger	5 ?	4	Partly Free	
Nigeria	5	4	Partly Free	↓

North Korea	7	7	Not Free	↓
Norway*	1	1	Free	
Oman	6	5	Not Free	
Pakistan	4	5	Partly Free	
Palau*	1	1	Free	
Panama*	1	2	Free	
Papua New Guinea*	4	3	Partly Free	
Paraguay*	3	3	Partly Free	
Peru*	2	3	Free	
Philippines	4	3	Partly Free	↓
Poland*	1	1	Free	
Portugal*	1	1	Free	
Qatar	6	5	Not Free	
Romania*	2	2	Free	
Russia	6	5	Not Free	↓
Rwanda	6	5	Not Free	
Saint Kitts and Nevis*	1	1	Free	
Saint Lucia*	1	1	Free	

Saint Vincent and Grenadines*	2	1	Free	
Samoa*	2	2	Free	
San Marino*	1	1	Free	
Sao Tome and Principe*	2	2	Free	
Saudi Arabia	7	6	Not Free	
Senegal*	3	3	Partly Free	
Serbia*	2 ?	2	Free	
Seychelles*	3	3	Partly Free	
Sierra Leone*	3	3	Partly Free	
Singapore	5	4	Partly Free	
Slovakia*	1	1	Free	↓
Slovenia*	1	1	Free	
Solomon Islands	4	3	Partly Free	
Somalia	7	7	Not Free	
South Africa*	2	2	Free	
South Korea*	1	2	Free	
Spain*	1	1	Free	
Sri Lanka*	4	4	Partly Free	

Sudan	7	7	Not Free	
Suriname*	2	2	Free	
Swaziland	7	5	Not Free	
Sweden*	1	1	Free	
Switzerland*	1	1	Free	↓
Syria	7	6	Not Free	
Taiwan*	1 ?	2 ?	Free	
Tajikistan	6	5	Not Free	
Tanzania	4	3	Partly Free	
Thailand	5	4	Partly Free	
Togo	5	4 ?	Partly Free	
Tonga	5	3	Partly Free	
Trinidad and Tobago*	2	2	Free	
Tunisia	7	5	Not Free	
Turkey*	3	3	Partly Free	↓
Turkmenistan	7	7	Not Free	
Tuvalu*	1	1	Free	
Uganda	5	4	Partly Free	

Ukraine*	3	2	Free	
United Arab Emirates	6	5	Not Free	
United Kingdom*	1	1	Free	
United States*	1	1	Free	
Uruguay*	1	1	Free	
Uzbekistan	7	7	Not Free	
Vanuatu*	2	2	Free	
Venezuela	5 ?	4	Partly Free	
Vietnam	7	5	Not Free	↓
Yemen	6 ?	5	Not Free ?	
Zambia*	3	4 ?	Partly Free	
Zimbabwe	6 ?	6	Not Free	

Methodology:

PR and CL stand for political rights and civil liberties, respectively; 1 represents the most free and 7 the least free rating. The ratings reflect an overall judgment based on survey results.

? ? up or down indicates a change in political rights, civil liberties, or status since the last survey.

↑ ↓ up or down indicates a trend of positive or negative changes that took place but that were not sufficient to result in a change in political rights or civil liberties ratings of 1-7.

\* indicates a country's status as an electoral democracy.

Source:

This data is derived from the latest edition of Freedom House's Freedom in the World 2010 edition.

Available at URL: <http://www.freedomhouse.org>

Updated:

Reviewed in 2015

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## Human Rights

### **Human Rights in Ukraine**

#### **Overview**

In November 2004, thousands of Ukrainian citizens began peacefully protesting the apparent manipulation of the elections. The so-called Orange Revolution brought international attention to the political situation in the Ukraine while assisting Yushchenko in defeating Yanukovich. Upon taking office Yushchenko announced his intention to work toward achieving a better human rights record while rectifying some abuses of the past government.

While some improvements have been made, other serious human rights problems remain deeply entrenched in Ukrainian society. In the first year of his administration, Yushchenko worked to lessen the state's control over media. Manipulation of content and harassment of independent journalists has all but ceased. However, attempts to pass legislation that would allow for independent media outlets continue to fail despite the government's support of media reform.

Arbitrary arrest and detention, as well as torture and ill-treatment of detainees, continue to be problems in the Ukraine despite the national human rights ombudsman's campaign to end these practices. Prison conditions are extremely harsh. Overcrowding, violence, inadequate sanitation and lack of access to adequate food and medical provisions continue to persist.

Despite having ratified the Convention Relating to the Status of Refugees, Ukraine fails to offer protection and resources to persons seeking asylum. Police and border security regularly detain undocumented migrants, sometimes for months on end, and deny them access to interpreters and/or legal counsel.

Ukraine is home to one of the world's fastest growing HIV/AIDS epidemic. Drug use, prostitution, sexual abuse in prisons, and unprotected sex, all contribute to the increasing number of HIV/AIDS cases here. Those who are infected with the virus often face societal and workplace discrimination in addition to police harassment.

Racism and xenophobia have long been entrenched in Ukrainian society. Police continue to harass and beat minorities. They also target them for document checks, which often results in bribes or illegal detention. Roma (Gypsies) and Jews are often the target of such abuses.

Most of the men, women, and children, who are trafficked to Europe, the Middle East, and Russia for either sexual exploitation or forced labor, flow through Ukraine. It is a primary source country for these individuals as well.

**Human Development Index (HDI) Rank:**

See Social Overview in Country Review for full list of countries' rankings.

**Human Poverty Index Rank:**

Not Ranked

**Gini Index:**

29

**Life Expectancy at Birth (years):**

66 years

**Unemployment Rate:**

3.1%

**Population living on \$1 a day (%):**

N/A

**Population living on \$2 a day (%):**

N/A

**Population living beneath the Poverty Line (%):**

29%

**Internally Displaced People:**

N/A

Note-Some 94,000 refugees are currently in the Ukraine

**Total Crime Rate (%):**

29.1%

**Health Expenditure (% of GDP):**

Public: 3.3%

**% of GDP Spent on Education:**

5.4%

**Human Rights Conventions Party to:**

- International Convention on the Prevention and Punishment and Punishment of the Crime of Genocide
- International Convention on the Elimination of All Forms of Racial Discrimination
- International Covenant on Civil and Political Rights
- International Covenant on Economic, Social and Cultural Rights
- Convention on the Elimination of All Forms of Discrimination against Women
- Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment
- Conventions on the Rights of the Child
- Convention relating to the Status of Refugees
- Rome Statute of the International Criminal Court (Signed but not yet ratified)

\*Human Development Index (HDI) is a composite index that measures the level of well-being in 177 nations in the world. It uses factors such as poverty, literacy, life-expectancy, education, gross domestic product, and purchasing power parity to assess the average achievements in each nation. It has been used in the United Nation's Human Development Report since 1993.

\*Human Poverty Index Ranking is based on certain indicators used to calculate the Human Poverty Index. Probability at birth of not surviving to age 40, adult literacy rate, population without

sustainable access to an improved water source, and population below income poverty line are the indicators assessed in this measure.

\*The Gini Index measures inequality based on the distribution of family income or consumption. A value of 0 represents perfect equality (income being distributed equally), and a value of 100 perfect inequality (income all going to one individual).

\*The calculation of the total crime rate is the % of the total population which has been effected by property crime, robbery, sexual assault, assault, or bribery (corruption) related occurrences.

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## **Government Functions**

### **Constitution**

The country's constitution was adopted by parliament on June 28, 1996, following a series of disputes between the presidency and the Supreme Council. The constitution established Ukraine as a republic and a unitary state with a mixed presidential-parliamentary system with a strong presidency. The constitution contains special provisions outlining the powers and political structures of the Autonomous Republic of Crimea. Note that the constitution was amended in 2004 and 2010; however, the 2010 amendments were to be reversed in 2014 following the events of the uprising discussed in the "Political Conditions" of this Country Review.

### **Executive Authority**

The president of Ukraine is the head of state and shares executive powers with the Cabinet of Ministers (government). As the head of state, the president represents Ukraine in its foreign relations and serves as the commander-in-chief of the armed forces. The president is directly elected for a five-year term and is limited to two consecutive terms.

The president of Ukraine enjoys considerable political power including the authority to initiate new legislation and call referenda. The president can veto legislation adopted by the Verkhovna Rada, but the veto can be overridden by a two-thirds majority of all members of the Verkhovna Rada.

The president appoints the prime minister, who must win the support of a majority in the Verkhovna Rada, and on the proposal of the prime minister the other ministers of the government. The president, on his or her discretion, can also dismiss the prime minister and government. The president can, under special circumstances of political stalemate, dissolve the Verkhovna Rada and call early elections. The president also appoints one-third of the membership of the Constitutional Court.

Executive authority is also vested in the Cabinet of Ministers (government), which includes the prime minister, vice prime ministers, and other ministers. According to the constitution, the Cabinet of Ministers is responsible to the president but accountable to the Verkhovna Rada, which approves the government in an investiture vote and can dismiss the government in a no-confidence vote. The president nominates the prime minister while the other ministers are appointed by the president based on the recommendation of the prime minister. The Cabinet of Ministers is responsible for implementing the domestic and foreign policies of Ukraine and has the authority to propose new legislation in the Verkhovna Rada.

### **Legislative Authority**

Legislative authority is vested in the unicameral 450-member Verkhovna Rada. Seats in the legislative branch of government are allocated on a proportional basis to those parties that gain three percent or more of the national electoral vote. Members serve five-year terms.

The Verkhovna Rada is responsible for passing laws and exercising executive oversight. The Verkhovna Rada has the authority to call referenda and members have the right to propose new legislation. The Verkhovna Rada approves or disapproves the candidate for prime minister nominated by the president in an absolute majority vote. The Verkhovna Rada also adopts a policy program to be followed by the Cabinet of Ministers (including prime minister) during the government's tenure. The Verkhovna Rada, in a no-confidence vote, can dismiss the prime minister or the government as a whole. In addition to appointing one-third of the membership of the Constitutional Court, the Verkhovna Rada elects justices for most other courts.

### **Judicial Authority**

Judicial authority is vested in the Constitutional Court, Supreme Court, and courts of general jurisdiction. The Constitutional Court consists of 18 justices appointed for nine-year terms without the right of reappointment. The Constitutional Court has the authority of judicial review allowing it to rule on the constitutionality of laws and acts of the political organs of Ukraine. The Supreme Court is the highest court of general jurisdiction. Justices to the Supreme Court and other courts of general jurisdiction are appointed to permanent terms except on their first appointment when they

obtain a five-year term. The president makes first appointments to courts of general jurisdiction and the Verkhovna Rada makes subsequent appointments.

## **Administration**

As mentioned above, the constitution contains clauses specific to the Autonomous Republic of Crimea, which outlines its responsibilities and stipulates its structure of government. The constitution also specifies the special status of Kyiv and Sevastopol and lists the 24 oblasts (provinces) of Ukraine. The country is further divided for administrative purposes into districts, cities, city districts, settlements, and villages.

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## **Government Structure**

### **Names:**

*conventional long form:*

Ukraine

*conventional short form:*

Ukraine

*local long form:*

none

*local short form:*

Ukrayina

*former:*

Ukrainian National Republic, Ukrainian State, Ukrainian Soviet Socialist Republic

### **Type:**

Republic

### **Executive Branch:**

### Head of state:

President Petro Poroshenko (since 2014). Poroshenko won the landmark presidential election of 2014 in Ukraine. He succeeded interim President Oleksandr Turchynov who served from February 2014 until the May 2014 presidential contest. The interim president replaced Viktor Yanukovich, who won the 2010 elections but was ousted from office in 2014 as discussed in the ""Editor's Note" below. Fresh elections to choose a new president took place on May 25, 2014 and resulted with Poroshenko claiming victory and poised to become the new president of Ukraine. Typically, the president is elected for a five-year term by the people.

### Editor's Note on 2014 Uprising:

In late 2013 and into the start of 2014, Ukrainian President Viktor Yanukovich's decision not to move forward with a pending association agreement with the European Union (in favor of an agreement with Russia) resulted in mass protests. By 2014, he was ousted from power and the new interim president of Ukraine declared the country would pursue closer ties with the European Union. The winds of change had swept across Ukraine with the "Maidan" or Independence Square stamped in the history books as "Ground Zero" of Ukraine's 2014 battleground. But that battleground terrain shifted eastward when the Russian parliament granted Russian President Putin authorization to use force in Ukraine, and Russian forces annexed the Ukrainian territory of Crimea. Since that time, Russia has posed a threat to eastern Ukraine and other former Soviet republics in the region. Despite this flagrant violation of its sovereignty, Ukraine has gone forward with a presidential election, and has attempted to stabilize its turbulent political landscape, as discussed below.

### Primer on presidential election in Ukraine

May 25, 2014 --

A presidential election was set to be held in Ukraine on May 25, 2014. The election was intended to democratically decide a new head of state for the country, following the ousting of President Viktor Yanukovich, in February 2014. There were also high hopes that the vote would settle the political landscape in Ukraine that deteriorated to a state of turmoil in the eastern part of the country. Indeed, the period following Yanukovich's ouster has been marked by the refusal of Russia to accept the new pro-European government of Ukraine, a pro-Russian uprising in eastern Ukraine, the Russian annexation of Crimea, and ongoing turbulence in Russian speaking parts of the country, as discussed below.

### Background

The start of 2014 was marked by turbulence and turmoil in Ukraine. Tensions initially flared in late 2013 in response to Ukrainian President Viktor Yanukovich's decision not to move forward with a pending association agreement with the European Union. That decision brought more than 100,000 protesters to the streets to rally against what they saw as Ukraine's movement towards

greater control by Russia. Indeed, the general consensus was that President Yanukovich had bent to pressure by President Vladimir Putin of Russia to step away from the European Union Association Agreement and instead embrace a customs union with Russia.

By the start of 2014, another flare of protests ensued in Ukraine in response to legislation passed by members of parliament loyal to President Yanukovich. The laws at stake were intended to curb the free expression of political opposition and curtail public protests. The passage of such legislation raised the ire of Ukrainians, particularly those aligned with the opposition, and alarmed the West with the United States and European Union worried about the Ukraine's slide into autocracy under Yanukovich. In a twist of irony, the very laws intended to suppress mass action actually spurred exactly that end as mass protests attracting tens of thousands of people once again rocked Ukraine. As January 2014 entered its final week, concessions by President Yanukovich to include members of the opposition in government yielded no positive results. Instead, the unrest spread to the eastern part of the country. With the situation deteriorating, the prime minister and the government resigned, and the Ukrainian parliament repealed the controversial anti-protest laws.

In mid-February 2014, the turmoil re-ignited as police tried to clear the main protest camp. Ukraine was again thrust into a renewed state of turbulence and turmoil. A truce was forged on Feb. 19, 2014, but only after more than two dozen people died. That truce collapsed a day later, effectively returning the capital city of Kiev to a battle zone and leading to an increasing death toll. Yet another agreement was forged in which the president conceded to many of the demands of the opposition. But the deal appeared to have come too late to appease an enraged populace. By Feb. 22, 2014, President Yanukovich had fled to the eastern part of the country while his party abandoned him and joined the opposition to officially impeach him, while his political nemesis, former Prime Minister Tymoshenko, was freed from captivity.

To the chagrin of Russia, the new interim president of Ukraine declared the country would pursue closer ties with the European Union. The move was a clear message to Moscow that Ukraine would not be controlled by Russia and that Ukraine instead was looking toward Europe as it charted its future path. The winds of change had swept across Ukraine with the "Maidan" or Independence Square stamped in the history books as "Ground Zero" of Ukraine's 2014 battleground.

But the celebration in Ukraine did not last long. The battleground terrain shifted eastward at the start of March 2014 when the Russian parliament granted Russian President Putin authorization to use force in Ukraine, and Russian forces annexed the Ukrainian territory of Crimea. Clearly, Putin and Russia felt entitled to reclaim their foothold in Ukraine, thus recalling alarming memories for the rest of the world of the Soviet invasion of then-Czechoslovakia in 1968 to subdue the independence-minded Prague Spring. Adding to the crisis was the perplexing decision by Russian President Putin to refuse to acknowledge that Russian troops were even in Crimea.

In response to Russia's actions against Ukraine, and particularly in the direction of controlling Crimea, the G7 countries (G8 minus Russia) pulled out of preparations for the G8 summit set to take place in Russia and the United States instituted targeted sanctions against Russian officials.

Talks aimed at resolving the crisis yielded no results. Indeed, an East-West conflict was intensifying as Crimea scheduled a referendum for mid-March 2014 when residents would decide whether or not to join Russia. A meeting between Russian Foreign Minister Lavrov and United States Secretary of State Kerry ended in failure. Because Russia viewed the overthrow of Yanukovich as illegal, and because the West viewed Crimea's decision to join Russia as in violation of international law, an impasse was at hand.

The United States and the European Union respectively warned that such a unilateral action would run counter to international law, and thus they would not recognize the likely ratification of Crimean unification with Russia. For its part, Ukraine insisted that it would not accept the fracturing of its territorial integrity.

Meanwhile, the West attempted to condemn Crimea's secession referendum, and issue its support for Ukraine's sovereignty, by moving forward with a resolution in the United Nations Security Council. As expected, Russia -- as a veto-wielding permanent member -- vetoed the draft. Every other Security Council member voted in favor of the measure, with the exception of China, which abstained from the vote. The inaction at the Security Council was reminiscent of the Cold war era in which both sides habitually vetoed the other's measures, essentially creating a state of diplomatic paralysis.

On March 16, 2014, ethnic Russians in Crimea voted overwhelmingly to secede from Ukraine and unite with Russia. Crimea then officially requested that the "Republic of Crimea" be admitted as a new subject to the Russian Federation. On the Russian side of the equation, Russia recognized Crimea as a sovereign entity. Russian President Putin soon responded by officially annexing Crimea.

The United States and the European Union imposed personal sanctions on Russian and Crimean officials. This punitive action was intended as a rebuke against the actions in Crimea; however, there was no sign that Russia was even slightly daunted by its decision to seize control of a territory belonging to Ukraine under the established system of international jurisprudence. As stated above, Russia justified its moves by asserting that the interim post-Yanukovich government in Ukraine was illegitimate.

Russian ambitions to regain territory lost following the collapse of the Soviet Union soon entered into the equation. Of note was the fact that in the aftermath of Russia's annexation of Crimea, Russian attention was glancing towards other parts of eastern Ukraine. Eruptions of unrest in this Russian-speaking part of Ukraine were blamed on Russia, and reminiscent of what had transpired

in Crimea. Indeed, Ukraine was accusing Russia of carrying out its Crimea formula by orchestrating unrest further into Ukrainian territory.

It was to be seen if the landscape in eastern Europe in the spring of 2014 represented the foundation for a renewed Cold War between the East and West. It was also possible that President Barack Obama of the United States was correct in dismissing such a notion on the basis of the fact that Russia was no longer a super power and, instead, a regional power acting as a bully against its neighbors.

The Election:

A presidential election was set to be held in Ukraine on May 25, 2014. The election was intended to democratically decide a new head of state for the country, following the ousting of President Viktor Yanukovich in February 2014. There were also high hopes that the vote would settle the political landscape in Ukraine that deteriorated to a state of turmoil in the eastern part of the country. Indeed, the period following Yanukovich's ouster has been marked by the refusal of Russia to accept the new pro-European government of Ukraine, a pro-Russian uprising in eastern Ukraine, the Russian annexation of Crimea, and ongoing turbulence in Russian-speaking parts of the country.

Ahead of that election, Russian President Vladimir Putin promised his country would work with whatever new Ukrainian administration emerged following that election. Putin said: "We will respect the choice of the Ukrainian people and will be working with the authorities formed on the basis of this election." The Russian leader made this pledge presumably with an eye on easing tensions in eastern Europe even as pro-Russian separatists continued to lobby for Russian integration and rail against the Ukrainian presidential election. Putin's tone of cooperation was welcomed by the West, which has been bedeviled by questions of how to deal with nationalist Russian ambitions in recent times.

Meanwhile, in Ukraine, all eyes were on a billionaire businessman and former cabinet minister Petro Poroshenko as a favorite to win the Ukrainian presidency although veteran politician, former Prime Minister Yulia Tymoshenko, was also viewed as one of the more significant players in the political game. In truth, however, the attention was less on which politician would emerge as the victor, and more on the matter of the election being a proxy sign for stabilization in the Ukrainian political scene.

Election result:

After the ballots were counted, it was the business tycoon, Petro Poroshenko, who claimed victory in Ukraine's presidential contest. The man known as the "chocolate king" because of his confectionary business enterprise, Roshen Chocolates, was also the owner of a television station

and manufacturing interests. He was on track to secure 55 percent of the vote share and, thus, outright victory. Former Prime Minister Yulia Tymoshenko was in a distant second place with 12 percent of the vote share; however, she was quick to concede defeat and offered gracious congratulations to Poroshenko and to Ukraine, declaring: "I want to congratulate the whole of Ukraine since despite external aggression, despite the Kremlin's intent to disrupt this election we had an honest and democratic election in Ukraine."

Meanwhile, former boxing champion-turned opposition politician Vitaliy Klitschko was on track (according to exit poll data) to become the new mayor of Kiev. Klitschko had abandoned his bid for the presidency, turning instead to the mayorship as his first main foray into the political heavyweight scene in Ukraine; however, he was quick to endorse Poroshenko prior to the presidential contest, who was headed for the presidency.

The defeat of former Prime Minister Tymoshenko indicated that Ukrainians were ready for fresh leadership. To that end, Poroshenko also called for fresh parliamentary elections later in the year. Poroshenko additionally promised closer ties with the European Union -- effectively consolidating the pro-Western bent of Kiev since the ouster of Yanukovych at the start of the year. The new president also promised to work to restore peace and stability in the volatile eastern zone of the country, although Poroshenko made it abundantly clear that he would never recognize Russia's "occupation of Crimea." The new president also warned that in regards to relations with Russia, his biggest priority would be the "sovereignty and territorial integrity" of Ukraine. Clearly, Poroshenko was a fierce patriot, aware of the nationalist overtones of the citizenry in recent times, and was determined to send the message that he would defend his country.

It should be noted that the election did not go off smoothly in those restive eastern regions where pro-Russian separatists did their best to disturb and disrupt the democratic process there. Indeed, there were no polling stations open in Donetsk where separatists hold sway.

That being said, the election was regarded as a positive development on Ukraine's difficult and tumultuous political landscape in recent times. As noted by United States President Barack Obama, the election in Ukraine was an "important step forward in the efforts of the Ukrainian government to unify the country."

Post-election developments:

In the days after the election of a new president, Ukraine was subject to bloodshed and violence. On May 27, 2014, pro-Russian separatists tried to seize the airport in the eastern city of Donetsk. Newly-elected President Poroshenko made good on his promise to take a hardline approach to separatists and launched a rapid air and land assault. While dozens of people -- mostly separatist fighters -- were killed as a result, Ukrainian forces were able to regain control over the Sergei Prokofiev airport in Donetsk. The action shifted only two days later to the eastern

city of Sloviansk when pro-Russian separatists shot down a Ukrainian army helicopter, killing 12 people including an army general. Ukraine's newly elected President Poroshenko warned that the pro-Russian rebels responsible for the attack would be punished. He said, "These criminal acts of the enemies of the Ukrainian people will not go unpunished. This is the moment of deep sorrow, and I express my sincere condolences to the families and relatives of the victims. We must make every effort to make sure that no more Ukrainians die at the hands of terrorists and bandits."

In the first week of June 2014, the bloodshed and violence in eastern Ukraine was ongoing. Ahead of the presidential inauguration ceremony, battles between the Ukrainian government and pro-Russian separatists sparked the landscape in the areas of Sloviansk and Donetsk. As well, pro-Russian separatists claimed they brought down an army surveillance helicopter close to Sloviansk and seized a hospital in Donetsk.

#### Inauguration:

On June 7, 2014, Petro Poroshenko was officially inaugurated as the new president of Ukraine. The day before, Poroshenko had a brief and unofficial meeting with his Russian counterpart, Putin, in France where world leaders marked the 70th anniversary of the D-Day invasion. Putin appeared to strike a conciliatory tone as he expressed support for Poroshenko's plans to end the violence in eastern Ukraine, saying he "overall has the right approach" to the crisis. That being said, Putin urged Poroshenko to end "punitive" military operations against pro-Russian separatists in eastern Ukraine.

#### Government Note:

Note that the upheaval in late 2013 and into 2014, with the ousting of Yanukovich from power shifted the power dynamics in parliament, with party loyalties moving quite rigorously in varying directions. In the post-Yanukovich period of 2014, the prime minister was Arseniy Yatsenyuk.

A month later, as August 2014 was drawing to a close, Ukrainian President Petro Poroshenko dissolved the country's parliament, thus paving the way for fresh elections to be held. The office of the president said that parliamentary elections would be held on Oct. 26, 2014. President Poroshenko announced the decision himself via the social media outlet, Twitter, saying: "I have decided to prematurely end the authority of parliament."

The last elections were held in 2012 and, as such, elections were not actually scheduled to be held until 2017. President Petro Poroshenko said that these early elections of 2014 were intended to "cleanse" parliament, essentially starting fresh with a new legislative branch of government that would look at the challenges facing the country through the prism of the realities of 2013/2014 crisis. Note that after these 2014 elections, Prime Minister Yatsenyuk was positioned to return as head of government. See below for developments related to those elections.

Prime Minister:

Prime Minister Arseny Yatsenyuk served from 2014 to 2016. Prime Minister Volodymyr Hroysman succeeded him in 2016 as discussed below. See below for details).

Cabinet:

Council of Ministers; appointed by the president and approved by the Supreme Council

National Security and Defense Council:

The National Security and Defense Council was originally created in 1992, but significantly revamped and strengthened. Members include the president, prime minister, ministers of finance, environment, justice, internal affairs, foreign economic relations, economic and foreign affairs. The NSDC staff is tasked with developing national security policy on domestic and international matters and advising the president.

Presidential Administration:

The Presidential Administration helps draft presidential edicts and provides policy support to the president.

Council of Regions:

The Council of Regions is an advisory body created in September 1994. It includes the oblast chairmen and the Kyiv (Kiev) and Sevastopol City Supreme Councils.

**Legislative Branch:**

Unicameral *Verkhovna Rada* (Supreme Council):

450 seats; allocated on a proportional basis to those parties that gain 3% or more of the national electoral vote; members serve five-year terms; see Special Note below

Government Note:

Note that the upheaval in late 2013 and into 2014, with the ousting of Yanukovych from power shifted the power dynamics in parliament, with party loyalties moving quite rigorously in varying directions. In the post-Yanukovych period of 2014, the prime minister was Arseniy Yatsenyuk.

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"cleanse" parliament, essentially starting fresh with a new legislative branch of government that would look at the challenges facing the country through the prism of the realities of 2013/2014 crisis.

### Primer on 2014 parliamentary elections in Ukraine

Oct. 26, 2014

Snap parliamentary elections were set to be held in Ukraine on Oct. 26, 2014. At stake would be the composition of the unicameral Verkhovna Rada or Supreme Council, which contains 450 seats. Half the seats in the legislative body are allocated on a proportional basis to those parties that gain five percent or more of the national electoral vote; the other half of the seats go to members elected in single mandate districts. Members of the Supreme Council serve five-year terms.

It should be noted that on July 24, 2014, the entire Ukrainian cabinet, headed by Prime Minister Arseniy Yatsenyuk, resigned following the collapse of the ruling coalition. Volodymyr Hroysman was soon named as the country's acting prime minister, who presumably would preside over government until the time of the new parliamentary elections. However, on July 31, 2014, the Ukrainian parliament voted to reject Prime Minister Arseniy Yatsenyuk's resignation. Yatsenyuk was also given a legislative victory when members of parliament approved his proposed amendments to the 2014 budget, which would offset lower revenues by increasing overall spending, which would be used to pay for the military operations against pro-Russian separatists in the eastern part of the country.

A month later, as August 2014 was drawing to a close, Ukrainian President Petro Poroshenko dissolved the country's parliament, thus paving the way for fresh elections to be held. The office of the president said that parliamentary elections would be held on Oct. 26, 2014. President Poroshenko announced the decision himself via the social media outlet, Twitter, saying: "I have decided to prematurely end the authority of parliament."

The last elections were held in 2012 and, as such, elections were not actually scheduled to be held until 2017. However, the power dynamics in parliament shifted as a result of the political upheaval that has plagued Ukraine in late 2013 and into 2014, with the ousting of Yanukovych from power and the ensuing conflict in the eastern part of the country. Indeed, party loyalties moved quite rigorously in varying directions. President Petro Poroshenko said that these early elections of 2014 were intended to "cleanse" parliament, essentially starting fresh with a new legislative branch of government that would look at the challenges facing the country through the prism of the realities of 2013/2014 crisis.

Ahead of these snap 2014 elections, all indications that a political bloc supportive of President Poroshenko was on track to gain the most seats. According to polling data by GfK research, which considered only the seats elected by party list (about half of the total 450 seats at stake), the

pro-Poroshenko bloc was likely to carry close to 30 percent of the vote share. About nine percent of those surveyed would cast their lot with former Prime Minister Yulia Tymoshenko. As well, the Radical Party, led by a populist, Oleh Lyashko, would take between seven and eight percent. Meanwhile, it was clear that the pro-Russia crowd, which had a strong presence in the previous parliament during the presidency of now-ousted Viktor Yanukovich, would be a relic of the past. Yanukovich's Regions Party seemed to have been eliminated from the field of competition entirely in the aftermath of the Russian annexation of Crimea and ongoing unrest in the east, with many of its members now joining other opposition parties. It was possible that in their reconstituted roles they could gain representation in the single-mandate constituencies calculated by the "first past the post" system; however, the outcome was yet to be decided.

This polling data proved to be somewhat predictive as the pro-Poroshenko bloc did, indeed, register a strong performance at the polls. Poroshenko's bloc was on track to carry about 22 percent. However, the party of his ally, Prime Minister Arseny Yatseniuk, was set to take about slightly more of the vote share -- between 22 and 23 percent. Another pro-Western party allied with Poroshenko, Samopomich (Self Help in English), stood in third place with 13 percent. Together, these parties would have significant power in the incoming parliament.

Both the populist Radical Party and the nationalist Svoboda (Freedom) party were likely to have gained enough support to enter parliament, along with the Batkivshchyna (Fatherland) party of former Prime Minister Yulia Tymoshenko, who nonetheless saw a sharp drop in popular support. With close to six percent of the vote share, Batkivshchyna (Fatherland) would be able to enter parliament. But clearly, the new pro-Western parties of President Poroshenko and Prime Minister Arseny Yatseniuk were the ones commanding the lion's share of popular support in post-EuroMaiden Ukraine. Tymoshenko's influence on the Ukrainian political landscape was waning.

Meanwhile, the pro-Russian Opposition Bloc, led by former Fuel Minister Yuri Boiko (a stalwart of ousted President Yanukovich, secured around eight percent. This result for the opposition was a reminder that pro-Russian sentiment remained in the Ukrainian political sphere and Opposition Bloc would offer a voice in the new parliament. However, other parties affiliated with Russia and former regime of President Yanukovich went down to spectacular defeat.

Note that these results were for votes by party only to fill half the parliamentary seats. The rest of the parliamentary seats would be decided on the basis of individual electoral districts.

Overall, the election result provided further legitimacy to the new pro-Western authorities in Ukraine and bolstered the president's security plan for dealing with pro-Russians in the restive and rebellious eastern region of Ukraine. In a national address, President Poroshenko said that voters had given "strong and irreversible backing to Ukraine's path to Europe." He added that the election result showed support for the "political methods" he employed to end the conflict with pro-Russian separatists in eastern Ukraine.

The government formation process was expected to begin with Prime Minister Yatsenyuk saying that the incoming coalition government would be "very pro-reform and pro-European." Meanwhile, as the leader of the People's Front, which won the most votes in the parliamentary elections, Yatsenyuk was expected to keep his job as head of government. Yatseniuk said, "The party which has taken first place in the elections has to begin the process of forming a coalition ... the leader of (this) party heads the government." He reaffirmed his commitment to the Western and pro-European orientation of any future coalition government he might form, saying, "I propose we call this the European Ukraine coalition... A new pro-Europe government and a new pro-reform European majority should emerge in parliament which will be capable of launching speedy reforms that can not be put off."

President Poroshenko on Oct. 31, 2014 endorsed Yatseniuk for a new term as prime minister. Announcing his backing via the social media outlet Twitter, President Poroshenko tweeted: "I have proposed to the faction of the Poroshenko bloc that it submits Arseny Yatseniuk as a candidate for prime minister."

#### Governing Note:

The spring of 2016 saw the government of Ukraine, led by Prime Minister Arseny Yatseniuk, on the verge of collapse. This landscape was due to an ongoing political crisis that has left proposed reforms in a stalled state, and concomitantly delayed foreign financial loans needed to repair the war-torn economy. It should be noted that Ukrainian President Petro Poroshenko was looking at Finance Minister Natalia Yaresko as a possible prime minister selection to replace Arseny Yatseniuk, whom the president charged no longer commanded the confidence of the people.

In truth, though, Prime Minister Yatseniuk's cabinet actually survived a no confidence vote in February 2016. Nevertheless, President Poroshenko was reported to be convening meetings with the head of political parties in Ukraine to consider a solution to the country's political crisis. One such solution would be the appointment of Yaresko, who was not a career politician, to the helm of a technocratic government. The path down that road would require the consent of Prime Minister Yatseniuk and his party, which commanded control over the second largest bloc of seats in parliament.

By the end of the month, attention had moved to Ukraine's parliamentary speaker Volodymyr Groysman as the likely successor to Yatseniuk, although the prevailing issue remained the same as before -- there would be a need to garner support from parliament. It was to be seen how this would be balanced with the revelation that a new coalition was being formed. To that end, three major parliamentary parties agreed to form a new coalition and nominate parliamentary speaker Volodymyr Groysman to be the new Ukrainian prime minister. The three coalition partners included Prime Minister Yatsenyuk's party, President Petro Poroshenko's faction, and former Prime Minister Yulia Tymoshenko's Fatherland party. With all these machinations unfolding it

remained unclear who would emerge as the next prime minister at the helm of a fresh government coalition.

In the second week of April 2016, Prime Minister Yatseniuk announced that he was resigning, and expressed hopes that his exit as head of government would open the door for Ukraine to institute electoral, constitutional and judicial reforms. At the same time, Yatsenyuk indicated that it was clear that "the political crisis in the government has been unleashed artificially," and the effort to see him exit the political field had "blinded politicians and paralyzed their will to bring about real changes in the country." The outgoing prime minister's resignation would go forward on April 12, 2016 with Yatsenyuk saying, "I have taken the decision to resign as prime minister of Ukraine. On Tuesday, April 12, my request will be submitted to the parliament."

Meanwhile, an arrangement for the formation of a new government was moving forward with parliamentary speaker Volodymyr Hroysman expected to be named as Ukraine's new prime minister. In mid-April 2016, Hroysman was approved in a parliamentary vote to become Ukraine's new prime minister. His objective would be to try to secure loan funding from the International Monetary Fund. But in an address after his confirmation as the new head of government, he said, "I understand the threats that face us. In particular I would like to highlight three threats -- corruption, ineffective governance and populism, which do not pose less of a threat than the enemy in eastern Ukraine."

**Judicial Branch:**

Supreme Court is the highest judicial body; Constitutional Court has exclusive jurisdiction over interpretation of the constitution and laws

**Constitution:**

Adopted June 28, 1996; amended 2004, 2010, (2010 amendments to be reversed in 2014)

**Legal System:**

Based on civil law system; judicial review of legislative acts

**Political Parties and Alliances:**

Batkivshchyna ("Fatherland") [Yuliya TYMOSHENKO]

Bloc of Petro Poroshenko – Solidarnist or BPP [Vitali KLYCHKO] (formed from the merger of Solidarnist and UDAR)

Communist Party of Ukraine or CPU [Petro SYMONENKO] (banned as of July 2015)

Narodnyy Front ("People's Front") or NF [Arseniy YATSENIUK]

Opposition Bloc or OB [Yuriy BOYKO]  
Radical Party [Oleh LYASHKO]  
Samopomich ("Self Reliance") [Andriy SADOVYY]  
Svoboda ("Freedom") [Oleh TYAHNYBOK]  
Ukrainian Association of Patriots or UKROP [Hennadiy KORBAN]  
Vidrozhennya ("Revival") [Vitaliy KHOMUTYNNIK] (parliamentary group)  
Volya Naroda ("People's Will") or VN (parliamentary group)

**Suffrage:**

18 years of age; universal

**Administrative Divisions:**

24 oblasti (singular - oblast), 1 autonomous republic\* (avtonomna respublika), and 2 municipalities (mista, singular - misto) with oblast status\*\*; Cherkas'ka (Cherkasy), Chernihivs'ka (Chernihiv), Chernivets'ka (Chernivtsi), Dnipropetrovs'ka (Dnipropetrovs'k), Donets'ka (Donets'k), Ivano-Frankivs'ka (Ivano-Frankivs'k), Kharkivs'ka (Kharkiv), Khersons'ka (Kherson), Khmel'nyts'ka (Khmel'nyts'kyy), Kirovohrads'ka (Kirovohrad), Kyyiv\*\*, Kyyivs'ka (Kyiv), Luhans'ka (Luhans'k), L'vivs'ka (L'viv), Mykolayivs'ka (Mykolayiv), Odes'ka (Odesa), Poltavs'ka (Poltava), Respublika Krym\* (Simferopol'), Rivnens'ka (Rivne), Sevastopol\*\*, Sums'ka (Sumy), Ternopil's'ka (Ternopil'), Vinnyts'ka (Vinnytsya), Volyns'ka (Luts'k), Zakarpats'ka (Uzhhorod), Zaporiz'ka (Zaporizhzhya), Zhytomyrs'ka (Zhytomyr)

Note:

The names in parentheses are administrative centers (capitals). In some cases the name of the oblast is derived from the administrative seat and in others it is not, However, in English, the name of the capital seems to differ from oblast name due to the feminine gender of the adjective form of the oblast or city name.

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## Principal Government Officials

**Leadership of Ukraine:**

**Executive Branch:**

Head of state:

President Petro Poroshenko (since 2014). Poroshenko won the landmark presidential election of 2014 in Ukraine. He succeeded interim President Oleksandr Turchynov who served from February 2014 until the May 2014 presidential contest. The interim president replaced Viktor Yanukovich, who won the 2010 elections but was ousted from office in 2014 as discussed in the ""Editor's Note" below. Fresh elections to choose a new president took place on May 25, 2014 and resulted with Poroshenko claiming victory and poised to become the new president of Ukraine. Typically, the president is elected for a five-year term by the people.

Editor's Note on 2014 Uprising:

In late 2013 and into the start of 2014, Ukrainian President Viktor Yanukovich's decision not to move forward with a pending association agreement with the European Union (in favor of an agreement with Russia) resulted in mass protests. By 2014, he was ousted from power and the new interim president of Ukraine declared the country would pursue closer ties with the European Union. The winds of change had swept across Ukraine with the "Maidan" or Independence Square stamped in the history books as "Ground Zero" of Ukraine's 2014 battleground. But that battleground terrain shifted eastward when the Russian parliament granted Russian President Putin authorization to use force in Ukraine, and Russian forces annexed the Ukrainian territory of Crimea. Since that time, Russia has posed a threat to eastern Ukraine and other former Soviet republics in the region. Despite this flagrant violation of its sovereignty, Ukraine has gone forward with a presidential election, and has attempted to stabilize its turbulent political landscape, as discussed below.

Primer on presidential election in Ukraine

May 25, 2014 --

A presidential election was set to be held in Ukraine on May 25, 2014. The election was intended to democratically decide a new head of state for the country, following the ousting of President Viktor Yanukovich, in February 2014. There were also high hopes that the vote would settle the political landscape in Ukraine that deteriorated to a state of turmoil in the eastern part of the country. Indeed, the period following Yanukovich's ouster has been marked by the refusal of Russia to accept the new pro-European government of Ukraine, a pro-Russian uprising in eastern Ukraine, the Russian annexation of Crimea, and ongoing turbulence in Russian speaking parts of the country, as discussed below.

Background

The start of 2014 was marked by turbulence and turmoil in Ukraine. Tensions initially flared in late 2013 in response to Ukrainian President Viktor Yanukovich's decision not to move forward with a pending association agreement with the European Union. That decision brought more than

100,000 protesters to the streets to rally against what they saw as Ukraine's movement towards greater control by Russia. Indeed, the general consensus was that President Yanukovich had bent to pressure by President Vladimir Putin of Russia to step away from the European Union Association Agreement and instead embrace a customs union with Russia.

By the start of 2014, another flare of protests ensued in Ukraine in response to legislation passed by members of parliament loyal to President Yanukovich. The laws at stake were intended to curb the free expression of political opposition and curtail public protests. The passage of such legislation raised the ire of Ukrainians, particularly those aligned with the opposition, and alarmed the West with the United States and European Union worried about the Ukraine's slide into autocracy under Yanukovich. In a twist of irony, the very laws intended to suppress mass action actually spurred exactly that end as mass protests attracting tens of thousands of people once again rocked Ukraine. As January 2014 entered its final week, concessions by President Yanukovich to include members of the opposition in government yielded no positive results. Instead, the unrest spread to the eastern part of the country. With the situation deteriorating, the prime minister and the government resigned, and the Ukrainian parliament repealed the controversial anti-protest laws.

In mid-February 2014, the turmoil re-ignited as police tried to clear the main protest camp. Ukraine was again thrust into a renewed state of turbulence and turmoil. A truce was forged on Feb. 19, 2014, but only after more than two dozen people died. That truce collapsed a day later, effectively returning the capital city of Kiev to a battle zone and leading to an increasing death toll. Yet another agreement was forged in which the president conceded to many of the demands of the opposition. But the deal appeared to have come too late to appease an enraged populace. By Feb. 22, 2014, President Yanukovich had fled to the eastern part of the country while his party abandoned him and joined the opposition to officially impeach him, while his political nemesis, former Prime Minister Tymoshenko, was freed from captivity.

To the chagrin of Russia, the new interim president of Ukraine declared the country would pursue closer ties with the European Union. The move was a clear message to Moscow that Ukraine would not be controlled by Russia and that Ukraine instead was looking toward Europe as it charted its future path. The winds of change had swept across Ukraine with the "Maidan" or Independence Square stamped in the history books as "Ground Zero" of Ukraine's 2014 battleground.

But the celebration in Ukraine did not last long. The battleground terrain shifted eastward at the start of March 2014 when the Russian parliament granted Russian President Putin authorization to use force in Ukraine, and Russian forces annexed the Ukrainian territory of Crimea. Clearly, Putin and Russia felt entitled to reclaim their foothold in Ukraine, thus recalling alarming memories for the rest of the world of the Soviet invasion of then-Czechoslovakia in 1968 to subdue the independence-minded Prague Spring. Adding to the crisis was the perplexing decision by Russian President Putin to refuse to acknowledge that Russian troops were even in Crimea.

In response to Russia's actions against Ukraine, and particularly in the direction of controlling Crimea, the G7 countries (G8 minus Russia) pulled out of preparations for the G8 summit set to take place in Russia and the United States instituted targeted sanctions against Russian officials.

Talks aimed at resolving the crisis yielded no results. Indeed, an East-West conflict was intensifying as Crimea scheduled a referendum for mid-March 2014 when residents would decide whether or not to join Russia. A meeting between Russian Foreign Minister Lavrov and United States Secretary of State Kerry ended in failure. Because Russia viewed the overthrow of Yanukovich as illegal, and because the West viewed Crimea's decision to join Russia as in violation of international law, an impasse was at hand.

The United States and the European Union respectively warned that such a unilateral action would run counter to international law, and thus they would not recognize the likely ratification of Crimean unification with Russia. For its part, Ukraine insisted that it would not accept the fracturing of its territorial integrity.

Meanwhile, the West attempted to condemn Crimea's secession referendum, and issue its support for Ukraine's sovereignty, by moving forward with a resolution in the United Nations Security Council. As expected, Russia -- as a veto-wielding permanent member -- vetoed the draft. Every other Security Council member voted in favor of the measure, with the exception of China, which abstained from the vote. The inaction at the Security Council was reminiscent of the Cold war era in which both sides habitually vetoed the other's measures, essentially creating a state of diplomatic paralysis.

On March 16, 2014, ethnic Russians in Crimea voted overwhelmingly to secede from Ukraine and unite with Russia. Crimea then officially requested that the "Republic of Crimea" be admitted as a new subject to the Russian Federation. On the Russian side of the equation, Russia recognized Crimea as a sovereign entity. Russian President Putin soon responded by officially annexing Crimea.

The United States and the European Union imposed personal sanctions on Russian and Crimean officials. This punitive action was intended as a rebuke against the actions in Crimea; however, there was no sign that Russia was even slightly daunted by its decision to seize control of a territory belonging to Ukraine under the established system of international jurisprudence. As stated above, Russia justified its moves by asserting that the interim post-Yanukovich government in Ukraine was illegitimate.

Russian ambitions to regain territory lost following the collapse of the Soviet Union soon entered into the equation. Of note was the fact that in the aftermath of Russia's annexation of Crimea, Russian attention was glancing towards other parts of eastern Ukraine. Eruptions of unrest in this

Russian-speaking part of Ukraine were blamed on Russia, and reminiscent of what had transpired in Crimea. Indeed, Ukraine was accusing Russia of carrying out its Crimea formula by orchestrating unrest further into Ukrainian territory.

It was to be seen if the landscape in eastern Europe in the spring of 2014 represented the foundation for a renewed Cold War between the East and West. It was also possible that President Barack Obama of the United States was correct in dismissing such a notion on the basis of the fact that Russia was no longer a super power and, instead, a regional power acting as a bully against its neighbors.

The Election:

A presidential election was set to be held in Ukraine on May 25, 2014. The election was intended to democratically decide a new head of state for the country, following the ousting of President Viktor Yanukovich in February 2014. There were also high hopes that the vote would settle the political landscape in Ukraine that deteriorated to a state of turmoil in the eastern part of the country. Indeed, the period following Yanukovich's ouster has been marked by the refusal of Russia to accept the new pro-European government of Ukraine, a pro-Russian uprising in eastern Ukraine, the Russian annexation of Crimea, and ongoing turbulence in Russian-speaking parts of the country.

Ahead of that election, Russian President Vladimir Putin promised his country would work with whatever new Ukrainian administration emerged following that election. Putin said: "We will respect the choice of the Ukrainian people and will be working with the authorities formed on the basis of this election." The Russian leader made this pledge presumably with an eye on easing tensions in eastern Europe even as pro-Russian separatists continued to lobby for Russian integration and rail against the Ukrainian presidential election. Putin's tone of cooperation was welcomed by the West, which has been bedeviled by questions of how to deal with nationalist Russian ambitions in recent times.

Meanwhile, in Ukraine, all eyes were on a billionaire businessman and former cabinet minister Petro Poroshenko as a favorite to win the Ukrainian presidency although veteran politician, former Prime Minister Yulia Tymoshenko, was also viewed as one of the more significant players in the political game. In truth, however, the attention was less on which politician would emerge as the victor, and more on the matter of the election being a proxy sign for stabilization in the Ukrainian political scene.

Election result:

After the ballots were counted, it was the business tycoon, Petro Poroshenko, who claimed victory in Ukraine's presidential contest. The man known as the "chocolate king" because of his

confectionary business enterprise, Roshen Chocolates, was also the owner of a television station and manufacturing interests. He was on track to secure 55 percent of the vote share and, thus, outright victory. Former Prime Minister Yulia Tymoshenko was in a distant second place with 12 percent of the vote share; however, she was quick to concede defeat and offered gracious congratulations to Poroshenko and to Ukraine, declaring: "I want to congratulate the whole of Ukraine since despite external aggression, despite the Kremlin's intent to disrupt this election we had an honest and democratic election in Ukraine."

Meanwhile, former boxing champion-turned opposition politician Vitaliy Klitschko was on track (according to exit poll data) to become the new mayor of Kiev. Klitschko had abandoned his bid for the presidency, turning instead to the mayorship as his first main foray into the political heavyweight scene in Ukraine; however, he was quick to endorse Poroshenko prior to the presidential contest, who was headed for the presidency.

The defeat of former Prime Minister Tymoshenko indicated that Ukrainians were ready for fresh leadership. To that end, Poroshenko also called for fresh parliamentary elections later in the year. Poroshenko additionally promised closer ties with the European Union -- effectively consolidating the pro-Western bent of Kiev since the ouster of Yanukovich at the start of the year. The new president also promised to work to restore peace and stability in the volatile eastern zone of the country, although Poroshenko made it abundantly clear that he would never recognize Russia's "occupation of Crimea." The new president also warned that in regards to relations with Russia, his biggest priority would be the "sovereignty and territorial integrity" of Ukraine. Clearly, Poroshenko was a fierce patriot, aware of the nationalist overtones of the citizenry in recent times, and was determined to send the message that he would defend his country.

It should be noted that the election did not go off smoothly in those restive eastern regions where pro-Russian separatists did their best to disturb and disrupt the democratic process there. Indeed, there were no polling stations open in Donetsk where separatists hold sway.

That being said, the election was regarded as a positive development on Ukraine's difficult and tumultuous political landscape in recent times. As noted by United States President Barack Obama, the election in Ukraine was an "important step forward in the efforts of the Ukrainian government to unify the country."

Post-election developments:

In the days after the election of a new president, Ukraine was subject to bloodshed and violence. On May 27, 2014, pro-Russian separatists tried to seize the airport in the eastern city of Donetsk. Newly-elected President Poroshenko made good on his promise to take a hardline approach to separatists and launched a rapid air and land assault. While dozens of people -- mostly separatist fighters -- were killed as a result, Ukrainian forces were able to regain control

over the Sergei Prokofiev airport in Donetsk. The action shifted only two days later to the eastern city of Sloviansk when pro-Russian separatists shot down a Ukrainian army helicopter, killing 12 people including an army general. Ukraine's newly elected President Poroshenko warned that the pro-Russian rebels responsible for the attack would be punished. He said, "These criminal acts of the enemies of the Ukrainian people will not go unpunished. This is the moment of deep sorrow, and I express my sincere condolences to the families and relatives of the victims. We must make every effort to make sure that no more Ukrainians die at the hands of terrorists and bandits."

In the first week of June 2014, the bloodshed and violence in eastern Ukraine was ongoing. Ahead of the presidential inauguration ceremony, battles between the Ukrainian government and pro-Russian separatists sparked the landscape in the areas of Sloviansk and Donetsk. As well, pro-Russian separatists claimed they brought down an army surveillance helicopter close to Sloviansk and seized a hospital in Donetsk.

#### Inauguration:

On June 7, 2014, Petro Poroshenko was officially inaugurated as the new president of Ukraine. The day before, Poroshenko had a brief and unofficial meeting with his Russian counterpart, Putin, in France where world leaders marked the 70th anniversary of the D-Day invasion. Putin appeared to strike a conciliatory tone as he expressed support for Poroshenko's plans to end the violence in eastern Ukraine, saying he "overall has the right approach" to the crisis. That being said, Putin urged Poroshenko to end "punitive" military operations against pro-Russian separatists in eastern Ukraine.

#### Government Note:

Note that the upheaval in late 2013 and into 2014, with the ousting of Yanukovich from power shifted the power dynamics in parliament, with party loyalties moving quite rigorously in varying directions. In the post-Yanukovich period of 2014, the prime minister was Arseniy Yatsenyuk.

A month later, as August 2014 was drawing to a close, Ukrainian President Petro Poroshenko dissolved the country's parliament, thus paving the way for fresh elections to be held. The office of the president said that parliamentary elections would be held on Oct. 26, 2014. President Poroshenko announced the decision himself via the social media outlet, Twitter, saying: "I have decided to prematurely end the authority of parliament."

The last elections were held in 2012 and, as such, elections were not actually scheduled to be held until 2017. President Petro Poroshenko said that these early elections of 2014 were intended to "cleanse" parliament, essentially starting fresh with a new legislative branch of government that would look at the challenges facing the country through the prism of the realities of 2013/2014 crisis. Note that after these 2014 elections, Prime Minister Yatsenyuk was positioned to return as head of government. See below for developments related to those elections.

Prime Minister:

Prime Minister Arseniy Yatsenyuk served from 2014 to 2016. Prime Minister Volodymyr Hroysman succeeded him in 2016 as discussed below. See below for details).

Cabinet:

Council of Ministers; appointed by the president and approved by the Supreme Council

National Security and Defense Council:

The National Security and Defense Council was originally created in 1992, but significantly revamped and strengthened. Members include the president, prime minister, ministers of finance, environment, justice, internal affairs, foreign economic relations, economic and foreign affairs. The NSDC staff is tasked with developing national security policy on domestic and international matters and advising the president.

Presidential Administration:

The Presidential Administration helps draft presidential edicts and provides policy support to the president.

Council of Regions:

The Council of Regions is an advisory body created in September 1994. It includes the oblast chairmen and the Kyiv (Kiev) and Sevastopol City Supreme Councils.

**Legislative Branch:**

Unicameral *Verkhovna Rada* (Supreme Council):

450 seats; allocated on a proportional basis to those parties that gain 3% or more of the national electoral vote; members serve five-year terms; see Special Note below

Government Note:

Note that the upheaval in late 2013 and into 2014, with the ousting of Yanukovych from power shifted the power dynamics in parliament, with party loyalties moving quite rigorously in varying directions. In the post-Yanukovych period of 2014, the prime minister was Arseniy Yatsenyuk.

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### Primer on 2014 parliamentary elections in Ukraine

Oct. 26, 2014

Snap parliamentary elections were set to be held in Ukraine on Oct. 26, 2014. At stake would be the composition of the unicameral Verkhovna Rada or Supreme Council, which contains 450 seats. Half the seats in the legislative body are allocated on a proportional basis to those parties that gain five percent or more of the national electoral vote; the other half of the seats go to members elected in single mandate districts. Members of the Supreme Council serve five-year terms.

It should be noted that on July 24, 2014, the entire Ukrainian cabinet, headed by Prime Minister Arseniy Yatsenyuk, resigned following the collapse of the ruling coalition. Volodymyr Hroysman was soon named as the country's acting prime minister, who presumably would preside over government until the time of the new parliamentary elections. However, on July 31, 2014, the Ukrainian parliament voted to reject Prime Minister Arseniy Yatsenyuk's resignation. Yatsenyuk was also given a legislative victory when members of parliament approved his proposed amendments to the 2014 budget, which would offset lower revenues by increasing overall spending, which would be used to pay for the military operations against pro-Russian separatists in the eastern part of the country.

A month later, as August 2014 was drawing to a close, Ukrainian President Petro Poroshenko dissolved the country's parliament, thus paving the way for fresh elections to be held. The office of the president said that parliamentary elections would be held on Oct. 26, 2014. President Poroshenko announced the decision himself via the social media outlet, Twitter, saying: "I have decided to prematurely end the authority of parliament."

The last elections were held in 2012 and, as such, elections were not actually scheduled to be held until 2017. However, the power dynamics in parliament shifted as a result of the political upheaval that has plagued Ukraine in late 2013 and into 2014, with the ousting of Yanukovich from power and the ensuing conflict in the eastern part of the country. Indeed, party loyalties moved quite rigorously in varying directions. President Petro Poroshenko said that these early elections of 2014 were intended to "cleanse" parliament, essentially starting fresh with a new legislative branch of government that would look at the challenges facing the country through the prism of the realities of 2013/2014 crisis.

Ahead of these snap 2014 elections, all indications that a political bloc supportive of President Poroshenko was on track to gain the most seats. According to polling data by GfK research,

which considered only the seats elected by party list (about half of the total 450 seats at stake), the pro-Poroshenko bloc was likely to carry close to 30 percent of the vote share. About nine percent of those surveyed would cast their lot with former Prime Minister Yulia Tymoshenko. As well, the Radical Party, led by a populist, Oleh Lyashko, would take between seven and eight percent. Meanwhile, it was clear that the pro-Russia crowd, which had a strong presence in the previous parliament during the presidency of now-ousted Viktor Yanukovych, would be a relic of the past. Yanukovych's Regions Party seemed to have been eliminated from the field of competition entirely in the aftermath of the Russian annexation of Crimea and ongoing unrest in the east, with many of its members now joining other opposition parties. It was possible that in their reconstituted roles they could gain representation in the single-mandate constituencies calculated by the "first past the post" system; however, the outcome was yet to be decided.

This polling data proved to be somewhat predictive as the pro-Poroshenko bloc did, indeed, register a strong performance at the polls. Poroshenko's bloc was on track to carry about 22 percent. However, the party of his ally, Prime Minister Arseny Yatseniuk, was set to take about slightly more of the vote share -- between 22 and 23 percent. Another pro-Western party allied with Poroshenko, Samopomich (Self Help in English), stood in third place with 13 percent. Together, these parties would have significant power in the incoming parliament.

Both the populist Radical Party and the nationalist Svoboda (Freedom) party were likely to have gained enough support to enter parliament, along with the Batkivshchyna (Fatherland) party of former Prime Minister Yulia Tymoshenko, who nonetheless saw a sharp drop in popular support. With close to six percent of the vote share, Batkivshchyna (Fatherland) would be able to enter parliament. But clearly, the new pro-Western parties of President Poroshenko and Prime Minister Arseny Yatseniuk were the ones commanding the lion's share of popular support in post-EuroMaiden Ukraine. Tymoshenko's influence on the Ukrainian political landscape was waning.

Meanwhile, the pro-Russian Opposition Bloc, led by former Fuel Minister Yuri Boiko (a stalwart of ousted President Yanukovych, secured around eight percent. This result for the opposition was a reminder that pro-Russian sentiment remained in the Ukrainian political sphere and Opposition Bloc would offer a voice in the new parliament. However, other parties affiliated with Russia and former regime of President Yanukovych went down to spectacular defeat.

Note that these results were for votes by party only to fill half the parliamentary seats. The rest of the parliamentary seats would be decided on the basis of individual electoral districts.

Overall, the election result provided further legitimacy to the new pro-Western authorities in Ukraine and bolstered the president's security plan for dealing with pro-Russians in the restive and rebellious eastern region of Ukraine. In a national address, President Poroshenko said that voters had given "strong and irreversible backing to Ukraine's path to Europe." He added that the election result showed support for the "political methods" he employed to end the conflict with pro-

Russian separatists in eastern Ukraine.

The government formation process was expected to begin with Prime Minister Yatsenyuk saying that the incoming coalition government would be "very pro-reform and pro-European." Meanwhile, as the leader of the People's Front, which won the most votes in the parliamentary elections, Yatsenyuk was expected to keep his job as head of government. Yatseniuk said, "The party which has taken first place in the elections has to begin the process of forming a coalition ... the leader of (this) party heads the government." He reaffirmed his commitment to the Western and pro-European orientation of any future coalition government he might form, saying, "I propose we call this the European Ukraine coalition... A new pro-Europe government and a new pro-reform European majority should emerge in parliament which will be capable of launching speedy reforms that can not be put off."

President Poroshenko on Oct. 31, 2014 endorsed Yatseniuk for a new term as prime minister. Announcing his backing via the social media outlet Twitter, President Poroshenko tweeted: "I have proposed to the faction of the Poroshenko bloc that it submits Arseny Yatseniuk as a candidate for prime minister."

#### Governing Note:

The spring of 2016 saw the government of Ukraine, led by Prime Minister Arseny Yatseniuk, on the verge of collapse. This landscape was due to an ongoing political crisis that has left proposed reforms in a stalled state, and concomitantly delayed foreign financial loans needed to repair the war-torn economy. It should be noted that Ukrainian President Petro Poroshenko was looking at Finance Minister Natalia Yaresko as a possible prime minister selection to replace Arseny Yatseniuk, whom the president charged no longer commanded the confidence of the people.

In truth, though, Prime Minister Yatseniuk's cabinet actually survived a no confidence vote in February 2016. Nevertheless, President Poroshenko was reported to be convening meetings with the head of political parties in Ukraine to consider a solution to the country's political crisis. One such solution would be the appointment of Yaresko, who was not a career politician, to the helm of a technocratic government. The path down that road would require the consent of Prime Minister Yatseniuk and his party, which commanded control over the second largest bloc of seats in parliament.

By the end of the month, attention had moved to Ukraine's parliamentary speaker Volodymyr Groysman as the likely successor to Yatseniuk, although the prevailing issue remained the same as before -- there would be a need to garner support from parliament. It was to be seen how this would be balanced with the revelation that a new coalition was being formed. To that end, three major parliamentary parties agreed to form a new coalition and nominate parliamentary speaker Volodymyr Groysman to be the new Ukrainian prime minister. The three coalition partners included Prime Minister Yatsenyuk's party, President Petro Poroshenko's faction, and former

Prime Minister Yulia Tymoshenko's Fatherland party. With all these machinations unfolding it remained unclear who would emerge as the next prime minister at the helm of a fresh government coalition.

In the second week of April 2016, Prime Minister Yatseniuk announced that he was resigning, and expressed hopes that his exit as head of government would open the door for Ukraine to institute electoral, constitutional and judicial reforms. At the same time, Yatsenyuk indicated that it was clear that "the political crisis in the government has been unleashed artificially," and the effort to see him exit the political field had "blinded politicians and paralyzed their will to bring about real changes in the country." The outgoing prime minister's resignation would go forward on April 12, 2016 with Yatsenyuk saying, "I have taken the decision to resign as prime minister of Ukraine. On Tuesday, April 12, my request will be submitted to the parliament."

Meanwhile, an arrangement for the formation of a new government was moving forward with parliamentary speaker Volodymyr Hroysman expected to be named as Ukraine's new prime minister. In mid-April 2016, Hroysman was approved in a parliamentary vote to become Ukraine's new prime minister. His objective would be to try to secure loan funding from the International Monetary Fund. But in an address after his confirmation as the new head of government, he said, "I understand the threats that face us. In particular I would like to highlight three threats -- corruption, ineffective governance and populism, which do not pose less of a threat than the enemy in eastern Ukraine."

-- as of 2016

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## **Leader Biography**

### **Leader Biography**

### **Leadership of Ukraine**

#### **Presidency:**

#### **Note on head of state:**

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Petro Poroshenko won the landmark presidential election of 2014 in Ukraine. He would succeed interim President Oleksandr Turchynov who served from February 2014 until the May 2014 presidential contest. The interim president replaced Viktor Yanukovich, who won the 2010 elections but was ousted from office in 2014 as discussed in the ""Editor's Note" below. Fresh elections to choose a new president took place on May 25, 2014 and resulted with Poroshenko claiming victory and poised to become the new president of Ukraine. Typically, the president is elected for a five-year term by the people.

#### Editor's Note on 2014 Uprising:

In late 2013 and into the start of 2014, Ukrainian President Viktor Yanukovich's decision not to move forward with a pending association agreement with the European Union (in favor of an agreement with Russia) resulted in mass protests. By 2014, he was ousted from power and the new interim president of Ukraine declared the country would pursue closer ties with the European Union. The winds of change had swept across Ukraine with the "Maidan" or Independence Square stamped in the history books as "Ground Zero" of Ukraine's 2014 battleground. But that battleground terrain shifted eastward when the Russian parliament granted Russian President Putin authorization to use force in Ukraine, and Russian forces annexed the Ukrainian territory of Crimea. Since that time, Russia has posed a threat to eastern Ukraine and other former Soviet republics in the region. Despite this flagrant violation of its sovereignty, Ukraine has gone forward with a presidential election, and has attempted to stabilize its turbulent political landscape, as discussed below.

#### Primer on presidential election in Ukraine

May 25, 2014 --

A presidential election was set to be held in Ukraine on May 25, 2014. The election was intended to democratically decide a new head of state for the country, following the ousting of President Viktor Yanukovich, in February 2014. There were also high hopes that the vote would settle the political landscape in Ukraine that deteriorated to a state of turmoil in the eastern part of the country. Indeed, the period following Yanukovich's ouster has been marked by the refusal of

Russia to accept the new pro-European government of Ukraine, a pro-Russian uprising in eastern Ukraine, the Russian annexation of Crimea, and ongoing turbulence in Russian speaking parts of the country, as discussed below.

## Background

The start of 2014 was marked by turbulence and turmoil in Ukraine. Tensions initially flared in late 2013 in response to Ukrainian President Viktor Yanukovich's decision not to move forward with a pending association agreement with the European Union. That decision brought more than 100,000 protesters to the streets to rally against what they saw as Ukraine's movement towards greater control by Russia. Indeed, the general consensus was that President Yanukovich had bent to pressure by President Vladimir Putin of Russia to step away from the European Union Association Agreement and instead embrace a customs union with Russia.

By the start of 2014, another flare of protests ensued in Ukraine in response to legislation passed by members of parliament loyal to President Yanukovich. The laws at stake were intended to curb the free expression of political opposition and curtail public protests. The passage of such legislation raised the ire of Ukrainians, particularly those aligned with the opposition, and alarmed the West with the United States and European Union worried about the Ukraine's slide into autocracy under Yanukovich. In a twist of irony, the very laws intended to suppress mass action actually spurred exactly that end as mass protests attracting tens of thousands of people once again rocked Ukraine. As January 2014 entered its final week, concessions by President Yanukovich to include members of the opposition in government yielded no positive results. Instead, the unrest spread to the eastern part of the country. With the situation deteriorating, the prime minister and the government resigned, and the Ukrainian parliament repealed the controversial anti-protest laws.

In mid-February 2014, the turmoil re-ignited as police tried to clear the main protest camp. Ukraine was again thrust into a renewed state of turbulence and turmoil. A truce was forged on Feb. 19, 2014, but only after more than two dozen people died. That truce collapsed a day later, effectively returning the capital city of Kiev to a battle zone and leading to an increasing death toll.

Yet another agreement was forged in which the president conceded to many of the demands of the opposition. But the deal appeared to have come too late to appease an enraged populace. By Feb. 22, 2014, President Yanukovich had fled to the eastern part of the country while his party abandoned him and joined the opposition to officially impeach him, while his political nemesis, former Prime Minister Tymoshenko, was freed from captivity.

To the chagrin of Russia, the new interim president of Ukraine declared the country would pursue closer ties with the European Union. The move was a clear message to Moscow that Ukraine would not be controlled by Russia and that Ukraine instead was looking toward Europe as it charted its future path. The winds of change had swept across Ukraine with the "Maidan" or Independence Square stamped in the history books as "Ground Zero" of Ukraine's 2014 battleground.

But the celebration in Ukraine did not last long. The battleground terrain shifted eastward at the start of March 2014 when the Russian parliament granted Russian President Putin authorization to use force in Ukraine, and Russian forces annexed the Ukrainian territory of Crimea. Clearly, Putin and Russia felt entitled to reclaim their foothold in Ukraine, thus recalling alarming memories for the rest of the world of the Soviet invasion of then-Czechoslovakia in 1968 to subdue the independence-minded Prague Spring. Adding to the crisis was the perplexing decision by Russian President Putin to refuse to acknowledge that Russian troops were even in Crimea.

In response to Russia's actions against Ukraine, and particularly in the direction of controlling Crimea, the G7 countries (G8 minus Russia) pulled out of preparations for the G8 summit set to take place in Russia and the United States instituted targeted sanctions against Russian officials.

Talks aimed at resolving the crisis yielded no results. Indeed, an East-West conflict was intensifying as Crimea scheduled a referendum for mid-March 2014 when residents would decide whether or not to join Russia. A meeting between Russian Foreign Minister Lavrov and United States Secretary of State Kerry ended in failure. Because Russia viewed the overthrow of Yanukovich as illegal, and because the West viewed Crimea's decision to join Russia as in

violation of international law, an impasse was at hand.

The United States and the European Union respectively warned that such a unilateral action would run counter to international law, and thus they would not recognize the likely ratification of Crimean unification with Russia. For its part, Ukraine insisted that it would not accept the fracturing of its territorial integrity.

Meanwhile, the West attempted to condemn Crimea's secession referendum, and issue its support for Ukraine's sovereignty, by moving forward with a resolution in the United Nations Security Council. As expected, Russia -- as a veto-wielding permanent member -- vetoed the draft. Every other Security Council member voted in favor of the measure, with the exception of China, which abstained from the vote. The inaction at the Security Council was reminiscent of the Cold war era in which both sides habitually vetoed the other's measures, essentially creating a state of diplomatic paralysis.

On March 16, 2014, ethnic Russians in Crimea voted overwhelmingly to secede from Ukraine and unite with Russia. Crimea then officially requested that the "Republic of Crimea" be admitted as a new subject to the Russian Federation. On the Russian side of the equation, Russia recognized Crimea as a sovereign entity. Russian President Putin soon responded by officially annexing Crimea.

The United States and the European Union imposed personal sanctions on Russian and Crimean officials. This punitive action was intended as a rebuke against the actions in Crimea; however, there was no sign that Russia was even slightly daunted by its decision to seize control of a territory belonging to Ukraine under the established system of international jurisprudence. As stated above, Russia justified its moves by asserting that the interim post-Yanukovych government in Ukraine was illegitimate.

Russian ambitions to regain territory lost following the collapse of the Soviet Union soon entered into the equation. Of note was the fact that in the aftermath of Russia's annexation of Crimea,

Russian attention was glancing towards other parts of eastern Ukraine. Eruptions of unrest in this Russian-speaking part of Ukraine were blamed on Russia, and reminiscent of what had transpired in Crimea. Indeed, Ukraine was accusing Russia of carrying out its Crimea formula by orchestrating unrest further into Ukrainian territory.

It was to be seen if the landscape in eastern Europe in the spring of 2014 represented the foundation for a renewed Cold War between the East and West. It was also possible that President Barack Obama of the United States was correct in dismissing such a notion on the basis of the fact that Russia was no longer a super power and, instead, a regional power acting as a bully against its neighbors.

The Election:

A presidential election was set to be held in Ukraine on May 25, 2014. The election was intended to democratically decide a new head of state for the country, following the ousting of President Viktor Yanukovich in February 2014. There were also high hopes that the vote would settle the political landscape in Ukraine that deteriorated to a state of turmoil in the eastern part of the country. Indeed, the period following Yanukovich's ouster has been marked by the refusal of Russia to accept the new pro-European government of Ukraine, a pro-Russian uprising in eastern Ukraine, the Russian annexation of Crimea, and ongoing turbulence in Russian-speaking parts of the country.

Ahead of that election, Russian President Vladimir Putin promised his country would work with whatever new Ukrainian administration emerged following that election. Putin said: "We will respect the choice of the Ukrainian people and will be working with the authorities formed on the basis of this election." The Russian leader made this pledge presumably with an eye on easing tensions in eastern Europe even as pro-Russian separatists continued to lobby for Russian integration and rail against the Ukrainian presidential election. Putin's tone of cooperation was welcomed by the West, which has been bedeviled by questions of how to deal with nationalist Russian ambitions in recent times.

Meanwhile, in Ukraine, all eyes were on a billionaire businessman and former cabinet minister Petro Poroshenko as a favorite to win the Ukrainian presidency although veteran politician, former Prime Minister Yulia Tymoshenko, was also viewed as one of the more significant players in the political game. In truth, however, the attention was less on which politician would emerge as the victor, and more on the matter of the election being a proxy sign for stabilization in the Ukrainian political scene.

#### Election result:

After the ballots were counted, it was the business tycoon, Petro Poroshenko, who claimed victory in Ukraine's presidential contest. The man known as the "chocolate king" because of his confectionary business enterprise, Roshen Chocolates, was also the owner of a television station and manufacturing interests. He was on track to secure 55 percent of the vote share and, thus, outright victory. Former Prime Minister Yulia Tymoshenko was in a distant second place with 12 percent of the vote share; however, she was quick to concede defeat and offered gracious congratulations to Poroshenko and to Ukraine, declaring: "I want to congratulate the whole of Ukraine since despite external aggression, despite the Kremlin's intent to disrupt this election we had an honest and democratic election in Ukraine."

Meanwhile, former boxing champion-turned opposition politician Vitaliy Klitschko was on track (according to exit poll data) to become the new mayor of Kiev. Klitschko had abandoned his bid for the presidency, turning instead to the mayoralship as his first main foray into the political heavyweight scene in Ukraine; however, he was quick to endorse Poroshenko prior to the presidential contest, who was headed for the presidency.

The defeat of former Prime Minister Tymoshenko indicated that Ukrainians were ready for fresh leadership. To that end, Poroshenko also called for fresh parliamentary elections later in the year. Poroshenko additionally promised closer ties with the European Union -- effectively consolidating the pro-Western bent of Kiev since the ouster of Yanukovich at the start of the year. The new president also promised to work to restore peace and stability in the volatile eastern zone of the

country, although Poroshenko made it abundantly clear that he would never recognize Russia's "occupation of Crimea." The new president also warned that in regards to relations with Russia, his biggest priority would be the "sovereignty and territorial integrity" of Ukraine. Clearly, Poroshenko was a fierce patriot, aware of the nationalist overtones of the citizenry in recent times, and was determined to send the message that he would defend his country.

It should be noted that the election did not go off smoothly in those restive eastern regions where pro-Russian separatists did their best to disturb and disrupt the democratic process there. Indeed, there were no polling stations open in Donetsk where separatists hold sway.

That being said, the election was regarded as a positive development on Ukraine's difficult and tumultuous political landscape in recent times. As noted by United States President Barack Obama, the election in Ukraine was an "important step forward in the efforts of the Ukrainian government to unify the country."

Inauguration:

On June 7, 2014, Petro Poroshenko was officially inaugurated as the new president of Ukraine. The day before, Poroshenko had a brief and unofficial meeting with his Russian counterpart, Putin, in France where world leaders marked the 70th anniversary of the D-Day invasion. Putin appeared to strike a conciliatory tone as he expressed support for Poroshenko's plans to end the violence in eastern Ukraine, saying he "overall has the right approach" to the crisis. That being said, Putin urged Poroshenko to end "punitive" military operations against pro-Russian separatists in eastern Ukraine.

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## Foreign Relations

## General Relations

Ukraine considers Euro-Atlantic integration its primary foreign policy objective, but in practice balances its relationship with Europe and the United States with strong ties to Russia. The European Union's Partnership and Cooperation Agreement (PCA) with Ukraine went into force on March 1, 1998.

The European Union (EU) has encouraged Ukraine to implement the PCA fully before discussions begin on an association agreement. The EU Common Strategy toward Ukraine, issued at the EU Summit in December 1999 in Helsinki, recognizes Ukraine's long-term aspirations but does not discuss association. As of 2010, Ukraine expressly stated its desire to move toward EU accession.

On Jan. 31, 1992, Ukraine joined the then-Conference on Security and Cooperation in Europe (now the Organization for Security and Cooperation in Europe--OSCE), and on March 10, 1992, it became a member of the North Atlantic Cooperation Council.

Ukraine also has a close relationship with NATO and declared interest in eventual membership. In 2006, Ukraine withdrew its bid to join NATO. It subsequently resumed its bid but NATO refrained from extending an accession invitation in April 2008, amidst Russian objections to such a move. NATO did not, however, foreclose the possibility of the country joining the bloc at some point in the future. As of 2010, however, a shift in foreign policy (discussed below) resulted in Ukraine's decision to withdraw its bid to join NATO.

Ukraine is the most active member of the Partnership for Peace (PfP).

NOTE: See "Special Report" below and "Political Conditions" for more information related to the Ukraine/Crimea/Russia crisis of 2014.

## Regional Relations

Ukraine maintains peaceful and constructive relations with all its neighbors; it has especially close ties with Poland and Russia. Relations with Russia are complicated by energy dependence and by payment arrears. However, relations have improved with the 1998 ratification of the bilateral Treaty of Friendship and Cooperation. Also, the two sides have signed a series of agreements on the final division and disposition of the former Soviet Black Sea Fleet that have helped to reduce tensions. Ukraine became a member of the Commonwealth of Independent States (CIS) on Dec. 8, 1991, but in January 1993 it refused to endorse a draft charter strengthening political, economic, and defense ties among CIS members. Ukraine was a founding member of GUUAM (Georgia-Ukraine-Uzbekistan-Azerbaijan-Moldova).

In 1999-2001, Ukraine served as a non-permanent member of the United Nations Security Council. Historically, Soviet Ukraine joined the United Nations in 1945 as one of the original members following a Western compromise with the Soviet Union, which had asked for seats for all 15 of its union republics. Ukraine has consistently supported peaceful, negotiated settlements to disputes. It has participated in the quadripartite talks on the conflict in Moldova and promoted a peaceful resolution to conflict in the post-Soviet state of Georgia. Ukraine also has made a substantial contribution to United Nations peacekeeping operations since 1992.

In 2009, Armenia, Azerbaijan, Belarus, Georgia, Moldova, and Ukraine joined the Eastern Partnership, an entity which was facilitated by the European Union (EU).

Earlier in 2006, following the election of President Yushchenko in Ukraine, bilateral relations with Russia took something of a turn as speculation abounded that he would steer the country in a more Western direction. Such a shift, if it was to materialize, would effectively move Ukraine out of the sphere of Russian influence.

The year 2006 also began with a gas dispute between Ukraine and Russia. The imbroglio led to the suspension of gas supplies from the Russian entity Gazprom to Ukraine and a conflict over the contracted price of gas. See "Political Conditions" of this review for details.

Also in 2006, newly-elected Ukrainian Prime Minister Viktor Yanukovich announced that his country was withdrawing its bid to join the security force, NATO. The prime minister said the decision was being made due to opposition by pro-Russian Ukrainians in eastern and southern part of the country. He said that Ukraine would, however, not entirely move away from its Western orientation and intended to build ties with the European Union. Until his announcement, Ukraine was set to join NATO in 2008. As noted above, Ukraine subsequently resumed its bid but NATO refrained from extending an accession invitation in April 2008, amidst Russian objections to such a move. NATO did not, however, foreclose the possibility of the country joining the bloc at some point in the future.

In early 2009, Russia and Ukraine were again at odds over a gas deal. At issue was Russia's refusal to implement an agreement with Ukraine to resume the flow of gas to Europe. The central issues in the dispute involved Ukraine's gas debts to Russia and accusations that it (Ukraine) siphoned off gas intended for other European customers. Meanwhile, there was no agreement about how much Ukraine should pay Russia for gas, or, how much Russia should pay Ukraine for transporting gas to other European destinations. The dispute has left several countries in the region without gas, and with Russian energy company Gazprom unwilling to restart gas supplies, even as wintry conditions prevailed in the region. As such, the European Union intervened in an energetic shuttle diplomacy effort to resolve the matter. On January 12, 2009, it was announced that Russia would resume gas supplies to other European countries via Ukraine.

In June 2010, Ukraine's parliament passed legislation officially establishing the country's non-aligned status. The legislation also included a provision formally dropping Ukraine's bid to join NATO. The bill passed comfortably in the legislative chamber with 253 members voting in favor of ratification. These moves significantly reversed Ukraine's westward drift of recent years, and appeared to be a hallmark achievement of President Viktor Yanukovich, who came to power three months earlier promising to modify the country's foreign policy orientation. In this regard, President Yanukovich could claim success in obliterating the stamp of his predecessor, former President Viktor Yushchenko, who had passionately championed Ukraine's membership in NATO. Of course, moving Ukraine within the non-aligned bloc of nation states marked an even more dramatic shift and quickly garnered criticism from political opponents. That being said, President Yanukovich made it clear that Ukraine would instead pursue the path of regional integration in another way -- accession to the European Union. To that end, the legislation included a third provision calling for Ukraine's integration "into European political, economic, and legal space with the aim of securing membership of the European Union."

In February 2012, Ukraine was at the center of regional relations and international intrigue when Ukrainian authorities in the port city of Odessa said that they foiled an assassination plot against Russian Prime Minister Vladimir Putin. According to the Russian news agency, Ria Novosti, two suspects admitted their involvement in an assassination plot that targeted Putin. One suspect, Ilya Pyanzin, claimed that he had been hired by Chechen militant leader, Doku Umarov, and tasked with killing Putin. A second suspect, Adam Osmayev, was identified as being on an international wanted list since 2007. It should be noted that a third suspect, Ruslan Madayev, died in an explosion in Odessa that appeared to have sparked the discovery of the assassination conspiracy. That conspiracy supposedly involved a plan to plant mines on Kutuzovsky Avenue in Moscow, which has been regularly traversed by Putin. Details of the plan were reportedly discovered on laptops seized at the Odessa apartment where the aforementioned explosion occurred.

NOTE: See "Special Report" below and "Political Conditions" for more information related to the Ukraine/Crimea/Russia crisis of 2014.

### Other Significant Relations

#### *Russia and the Newly-Independent States*

The dissolution of the Soviet Union in December 1991 brought an end to the Cold War and created an opportunity to build bilateral relations with the New Independent States (NIS) as they began a political and economic transformation.

In late 2003 and the first part of 2004, relations with Russia took center stage. In October 2003, a

border dispute occurred with Moscow when Russia began to construct a causeway across the Kerch Strait between the coast of Russia and Ukrainian island of Tuzla off the Crimean coast. The Kerch Strait also separates the Black Sea from the Azov Sea. In response, Ukraine sent troops to Tuzla.

At the end of the year, Ukrainian President Kuchma and Russian President Vladimir Putin met to resolve the issue and lessen tensions. At a meeting in Crimea, they signed an agreement on the joint use of Kerch Strait and status of Azov Sea. The matter of Tuzla, however, was reportedly not included in either the discussions or the agreements made. In April 2004, the agreements were ratified.

In April 2004, amidst opposition protests, the Ukrainian parliament ratified membership of a free trade zone with Russia. The agreement effectively introduced a common tax code and terminated trade tariffs.

See above for developments in 2006 and early 2009 related to gas disputes with Russia. See above for details related to the 2012 discovery by Ukrainian officials of a plot to assassinate Russian Prime Minister Putin.

NOTE: See "Special Report" below and "Political Conditions" for more information related to the Ukraine/Crimea/Russia crisis of 2014.

### *United States*

On Dec. 25, 1991, the United States (U.S.) officially recognized the independence of Ukraine. It upgraded its consulate in the capital, Kiev, to embassy status on January 21, 1992.

The United States attaches great importance to the success of Ukraine's transition to a democratic state with a flourishing market economy. Following a period of economic decline characterized by high inflation and a continued reliance on state controls, the Ukrainian Government began taking steps in the fall of 1999 to reinvigorate economic reform.

Ukraine's democratic "Orange Revolution" has led to closer cooperation and more open dialogue between Ukraine and the United States. The United States granted Ukraine market economy status in February 2006. In March 2006, the United States terminated the application of the Jackson-Vanik amendment to the Trade Act of 1974 to Ukraine, providing Ukraine permanent normal trade relations status. The United States and Ukraine signed a new Trade and Investment Cooperation Agreement (TICA) on April 1, 2008. The TICA establishes a forum for discussion of bilateral trade and investment relations and will help deepen those relations. U.S. policy remains centered on realizing and strengthening a democratic, prosperous, and secure Ukraine more closely integrated

into Europe and Euro-Atlantic structures.

In December 2008, The United States signed the U.S.-Ukraine Charter on Strategic Partnership. The Charter highlights the importance of the bilateral relationship and outlines enhanced cooperation in the areas of defense, security, economics and trade, energy security, democracy, and cultural exchanges. The Charter also emphasizes the continued commitment of the United States to support enhanced engagement between NATO and Ukraine.

In 2010, newly-elected President Viktor Yanukovich met with United States President Barack Obama and Secretary of State Hillary Clinton in Washington .

NOTE: See "Special Report" below and "Political Conditions" for more information related to the Ukraine/Crimea/Russia crisis of 2014 that impacted relations with the West.

### Special Entry

Tymoshenko case draws condemnation from the West

On March 6, 2012, the daughter of the imprisoned former Ukrainian Prime Minister Yulia Tymoshenko said that she suspected her mother was being poisoned in a Ukraine prison. Eugenia Carr said that Tymoshenko was suffering from a range of odd symptoms including bruises, dizziness, and neurological spinal pain. As well, she said that Tymoshenko was unable to walk less than 600 yards to the visitors area at the Kachanivska penal colony in Kharkiv where she was serving her seven year sentence on abuse of power charges.

Carr said, "Most probably, my mother was poisoned, or this [poisoning] keeps going on on a daily basis ... They are trying to destroy her as a politician, to destroy her health and probably to kill her slowly without anybody knowing." As shocking as Carr's claims may be, judges in Ukraine did little to alleviate suspicion when they refused an independent toxicology report on Tymoshenko's health.

Desperate to bring attention to her mother's plight, Carr met with German Chancellor Angela Merkel to see if international pressure might yield results. "Chancellor Merkel, whom I met personally yesterday, promised not to leave [Tymoshenko] in trouble ... She asked me to give her warmest regards to my mother and to say she is not going to forget her, that she is going to continue to fight for her and to do all she can to stop what is going on in Ukraine," Carr said.

Editor's Note:

Yulia Tymoshenko served as Ukraine's prime minister from December 2007 to March 2010. Once a heroine in Ukraine's reformist and pro-democracy "Orange Revolution" that brought President

Viktor Yushchenko to power after contested elections and ensuing mass action, the Tymoshenko-Yushchenko alliance fell apart. With Yushchenko unlikely to win re-election in the 2010 elections due to the public's disillusionment with the achievement of the reform agenda, Tymoshenko thought she might try to contest the presidential contest. Tymoshenko's defeat against pro-Russian Viktor Yanukovich in that election was only the start of her political woes. Soon, she was embroiled in the aforementioned abuse of power case involving the 2009 signing of Russian gas contracts. In 2012, Tymoshenko was sentenced to seven years in prison to be served at the Kachanivska penal colony in Kharkiv. Her husband, Oleksandr Tymoshenko, fled the country and was granted asylum in the Czech Republic. Most of the countries of the West, including the countries of the European Union and the United States, along with human rights groups, regard the abuse of power case against Tymoshenko to be politically-motivated, and they view her conviction as a miscarriage of justice.

### Special Entry

#### Ukraine suspends preparations for EU Association Agreement

The parliament of Ukraine was set for a final vote that would facilitate an association between that country and the European Union. The deal was contingent on a provision that would have permitted the jailed former prime minister of Ukraine -- Yulia Tymoshenko -- to seek medical treatment in Germany. But on Nov. 21, 2013, Ukrainian legislators suspended preparations for the association agreement, presumably due to this particular provision involving Tymoshenko. However, some voices were claiming that the decision was due to reluctance to intensify ties with Europe at the expense of links with Russia.

The decision by the parliament to suspend preparations for the association agreement was met by mass protests as more than 100,000 people took to the streets of the Ukrainian capital of Kiev to register their discontent. Many participants said they wanted Ukraine to go forward with its association agreement with the EU, which they thought would be economically beneficial; others said that the time had come for Ukraine not to be so controlled by Russia. It should be noted that police fired tear gas at the protesters in the hopes of dispersing the crowds.

Meanwhile, the fact that the association agreement with the EU was on hold also meant that Tymoshenko was not likely to escape jail to seek medical treatment. It should be noted that former Prime Minister Yulia Tymoshenko of Ukraine has had no shortage of legal woes, ranging from corruption and an abuse of power case involving a gas deal with Russia, but also extending to allegations in 2013 that she was involved in the death of Yevhen Shcherban, a well known member of parliament lawmaker and business leader. Several Western powers, including the United States and the European Union, have closed ranks with Russia in condemning the rulings and associated prison sentence for Tymoshenko. They have accused Ukrainian authorities, led by

President Viktor Yanukovich who has been opposed to Tymoshekno and other "Orange Revolution" politicians, of acting in a "politically motivated" manner in its legal offensive against Tymoshenko and demanded her release.

For her part, after losing her appeal against her abuse of power sentence, Tymoshenko was transferred to the Kachanivska penal colony in Kharkiv to serve out her sentence. In March 2012, her daughter, Eugenia Carr, claimed Tymoshenko was being poisoned in the Ukrainian prison. By 2012, there were reports that Tymoshenko had been beaten unconscious in prison, although some authorities said there was no evidence of such an event. More than a year later in January 2013 as Tymoshenko was being faced with even more serious legal challenges in the form of the aforementioned murder charge, there were new reports that the imprisoned former prime minister was critically ill. The aforementioned association agreement with the EU included the provision for permitting Tymosheko to go to Germany precisely for the purpose of being treated for her health complications.

NOTE: See "Special Report" below and "Political Conditions" for more information related to the Ukraine/Crimea/Russia crisis of 2014, which has included the story of Tymoshenko to some extent.

### Special Entry

Ukraine's "Maidan" Uprising; effects on relations with Russia and the West

Summary:

Turbulence and turmoil have characterized the landscape in Ukraine. Tensions initially flared in late 2013 in response to Ukrainian President Viktor Yanukovich's decision not to move forward with a pending association agreement with the European Union. That decision brought more than 100,000 protesters to the streets to rally against what they saw as Ukraine's movement towards greater control by Russia. Indeed, the general consensus was that President Yanukovich had bent to pressure by President Vladimir Putin of Russia to step away from the European Union Association Agreement and instead embrace a customs union with Russia.

By the start of 2014, another flare of protests ensued in Ukraine in response to legislation passed by members of parliament loyal to President Yanukovich. The laws at stake were intended to curb the free expression of political opposition and curtail public protests. The passage of such legislation raised the ire of Ukrainians, particularly those aligned with the opposition, and alarmed the West with the United States and European Union worried about the Ukraine's slide into autocracy under Yanukovich. In a twist of irony, the very laws intended to suppress mass action actually spurred exactly that end as mass protests attracting tens of thousands of people once again

rocked Ukraine. As January 2014 entered its final week, concessions by President Yanukovich to include members of the opposition in government yielded no positive results. Instead, the unrest spread to the eastern part of the country. With the situation deteriorating, the prime minister and the government resigned, and the Ukrainian parliament repealed the controversial anti-protest laws.

In mid-February 2014, the turmoil re-ignited as police tried to clear the main protest camp. Ukraine was again thrust into a renewed state of turbulence and turmoil. A truce was forged on Feb. 19, 2014, but only after more than two dozen people died. That truce collapsed a day later, effectively returning the capital city of Kiev to a battle zone and leading to an increasing death toll. Yet another agreement was forged in which the president conceded to many of the demands of the opposition. But the deal appeared to have come too late to appease an enraged populace. By Feb. 22, 2014, President Yanukovich had fled to the eastern part of the country while his party abandoned him and joined the opposition to officially impeach him, while his political nemesis - former Prime Minister Tymoshenko - was freed from captivity.

The move was a clear message to Moscow that Ukraine would not be controlled by Russia and that Ukraine instead was looking toward Europe as it charted its future path. Indeed, to the chagrin of Russia, the new interim president of Ukraine declared the country would pursue closer ties with the European Union. The winds of change had swept across Ukraine with the "Maidan" or Independence Square stamped in the history books as "Ground Zero" of Ukraine's 2014 battleground.

But the celebration in Ukraine did not last long. The battleground terrain shifted eastward at the start of March 2014 when the Russian parliament granted Russian President Putin authorization to use force in Ukraine, and Russian forces annexed the Ukrainian territory of Crimea. Clearly, Putin and Russia felt entitled to reclaim their foothold in Ukraine, thus recalling alarming memories for the rest of the world of the Soviet invasion of then-Czechoslovakia in 1968 to subdue the independence-minded Prague Spring. Adding to the crisis was the perplexing decision by Russian President Putin to refuse to acknowledge that Russian troops were even in Crimea.

In response to Russia's actions against Ukraine, and particularly in the direction of controlling Crimea, the G7 countries (G8 minus Russia) pulled out of preparations for the G8 summit set to take place in Russia and the United States instituted targeted sanctions against Russian officials.

Talks aimed at resolving the crisis yielded no results. Indeed, an East-West conflict was intensifying as Crimea scheduled a referendum for mid-March 2014 when residents would decide whether or not to join Russia. A meeting between Russian Foreign Minister Lavrov and United States Secretary of State Kerry ended in failure. Because Russia viewed the overthrow of Yanukovich as illegal, and because the West viewed Crimea's decision to join Russia as in violation of international law, an impasse was at hand.

The United States and the European Union respectively warned that such a unilateral action would run counter to international law, and thus they would not recognize the likely ratification of Crimean unification with Russia. For its part, Ukraine insisted that it would not accept the fracturing of its territorial integrity.

Meanwhile, the West attempted to condemn Crimea's secession referendum, and issue its support for Ukraine's sovereignty, by moving forward with a resolution in the United Nations Security Council. As expected, Russia -- as a veto-wielding permanent member -- vetoed the draft. Every other Security Council member voted in favor of the measure, with the exception of China, which abstained from the vote. The inaction at the Security Council was reminiscent of the Cold war era in which both sides habitually vetoed the other's measures, essentially creating a state of diplomatic paralysis.

On March 16, 2014, ethnic Russians in Crimea voted overwhelmingly to secede from Ukraine and unite with Russia. Crimea then officially requested that the "Republic of Crimea" be admitted as a new subject to the Russian Federation. On the Russian side of the equation, Russia recognized Crimea as a sovereign entity. Russian President Putin soon responded by officially annexing Crimea.

The United States and the European Union imposed personal sanctions on Russian and Crimean officials. This punitive action was intended as a rebuke against the actions in Crimea; however, there was no sign that Russia was even slightly daunted by its decision to seize control of a territory belonging to Ukraine under the established system of international jurisprudence. As stated above, Russia justified its moves by asserting that the interim post-Yanukovich government in Ukraine was illegitimate.

Russian ambitions to regain territory lost following the collapse of the Soviet Union soon entered into the equation. Of note was the fact that in the aftermath of Russia's annexation of Crimea, Russian attention was glancing towards other parts of eastern Ukraine. Eruptions of unrest in this Russian-speaking part of Ukraine were blamed on Russia, and reminiscent of what had transpired in Crimea. Indeed, Ukraine was accusing Russia of carrying out its Crimea formula by orchestrating unrest further into Ukrainian territory.

It was to be seen if the landscape in eastern Europe in the spring of 2014 represented the foundation for a renewed Cold War between the East and West. It was also possible that President Barack Obama of the United States was correct in dismissing such a notion on the basis of the fact that Russia was no longer a super power and, instead, a regional power acting as a bully against its neighbors.

Note that a presidential election was held in Ukraine on May 25, 2014. Petro Poroshenko claimed victory in Ukraine's presidential contest but turmoil continued to rock Ukraine. Entering the fray

at the start of June 2014, NATO moved to bolster its security presence in eastern Europe as a deterrent against Russian aggression.

In June and July 2014, Ukrainian forces made some progress in retaking the rebel-held parts of eastern Ukraine, while the United States intensified its sanctions against Russian companies as a punitive measure against Russia for failing to de-escalate the conflict.

The landscape in eastern Ukraine took a disturbing turn on July 17, 2014, when a civilian passenger aircraft traveling from Netherlands to Malaysia went down in eastern Ukraine. All 298 people aboard the Boeing 777 airliner perished when Malaysian Airlines flight 17 crashed in the rebel-held territory of Donetsk close to the Russian border. That event augured a geopolitical land mine as Ukraine said the Malaysian Airlines flight was shot down and placed the blame on pro-Russian separatists battling Ukrainian forces. The tragedy of the Malaysian Airlines flight occurred one day after the Obama administration in the United States unveiled harsh punitive sanctions against major Russian firms aligned with Russian President Putin.

In the aftermath of the tragic downing of the Malaysian Airlines flight, and because the majority of the victims with Dutch nationals, Europe's stance against Russia hardened. Accordingly, the West -- including the United States and the European Union -- intensified its sanctions regime against Russia.

Meanwhile, in August 2014, Ukrainian forces at first held the momentum in the fight to regain control over the pro-Russian eastern part of the country, particularly in separatist strongholds of Donetsk and Luhansk. However, Russian-backed separatists were vigorously defending what they viewed as their own territory later in the month. By the close of August 2014, NATO said that Russian forces had violated Ukraine's territory while the Ukrainian president warned that his country was on the brink of war with Russia.

At the start of September 2014, NATO announced a rapid reaction force as well as military exercises in eastern Europe. Pressure from NATO and the threat of fresh sanctions by the European Union appeared to have spurred pro-Russian separatists to go to the negotiating table with Ukrainian authorities. There, a fragile truce was soon established but sporadically violated as fighting continued in Donetsk and Luhansk, and as Ukrainian forces fought to hold the port city of Mariupol.

In September 2014, with the ceasefire still in effect, Ukraine concentrated on the process of trying to retain its territorial integrity while meeting the needs of the pro-Russian separatists. To that end, Ukraine unveiled a proposal that would convey "special status" for eastern part of country, conveying greater autonomy. Meanwhile, the Ukrainian parliament advanced its pro-Western orientation by ratifying the Association Agreement with European Union (the basis of the uprising that caused the ousting of Yanukovich in the first place), while Ukrainian President Poroshenko

unveiled a package of reforms aimed at securing membership in the European Union.

By October 2014, Russian President Putin was calling for the withdrawal of Russian troops from Ukrainian border. However, NATO was warning that there was no sign of Russian troops actually retreating from the border in any significant fashion; as well, Russian forces remained active within Ukraine in violation of that country's sovereignty. Ukrainian President Poroshenko viewed the strong election performance of allied pro-Western parties as a ratification of, and a mandate for, his security plans for eastern Ukraine. However, that eastern portion of the country was moving forward with illegal elections of their own, which were rejected by Ukraine and the larger international community, but which were (unsurprisingly) being backed by Russia.

By November 2014, fighting had erupted in the east, there were reports of a build up of pro-Russian reinforcements there, and it was fair to say that the fragile ceasefire that had been in place since September 2014 was on the brink of collapse.

December 2014 saw a prisoner exchange occur between the Ukrainian government and pro-Russian separatists. As well, Ukrainian President Poroshenko said that he intended to meet with his Russian, French, and German counterparts in early 2015 for discussions on the restoration of peace in the eastern part of the country. These actions were regarded as positive steps in the arena of regional relations. However, Ukraine's decision to revoke its neutral status -- a move that could potentially facilitate future NATO membership -- was likely to raise the ire of Russia, which has opposed Ukraine's westward drift from the onset. Ironically, it was Russia's own aggressive interventions in eastern Ukraine, particularly marked by the annexation of Crimea, that actually catalyzed Ukraine's haste to move out of Russia's orbit.

At the start of 2015, the Minsk ceasefire agreement was effectively dead as fighting resumed around Donetsk and as pro-Russian separatists carried out an assault on the strategic port city of Mariupol, prompting Ukrainian President Poroshenko to warn that his forces would not bend to pro-Russian rebels and that Ukraine would protect its sovereignty. Fighting had extended to other areas in Ukraine's east as pro-Russian separatists aggressively sought to consolidate control over what they have termed "New Russia."

As the month of February 2015 began, there were reports that the Obama administration in the United States was considering additional support for Ukrainian forces in protecting Ukraine from the pro-Russian offensive. As well, NATO was considering the establishment of special command units in eastern Europe to respond rapidly to threats in the region.

Note that on Feb. 12, 2015, a new Minsk ceasefire agreement and a roadmap for peace were forged. But later in February 2015, peace in eastern Ukraine remained elusive as pro-Russians took control over the town of Debaltseve and forced Ukrainian forces into retreat. Pro-Russian forces were reportedly attacking government-held positions in eastern Ukraine -- including the area

around the strategic port of Mariupol -- while Ukraine accused Russia of dispatching more troops and tanks to the region, specifically in the direction of the town of Novoazovsk on the southern coast.

Meanwhile, a year after the original Maidan uprising in Kiev ousted former pro-Russian President Yanukovich from power, Ukraine's second largest city of Kharkiv was struck by a bomb attack as demonstrators marched in a national unity rally. Despite the existence of the second Minsk ceasefire agreement, Ukraine was still occasionally mired by war and bloodshed. Europe warned of further sanctions to come if violations to the truce occurred and, indeed, a fragile peace appeared to take hold in the region. Juxtaposed against this background came a surprising admission from Russian President Putin that he had long-standing ambitions to regain Russian control over Crimea.

By mid-2015, despite the existing new Minsk ceasefire agreement, key areas of eastern Ukraine were beset by heavy fighting between Ukrainian forces and pro-Russian separatists. Tension were also rising over the findings of a multinational investigation into the aforementioned tragedy of Malaysian Airlines Flight 17. The inquest, led by the Dutch Safety Board, indicated that a Russian Buk surface-to-surface missile was fired from a village in eastern Ukraine under pro-Russian control and struck Malaysian Air Flight 17, precipitating the crash. As such, there were rising calls for an international tribunal to ensure justice was served. For his part, Russian President Vladimir Putin cast the move as "premature."

Around the same period of mid-2015, Ukraine's parliament was moving forward with constitutional reforms aimed at establishing temporary self-rule in the eastern part of the country under pro-Russian rebel rule. The changes to the constitution were aimed at meeting Ukraine's obligations under the prevailing Minsk peace accord. While the legislative progress in Ukraine signaled to some that the government in Kiev was adhering to its Minsk peace accord commitments, Russia objected to the changes, arguing that they did not go far enough to fulfill the obligations of the Minsk. There were also objections at home in Ukraine by nationalists to the deal that would grant autonomy to pro-Russian rebels. Those protests in Kiev turned deadly, effectively expanding the landscape of unrest in Ukraine.

In September 2015, the schedule for local elections in the pro-Russian eastern part of Ukraine threatened to upend the Minsk peace accord. In the same period, Ukraine was calling on NATO to provide it with military weapons; however, NATO made clear that its priority was to ensure the implementation of the Minsk peace agreement .

\*\*\* See "Political Conditions" for full report related to the ongoing unrest in eastern Ukraine, which has been blamed on Russia. \*\*\*

## Special Entry

Russian missile fragments found at Malaysian Airline crash site in eastern Ukraine; is Russian veto of United Nations Security Council proposal for United Nations tribunal to prosecute suspects of shoot-down disaster motivated by self-interest?

### Summary:

In mid-July 2015, a year after Malaysian Airlines Flight 17 was shot down over an eastern Ukrainian war zone, killing close to 300 people, there was a call for justice as evidence began to mount against Russian-backed rebels. Of particular note was a proposal for a United Nations tribunal to prosecute suspects of Malaysian Air shoot-down disaster over eastern Ukraine, as well as a legal case seeking compensation for the families of victims. As July 2015 came to a close, Russia vetoed that proposal when it came before the United Nations Security Council, raising questions that its action was politically-motivated. Those suspicions were raised more acutely when, in August 2015, Dutch investigators said fragments of a Russian missile system were found at the crash site, essentially implicating Russia more directly in the shoot-down disaster, which had been generally attributed to pro-Russian separatists in eastern Ukraine. Now, with physical evidence of a Russian missile system being found at the scene of the crash, the Russian veto of the proposal for a United Nations tribunal to prosecute suspects stood out as an example of Russia acting in its own self-interest.

### In Detail:

In mid-July 2015, a year after Malaysian Airlines Flight 17 was shot down over an eastern Ukrainian war zone, killing close to 300 people, there was a call for justice as evidence began to mount against Russian-backed rebels. Of particular note was a proposal for a United Nations tribunal to prosecute suspects of Malaysian Air shoot-down disaster over eastern Ukraine, as well as a legal case seeking compensation for the families of victims. As July 2015 came to a close, Russia vetoed that proposal when it came before the United Nations Security Council, raising questions that its action was politically motivated. Those suspicions were raised more acutely when, in August 2015, Dutch investigators said fragments of a Russian missile system were found at the crash site, essentially implicating Russia more directly in the shoot-down disaster, which had been generally attributed to pro-Russian separatists in eastern Ukraine. Now, with physical evidence of a Russian missile system being found at the scene of the crash, the Russian veto of the proposal for a United Nations tribunal to prosecute suspects stood out as an example of Russia acting in its own self-interest.

Going back to mid-2014, the landscape in eastern Ukraine was beset by crisis as Russian-backed separatists were at war with the Ukrainian forces in what was becoming a bloody and violent conflict. The already-dire geopolitical landscape took a disturbing turn on July 17, 2014, when a

civilian passenger aircraft traveling from Amsterdam in the Netherlands to Kuala Lumpur in Malaysia went down in eastern Ukraine. All 298 people aboard the on board the Boeing 777 airliner -- 283 passengers, including 80 children, and 15 crew members -- perished when Malaysian Airlines flight 17 crashed in the rebel-held territory of Donesk close to the Russian border.

That event augured a geopolitical landmine when it was revealed that the Malaysian Airlines flight was shot down and blame was soon placed on pro-Russian separatists battling Ukrainian forces. Of particular significance was the mounting evidence pointing to the fact that the aircraft was struck by a Russian-supplied missile, which was likely fired by pro-Russian rebels operating in the area.

Indeed, a preliminary report released in September 2014 made note of the fact that the damage to the Flight 17's fuselage and cockpit indicated that it had been impacted by high-energy objects from outside the aircraft. This finding was consistent with the theory that Malaysian Airlines Flight 17 was hit by a missile of some kind. This theory was further bolstered when the Office of the Director of National Intelligence in the United States reported that there was a "solid case" that a SA-11 missile -- also known as the Buk surface-to-surface missile -- was fired from eastern Ukraine and likely struck the airliner, causing it to crash and killing all those on board. Other evidence involved voice recordings of pro-Russian rebel commanders admitting they had shot down the airliner.

The tragedy soon transposed into something of a scandal when the Russian-backed rebels prevented emergency responders from gathering the remains of passengers, and in fact treated both the human remains and the belongings of victims with grave disrespect. As such, in the aftermath of the tragic downing of the Malaysian Airlines flight, and because the majority of the victims with Dutch nationals, Europe's stance against Russia hardened. Accordingly, the West -- including the United States and the European Union -- intensified its sanctions regime against Russia. For its part, Russia has throughout denied any responsible for the tragedy.

A year later in mid-July 2015, the Dutch Safety Board, which was leading a multinational investigation into the tragedy, was in the process of compiling a report on the shoot-down disaster. While the final report was not due to be released until October 2015, preliminary findings indicated the following: 1. There was "no evidence of technical or human error" ; 2. The flight data recorder showed that "all engine parameters were normal for cruise flight" until the recording "stopped abruptly" at the time of the crash; 3. Evidence pointed to the fact that the Russian Buk surface-to-surface missile was fired from a village in eastern Ukraine under pro-Russian control and struck Malaysian Air Flight 17, precipitating the crash. The report also chided Malaysian Airlines for continuing to fly over a dangerous war zone despite other countries' dispatches and warnings, known as "notices to airmen" or NOTAMs.

As these preliminary findings began to circulate in the public sphere, Malaysia -- one of the

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countries involved in the multinational inquest -- demanded that the United Nations authorize a tribunal to further probe the crash. This call was echoed by Prime Minister Mark Rutte of the Netherlands -- the country that bore the brunt of the tragic death toll in the downing of Malaysian Airlines Flight 17 -- as he argued that an international tribunal would be needed to ensure justice was served. For his part, Russian President Vladimir Putin dismissed this call for the establishment of such a prosecutorial United Nations tribunal, casting the move as "premature." But his stance was not finding resonance across the world.

Meanwhile, relatives of the Flight 17 victims were wasting no time seeking legal recourse and financial reparations as they filed a \$900 million lawsuit against a Russian-supported rebel leader believed to be responsible for the shoot-down disaster over the eastern Ukrainian warzone. The legal writ filed in the United States alleged that a Russian national, Igor Strelkov (also known as Igor Girkin) was functioning as a rebel leader in eastern Ukraine, and was acting with the "actual or apparent" authority of Russian government when Malaysia Airlines Flight 17 was shot down over eastern Ukraine. Court documents made available to Agence France Presse included the following assertion: "Flight 17 flew over the airspace of the area in which the aforesaid rebel army was waging its war activities and the rebel army under the command responsibility of defendant Girkin shot down the subject Boeing 777-200 aircraft."

Floyd Wisner, the attorney who advanced the lawsuit on behalf of the victims' families said the legal action had "nothing to do with the money." Instead, he made clear that it was intended to pressure both the United Nations and Russia to bring those responsible to justice. Wisner said, "The relatives want answers, and we believe Girkin has answers. This lawsuit could shed light on the families' concerns, particularly over slow-moving diplomatic measures."

Note that as July 2015 came to a close, Russia -- a permanent and thus veto-wielding member of the United Nations Security Council -- vetoed a draft resolution calling for a United Nations tribunal to be established to prosecute suspects of Malaysian Air shoot-down disaster over eastern Ukraine. The proposal was rewarded with 11 of the 15 members of the United Nations Security Council voting in its favor, and with Angola, Venezuela, and China abstaining from the vote. But even that overwhelming tally was not enough to save the draft from surviving Russia's veto.

Given Russia's apparent complicity in the disaster, the general consensus was that the veto was a measure of self-interest by Moscow. Ukrainian Foreign Minister Pavlo Klimkin made this point himself as he said, "There can be no reason to oppose this [unless you are a perpetrator yourself]." For his part, Russia's Ambassador to the United Nations, Vitaly Churkin, dismissed the claim that his country's was attempting to stymie the process of accountability. He noted that criminal prosecutions would have been carried out in a "closed fashion" and blamed the media for "aggressive propaganda."

Despite this defense, Russia's veto was decried internationally and vociferously. United States

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Amabassador to the United Nations, Samantha Power, condemned Russia's veto of the draft proposal seeking, as she declared, "Russia has callously disregarded the public outcry in the grieving nations." Australian Foreign Minister Julie Bishop cast the Russian veto as "an affront to the memory of the 298 victims of MH17 and their families and friends." Foreign Minister Bishop also intimated that the Russian veto was not the end of the matter. Instead, she said that her country would be joined by Malaysia, the Netherlands, Belgium, and Ukraine in seeking an alternative pathway to prosecution mechanism.

By August 2015, suspicions about the Russian veto at the United Nations Security Council and Russia's eagerness to evade accountability were heightened more acutely when Dutch investigators said fragments of the Russian Buk surface-to-air missile system were found at the crash site. Fred Westerbeke, a spokesperson for the Dutch Prosecutor's Office, made clear that the fragments were very clearly not parts of the downed aircraft, and that examinations had shown that they were likely from a missile system. He said, "We are going to need more investigation to really find out what exactly this is and if it is part of a possible system that took down MH17. If we can establish that, then we can say that it is a breakthrough."

In a statement, the Joint Investigation Team (JIT) -- led by the Netherlands, but also including representatives of Ukraine, Belgium, Malaysia and Australia -- announced that seven missile fragments had been "secured during a previous recovery mission in eastern Ukraine." The JIT added that further investigation was thus in the offing, noting, "The parts are of particular interest to the criminal investigation as they can possibly provide more information about who was involved in the crash of MH17. For that reason the JIT further investigates the origin of these parts." It was expected that the JIT would prevail upon the expertise of weapons experts and forensic specialists to refine its examination. The investigators stopped short of outright accusing Russia of being behind the shoot-down disaster, noting in careful terms that they had not yet proved a "causal connection" between Russia and the crash of Malaysian Airlines Flight 17 that killed close to 298 people on board.

The discovery of physical evidence of the Russian missile system essentially implicated Russia more closely in the shoot-down disaster, which had been generally attributed to pro-Russian separatists in eastern Ukraine. But in truth, the main question going forward would be whether or not the fatal missile was fired by Russian-backed separatists, or, if the Russian military had played a more direct role in the disaster.

*Written by Dr. Denise Youngblood Coleman, Editor in Chief, [www.countrywatch.com](http://www.countrywatch.com); see Bibliography for research sources.*

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## National Security

### External Threats

Until 2014\*, no nation posed an immediate threat to Ukraine's national security. It is engaged several territorial disputes with other countries in the region, however. The Soviet Union's dissolution precipitated Ukrainian independence in August 1991. Ukraine and the Soviet Union's successor state, Russia, continue to disagree over their maritime boundary through the Sea of Azov and the Kerch Strait. Likewise, the Ukrainian government formally protested Russian construction of a causeway through the latter, as it began to extend towards the Ukrainian Island of Tuzla. Ukraine claimed that the project was a ploy to establish sovereignty over the strategically located islet. Though construction has been halted, the matter has not been resolved. Ukraine is involved in two disputes with Romania over their Black Sea boundary and the sovereignty of Zmiyinyy Island, currently under Ukrainian dominion. In addition to matters of territorial integrity, an independence movement in neighboring Moldova's Transnistria region remains an ongoing concern for the Ukrainian government.

\*See "Special Entry" below for information related to the 2014 uprising in Ukraine, which was followed by the Russian invasion, occupation, and annexation of the Ukrainian territory of Crimea.

### Crime

Ukraine has a moderate level of criminal activity. According to the United States Department of State, it has a fairly low incidence of street crime, but thefts and armed robberies do occur. It has been further reported that thieves in Ukraine have on occasion drugged unsuspecting victims before robbing them. Credit card and ATM fraud is rampant there. Likewise, Internet-based scams are becoming more prevalent. Racially motivated crimes conducted by 'skinheads' is also on the rise in Kiev. Ukraine is a significant hub of international drug trafficking activity. It serves as an interim destination for opiates and other illicit drugs from Africa, Latin America, and Turkey bound for destinations in Europe. Ukraine is a country of origin for cannabis, opium poppy, and synthetic drugs, all produced there on a relatively small scale. The laundering of proceeds from the narcotics trade is a minor but growing spin-off industry in Ukraine. The country was removed from the Financial Action Task Force on Money Laundering's (FATF) List of Non-Cooperative Countries and Territories (NCCT) in February 2004, however, after implementing measures to more effectively combat money laundering. A division of the Organization for Economic Cooperation and Development (OECD), the FATF was created in 1989 to address global concerns over the

proliferation of money laundering.

### **Insurgencies**

No organized insurgent movements inside or outside of Ukraine threaten its government or its general population. In early 1990s, the Ukrainian government was forced to contend with ethnic tension in the Crimea. Much of the nation's Russian minority, which comprises approximately 17 percent of its total population, is concentrated there. Shortly after Ukraine became independent in August 1991, ethnic Russians in the Crimea began to lobby for the annexation of their state to Russia. In July 1992, the Ukrainian and Crimean parliaments mutually agreed that the Crimea would remain part of Ukraine; in exchange, the Crimea was afforded a significant measure of economic and cultural autonomy.

In November 2004 fraudulent elections brought out hundreds of thousands of protestors into the streets of the Ukraine for 17 days. Known as the "Orange Revolution", this mass demonstration ended without bloodshed. It also led to the rerun election in December 2004. This election led to the opposition leader (and former Prime Minister) Viktor Yushchenko being elected, by the will of the people, as president. With the exception of these mass demonstrations, Ukraine has been largely free of significant civil unrest or disorders.

### **Terrorism**

There is no specific threat of terrorism against Ukraine. It has been very cooperative with the international community's efforts to combat terrorism, however. It is party to all twelve of the international protocols and conventions pertaining to terrorism. Ukraine granted coalition forces traveling to Afghanistan the right to pass through its airspace, allowing approximately 2000 overflights in 2003 alone. It also deployed 1,650 troops to a Polish-led multinational division in Iraq, as well as a nuclear, biological, and chemical remediation unit to Kuwait, members of which later traveled to Iraq. In 2003 Ukraine deported several alleged terrorists, including two Chechen militants. It has taken several steps to better control the movement of representatives of Islamic organizations within its borders, including: shortening the maximum allowable stay in the country of such individuals, deporting those who remain beyond that period, denying certain individuals access altogether, and finally, entering the names of those apprehended for illegally entering the country into a tracking database. In October 2005, Ukraine began a withdrawal of its troops stationed in Iraq.

### **Special Report:**

*Ukraine: is "Ground Zero" of a new East-West confrontation; after its landmark uprising*

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***and ousting of Yanukovich, the battleground shifts eastward from Kiev as Russia annexes Ukrainian territory of Crimea; crisis unfolds in eastern Ukraine***

Summary:

The start of 2014 was marked by turbulence and turmoil in Ukraine. Tensions initially flared in late 2013 in response to Ukrainian President Viktor Yanukovich's decision not to move forward with a pending association agreement with the European Union. That decision brought more than 100,000 protesters to the streets to rally against what they saw as Ukraine's movement towards greater control by Russia. Indeed, the general consensus was that President Yanukovich had bent to pressure by President Vladimir Putin of Russia to step away from the European Union Association Agreement and instead embrace a customs union with Russia.

By the start of 2014, another flare of protests ensued in Ukraine in response to legislation passed by members of parliament loyal to President Yanukovich. The laws at stake were intended to curb the free expression of political opposition and curtail public protests. The passage of such legislation raised the ire of Ukrainians, particularly those aligned with the opposition, and alarmed the West with the United States and European Union worried about the Ukraine's slide into autocracy under Yanukovich. In a twist of irony, the very laws intended to suppress mass action actually spurred exactly that end as mass protests attracting tens of thousands of people once again rocked Ukraine. As January 2014 entered its final week, concessions by President Yanukovich to include members of the opposition in government yielded no positive results. Instead, the unrest spread to the eastern part of the country. With the situation deteriorating, the prime minister and the government resigned, and the Ukrainian parliament repealed the controversial anti-protest laws.

In mid-February 2014, the turmoil re-ignited as police tried to clear the main protest camp. Ukraine was again thrust into a renewed state of turbulence and turmoil. A truce was forged on Feb. 19, 2014, but only after more than two dozen people died. That truce collapsed a day later, effectively returning the capital city of Kiev to a battle zone and leading to an increasing death toll. Yet another agreement was forged in which the president conceded to many of the demands of the opposition. But the deal appeared to have come too late to appease an enraged populace. By Feb. 22, 2014, President Yanukovich had fled to the eastern part of the country while his party abandoned him and joined the opposition to officially impeach him, while his political nemesis, former Prime Minister Tymoshenko, was freed from captivity.

The move was a clear message to Moscow that Ukraine would not be controlled by Russia and that Ukraine instead was looking toward Europe as it charted its future path. Indeed, to the chagrin of Russia, the new interim president of Ukraine declared the country would pursue closer ties with the European Union. The winds of change had swept across Ukraine with the "Maidan" or Independence Square stamped in the history books as "Ground Zero" of Ukraine's 2014 battleground.

But the celebration in Ukraine did not last long. The battleground terrain shifted eastward at the start of March 2014 when the Russian parliament granted Russian President Putin authorization to use force in Ukraine, and Russian forces annexed the Ukrainian territory of Crimea. Clearly, Putin and Russia felt entitled to reclaim their foothold in Ukraine, thus recalling alarming memories for the rest of the world of the Soviet invasion of then-Czechoslovakia in 1968 to subdue the independence-minded Prague Spring. Adding to the crisis was the perplexing decision by Russian President Putin to refuse to acknowledge that Russian troops were even in Crimea.

In response to Russia's actions against Ukraine, and particularly in the direction of controlling Crimea, the G7 countries (G8 minus Russia) pulled out of preparations for the G8 summit set to take place in Russia and the United States instituted targeted sanctions against Russian officials.

Talks aimed at resolving the crisis yielded no results. Indeed, an East-West conflict was intensifying as Crimea scheduled a referendum for mid-March 2014 when residents would decide whether or not to join Russia. A meeting between Russian Foreign Minister Lavrov and United States Secretary of State Kerry ended in failure. Because Russia viewed the overthrow of Yanukovich as illegal, and because the West viewed Crimea's decision to join Russia as in violation of international law, an impasse was at hand.

The United States and the European Union respectively warned that such a unilateral action would run counter to international law, and thus they would not recognize the likely ratification of Crimean unification with Russia. For its part, Ukraine insisted that it would not accept the fracturing of its territorial integrity.

Meanwhile, the West attempted to condemn Crimea's secession referendum, and issue its support for Ukraine's sovereignty, by moving forward with a resolution in the United Nations Security Council. As expected, Russia -- as a veto-wielding permanent member -- vetoed the draft. Every other Security Council member voted in favor of the measure, with the exception of China, which abstained from the vote. The inaction at the Security Council was reminiscent of the Cold war era in which both sides habitually vetoed the other's measures, essentially creating a state of diplomatic paralysis.

On March 16, 2014, ethnic Russians in Crimea voted overwhelmingly to secede from Ukraine and unite with Russia. Crimea then officially requested that the "Republic of Crimea" be admitted as a new subject to the Russian Federation. On the Russian side of the equation, Russia recognized Crimea as a sovereign entity. Russian President Putin soon responded by officially annexing Crimea.

The United States and the European Union imposed personal sanctions on Russian and Crimean officials. This punitive action was intended as a rebuke against the actions in Crimea; however,

there was no sign that Russia was even slightly daunted by its decision to seize control of a territory belonging to Ukraine under the established system of international jurisprudence. As stated above, Russia justified its moves by asserting that the interim post-Yanukovich government in Ukraine was illegitimate.

Russian ambitions to regain territory lost following the collapse of the Soviet Union soon entered into the equation. Of note was the fact that in the aftermath of Russia's annexation of Crimea, Russian attention was glancing towards other parts of eastern Ukraine. Eruptions of unrest in this Russian-speaking part of Ukraine were blamed on Russia, and reminiscent of what had transpired in Crimea. Indeed, Ukraine was accusing Russia of carrying out its Crimea formula by orchestrating unrest further into Ukrainian territory.

It was to be seen if the landscape in eastern Europe in the spring of 2014 represented the foundation for a renewed Cold War between the East and West. It was also possible that President Barack Obama of the United States was correct in dismissing such a notion on the basis of the fact that Russia was no longer a super power and, instead, a regional power acting as a bully against its neighbors.

Note that a presidential election was held in Ukraine on May 25, 2014. Petro Poroshenko claimed victory in Ukraine's presidential contest but turmoil continued to rock Ukraine. Entering the fray at the start of June 2014, NATO moved to bolster its security presence in eastern Europe as a deterrent against Russian aggression.

In June and July 2014, Ukrainian forces made some progress in retaking the rebel-held parts of eastern Ukraine, while the United States intensified its sanctions against Russian companies as a punitive measure against Russia for failing to de-escalate the conflict.

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December 2014 saw a prisoner exchange occur between the Ukrainian government and pro-Russian separatists. As well, Ukrainian President Poroshenko said that he intended to meet with his Russian, French, and German counterparts in early 2015 in Kazakhstan for discussions on the restoration of peace in the eastern part of the country. These actions were regarded as positive steps in the arena of regional relations. However, Ukraine's decision to revoke its neutral status -- a move that could potentially facilitate future NATO membership -- was likely to raise the ire of

Russia, which has opposed Ukraine's westward drift from the onset. Ironically, it was Russia's own aggressive interventions in eastern Ukraine, particularly marked by the annexation of Crimea, that actually catalyzed Ukraine's haste to move out of Russia's orbit.

At the start of 2015, the Minsk ceasefire agreement was effectively dead as fighting resumed around Donetsk and as pro-Russian separatists carried out an assault on the strategic port city of Mariupol, prompting Ukrainian President Poroshenko to warn that his forces would not bend to pro-Russian rebels and that Ukraine would protect its sovereignty. Fighting had extended to other areas in Ukraine's east as pro-Russian separatists aggressively sought to consolidate control over what they have termed "New Russia."

As the month of February 2015 began, there were reports that the Obama administration in the United States was considering additional support for Ukrainian forces in protecting Ukraine from the pro-Russian offensive. As well, NATO was considering the establishment of special command units in eastern Europe to respond rapidly to threats in the region.

Note that on Feb. 12, 2015, a new Minsk ceasefire agreement and a roadmap for peace were forged. But later in February 2015, peace in eastern Ukraine remained elusive as pro-Russians took control over the town of Debaltseve and forced Ukrainian forces into retreat. Pro-Russian forces were reportedly attacking government-held positions in eastern Ukraine -- including the area around the strategic port of Mariupol -- while Ukraine accused Russia of dispatching more troops and tanks to the region, specifically in the direction of the town of Novoazovsk on the southern coast.

Meanwhile, a year after the original Maidan uprising in Kiev ousted former pro-Russian President Yanukovich from power, Ukraine's second largest city of Kharkiv was struck by a bomb attack as demonstrators marched in a national unity rally. Despite the existence of the second Minsk ceasefire agreement, Ukraine was still occasionally mired by war and bloodshed. Europe warned of further sanctions to come if violations to the truce occurred and, indeed, a fragile peace appeared to take hold in the region. Juxtaposed against this background came a surprising admission from Russian President Putin that he had long-standing ambitions to regain Russian control over Crimea.

\*\*\* See "Political Conditions" for further information related to anti-government unrest during the Orange Revolution in 2004, and the Ukrainian Crisis of 2013-2014. \*\*\*

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## Defense Forces

### **Military Data**

#### **Military Branches:**

Ground Forces, Naval Forces, Air Forces

#### **Eligible age to enter service:**

18-27 years of age for compulsory military service

#### **Mandatory Service Terms:**

18 months conscription

#### **Manpower in general population-fit for military service:**

N/A

#### **Manpower reaching eligible age annually:**

N/A

#### **Military Expenditures-Percent of GDP:**

3%



# **Chapter 3**

## **Economic Overview**

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## Economic Overview

### *Overview*

Ukraine was the most important economic component of the former Soviet Union after Russia. Its fertile soil produced more than one-fourth of the former Soviet agricultural output, with its farms providing substantial quantities of meat, milk, grain and vegetables to other republics. Likewise, the Ukrainian industrial complex, centered in the mineral rich southeastern region, provided a wide range of valuable raw materials and finished products to the other republics of the former U.S.S.R. After independence in December 1991, the Ukrainian government started economic reforms towards a market economy; most prices were liberalized and a legal framework was established for privatization. Structural reforms and sound macroeconomic policies contributed to strong economic growth since 2000. Despite the doubling of imported natural gas prices and political uncertainty, the economy continued to perform well in recent years on the back of favorable external environment.

However, as a major steel exporter and borrower in international markets, Ukraine's economy was hit hard by the global economic crisis as evidenced by a decline in demand for steel products and the sharply reduced access to capital markets. This adverse impact was exacerbated by the existing economic vulnerabilities, including high inflation, widening current account deficit, and heavy dependence on exports in a limited number of commodities. As a result, economic growth slowed sharply in 2008 and suffered a very large contraction in 2009, while shortfalls in fiscal revenues strained public finances. Although economic activity is slowly recovering, helped by stronger external demand and higher steel prices, the narrowly-based recovery is vulnerable. Going forward, strong policies are needed to ensure macroeconomic stability against an uncertain regional outlook and to create the basis for higher growth. The new government that took office in March 2010 is committed to addressing existing imbalances and putting the economy on a path of durable growth through important fiscal, energy, and financial sector reforms. The government's economic program included implementing a comprehensive fiscal consolidation strategy to safeguard fiscal sustainability; continuing to modernize the gas sector and to restore the financial viability of the state-owned gas company, Naftogaz; and strengthening the financial sector through improving the sector's regulation and supervision system. The program also aims to develop a more effective monetary policy framework to reduce the still high inflation under a flexible exchange rate regime. The efforts appeared to pay off in 2010, when growth resumed, buoyed by exports. However, external conditions are likely to hamper efforts for economic recovery in 2011. While economic growth is expected to pick up moderately in 2011, led by fixed investment, a fragile banking system and fiscal austerity will likely prevent a broader recovery in domestic demand. The renewal of Ukraine's IMF loan program did ease external financing risks in 2010. However, strict targets in

2011 knocked the program off track. After initial disbursements, the IMF program stalled in early 2011 due to the Ukrainian government's lack of progress in implementing key gas sector reforms, namely gas tariff increases. Still, the economy grew in 2011 before slowing down in 2012 due to weak global demand.

In March 2012, cash-strapped Ukraine was in talks with the International Monetary Fund to restructure \$3 billion of debt falling due in 2012. The country was also asking if it could delay repayment by 10 years. Also in March 2012, Standard & Poor's Rating Services revised its outlook on its long-term sovereign ratings on Ukraine to negative from stable. The agency cited ongoing uncertainty about the Ukraine government's negotiations with the IMF and Russian gas company Russian gas company, OAO Gazprom. It said: "The negative outlook reflects our view of increased risks regarding Ukraine's significant fiscal and external refinancing needs. The ratings on Ukraine are constrained by our view of the government's unwillingness to make further structural improvements to the public finances; and by its highly leveraged financial sector with considerable nonperforming loans (NPLs)." By April 2012, the Ukrainian government was saying it expected growth to slow to about 3 percent for the year. However, economic growth slowed so much in the second half of 2012, Ukraine ended up finishing the year in technical recession due to declining steel exports, a poor grain harvest and oil refinery shutdowns.

In September 2012, Ukraine upset the World Trade Organization when it revealed plans to raise tariff ceilings on 371 goods using a legal loophole. By June 2013, Fitch Ratings had revised its outlook on Ukraine's long-term foreign and local currency Issuer Default Ratings to negative from stable. The ratings agency cited an increasingly fragile external financing position and the likelihood that international reserves would drop further as Ukraine faced a heavy debt repayment schedule through 2014. Talks with the IMF to restructure billions of dollars of debt remained stalled at the time of writing in 2013.

Ukraine negotiated a price discount on Russian gas imports in exchange for extending Russia's lease on its naval base in Crimea. Movement toward an Association Agreement with the European Union, which would commit Ukraine to economic and financial reforms in exchange for preferential access to EU markets, was curtailed by the November 2013 decision of President Yanukovich against signing this treaty. As a result, in mid-December 2013 President Yanukovich and President Putin concluded a financial assistance package containing \$15 billion in loans and lower gas prices. However, the ousting of the Yanukovich government due to the Ukrainian revolution in February 2014 caused Russia to halt further funding. The revolution took place after a series of violent events in Kiev resulted in the Yanukovich's ousting. There was then a rapid-fire series of changes in the country's sociopolitical system, including the installation of a new interim government, the restoration of an older version of the constitution, and the call to hold impromptu presidential elections within months.

With the formation of an interim government in late February 2014, the international community

began efforts to stabilize the Ukrainian economy, including an April 2014 IMF assistance package of \$17 billion. It was clear that Ukraine was experiencing its second major economic crisis in six years. The country was suffering from an overvalued exchange rate and a loose fiscal policy. Substantial losses in the state-owned gas company Naftogaz resulted in large twin deficits, a steady rise in indebtedness, recurrent difficulties with external financing, and depletion of international reserves. Such vulnerabilities made the economy especially susceptible to economic and political shocks that eventually led to the current crisis. Russia's subsequent military involvement in the country was not helping matters.

Despite the steps that the new government that took office in late February 2014 has taken toward restoring macroeconomic and financial stability, the country still faced many challenges as of mid-2014 including a dwindling of official foreign exchange reserves and the possibility of not being able to meet its external obligations. By August 2014, the hryvnia currency had depreciated by 50 percent and sales to Russia, its biggest trading partner, had collapsed. The country remained in a state of unrest and according to the United Nations, 730,000 Ukrainian refugees had fled to Russia since the beginning of 2014 and 117,000 had fled to other parts of Ukraine.

Russia's seizure of the Crimean Peninsula created uncertainty as to the annual rate of growth of the Ukrainian economy in 2014.

In late May 2015, the head of an IMF team visiting Ukraine gave a positive assessment of progress on reform and said there would be further discussion on loans that the near-bankrupt country badly needed, according to Reuters. The IMF mission had come to Ukraine to review progress with conditions for a \$17.5 billion four-year bailout program, and was expected to give recommendations to the IMF board in June 2015.

A second tranche of about \$2.5 billion depended on the outcome of the visit. Ukraine, which was still fighting a war in its east against Russian-backed separatists, desperately needed the cash to shore up foreign currency reserves.

### ***Economic Performance***

Ukraine enjoyed robust economic growth in recent years helped by high steel export prices and robust domestic demand underpinned by rapid income growth (mainly rising public pensions and wages) and reinforced by a credit boom. However, real GDP growth slowed sharply in 2008, followed by a large contraction in 2009 as a result of the global economic crisis. It swung back to positive territory in 2010 and 2011 before slowing slightly in 2012.

According to CountryWatch estimated calculations for 2014:

Real GDP growth rate was: 2.0 percent

The fiscal deficit/surplus as percent of GDP (%) was: -3.9 percent

Inflation was measured at: 16.0 percent

*Updated in 2015*

*\*Please note that the figures in our Economic Performance section are estimates or forecasts based on IMF-based data that are formulated using CountryWatch models of analysis.*

*Supplementary Sources: Roubini Global Economic, Standard & Poor's Rating Services and Reuters*

## **Special Entry**

Summary of 2008 credit crisis

A financial farrago, rooted in the credit crisis, became a global phenomenon by the start of October 2008. In the [United States](#), after failure of the passage of a controversial bailout plan in the lower chamber of Congress, an amended piece of legislation finally passed through both houses of Congress. There were hopes that its passage would calm jitters on Wall Street and restore confidence in the country's financial regime. With the situation requiring rapid and radical action, a new proposal for the government to bank stakes was gaining steam. Meanwhile, across the Atlantic in Europe, a spate of banking crises resulted in nationalization measures for the [United Kingdom](#) bank, Bradford and Bingley, joint efforts by the [Netherlands](#), [Belgium](#) and [Luxembourg](#) to shore up Fortis, joint efforts by [France](#), [Belgium](#), and [Luxembourg](#) to shore up Dexia, a rescue plan for Hypo Real Estate, and the quasi-bankruptcy of Iceland's economy. Indeed, Iceland's liabilities were in gross excess of the country's GDP. With further banks also in jeopardy of failing, and with no coordinated efforts to stem the tide by varying countries of the European Union, there were rising anxieties not only about the resolving the financial crisis, but also about the viability of the European bloc.

On Sept. 4, 2008, the leaders of key European states -- [United Kingdom](#), [France](#), [Germany](#), and [Italy](#) -- met in the French capital city of Paris to discuss the financial farrago and to consider possible action. The talks, which were hosted by French President Nicolas Sarkozy, ended without consensus on what should be done to deal with the credit crisis, which was rapidly becoming a global phenomenon. The only thing that the four European countries agreed upon was that there would not be a grand rescue plan, akin to the type that was initiated in the [United States](#). As well, they jointly called for greater regulation and a coordinated response. To that latter end, President Nicolas Sarkozy said, "Each government will operate with its own methods and means, but in a coordinated manner."

This call came after [Ireland](#) took independent action to deal with the burgeoning financial crisis.

Notably, the Irish government decided days earlier to fully guarantee all deposits in the country's major banks for a period of two years. The Greek government soon followed suit with a similar action. These actions by [Ireland](#) and [Greece](#) raised the ire of other European countries, and evoked questions of whether [Ireland](#) and [Greece](#) had violated any European Union charters.

Nevertheless, as anxieties about the safety of bank deposits rose across Europe, [Ireland](#) and [Greece](#) saw an influx of new banking customers from across the continent, presumably seeking the security of knowing their money would be safe amidst a financial meltdown. And even with questions rising about the decisions of the Irish and Greek government, the government of [Germany](#) decided to go down a similar path by guaranteeing all private bank accounts. For his part, British Prime Minister Gordon Brown said that his government would increase the limit on guaranteed bank deposits from £35,000 to £50,000.

In these various ways, it was clear that there was no concurrence among some of Europe's most important economies. In fact, despite the meeting in [France](#), which called for coordination among the countries of the European bloc, there was no unified response to the global financial crisis. Instead, that meeting laid bare the divisions within the countries of the European Union, and called into question the very viability of the European bloc. Perhaps that question of viability would be answered at a forthcoming G8 summit, as recommended by those participating in the Paris talks.

A week later, another meeting of European leaders in Paris ended with concurrence that no large institution would be allowed to fail. The meeting, which was attended by leaders of euro zone countries, resulted in an agreement to guarantee loans between banks until the end of 2009, with an eye on easing the credit crunch. The proposal, which would apply in 15 countries, also included a plan for capital infusions by means of purchasing preference shares from banks. The [United Kingdom](#), which is outside the euro zone, had already announced a similar strategy.

French President Nicolas Sarkozy argued that these unprecedented measures were of vital importance. The French leader said, "The crisis has over the past few days entered into a phase that makes it intolerable to opt for procrastination and a go-it-alone approach."

### Europe facing financial crisis as banking bail-out looms large

In early 2009, according to the European Commission, European banks may be in need of as much as several trillion in bailout funding. Impaired or toxic assets factor highly on the European Union bank balance sheets. Economist Nouriel Roubini warned that the economies of [Ukraine](#), [Belarus](#), [Hungary](#), [Latvia](#) and [Lithuania](#) appeared to be on the brink of disaster. Overall, Eastern European countries borrowed heavily from Western European banks. Thus, even if the currencies on the eastern part of the continent collapse, effects will be felt in the western part of Europe as well. For example, Swiss banks that gave billions of credit to Eastern Europe cannot look forward to repayment anytime soon. As well, Austrian banks have had extensive exposure to Eastern

Europe, and can anticipate a highly increased cost of insuring its debt. German Finance Minister Peer Steinbrueck has warned that as many as 16 European Union countries would require assistance. Indeed, his statements suggested the need for a regional rescue effort.

### European Union backs financial regulation overhaul

With the global financial crisis intensifying, leaders of European Union countries backed sweeping financial regulations. Included in the package of market reforms were sanctions on tax havens, caps on bonus payments to management, greater hedge fund regulation, and increased influence by the International Monetary Fund. European leaders also backed a charter of sustainable economic activity, that would subject all global financial activities to both regulation and accountability by credit rating agencies.

These moves were made ahead of the Group of 20 summit scheduled for April 2, 2009, in London. It was not known whether other countries outside Europe, such as the [United States](#), [Japan](#), [India](#) and [China](#), would support the new and aggressive regime of market regulation. That said, German Chancellor Angela Merkel said in Berlin that Europe had a responsibility to chart this track. She said, "Europe will own up to its responsibility in the world."

### Leaders forge \$1 trillion deal at G-20 summit in London

Leaders of the world's largest economies, known as the "G-20," met in London to explore possible responses to the global financial crisis. To that end, they forged a deal valued at more than US\$1 trillion.

Central to the agreement was an infusion of \$750 billion to the International Monetary Fund (IMF), which was aimed at helping troubled economies. Up to \$100 billion of that amount was earmarked to assist the world's very poorest countries -- an amount far greater than had been expected. In many senses, the infusion of funding to the IMF marked a strengthening of that body unseen since the 1980s.

In addition, the G-20 leaders settled on a \$250 billion increase in global trade. The world's poorest countries would also benefit from the availability of \$250 billion of trade credit.

After some debate, the G-20 leaders decided to levy sanctions against clandestine tax havens and to institute strict financial regulations. Such regulations included tougher controls on banking professionals' salaries and bonuses, and increased oversight of hedge funds and credit rating agencies. A Financial Stability Board was to be established that would work in concert with the IMF to facilitate cross-border cooperation, and also to provide early warnings regarding the financial system.

Aside from these measures, the G-20 countries were already implementing their own economic

stimulus measures at home, aimed at reversing the global recession. Together, these economic stimulus packages would inject approximately \$5 trillion by the end of 2010.

United Kingdom Prime Minister Gordon Brown played host at the meeting, which most concurred went off successfully, despite the presence of anti-globalization and anarchist protestors. Prime Minister Brown warned that there was "no quick fix" for the economic woes facing the international community, but he drew attention to the consensus that had been forged in the interest of the common good. He said, "This is the day that the world came together to fight back against the global recession, not with words, but with a plan for global recovery and for reform and with a clear timetable for its delivery."

All eyes were on [United States](#) President Barack Obama, who characterized the G-20 summit as "a turning point" in the effort towards global economic recovery. He also hailed the advances agreed upon to reform the failed regulatory regime that contributed to the financial crisis that has gripped many of the economies across the globe. Thusly, President Obama declared the London summit to be historic saying, "It was historic because of the size and the scope of the challenges that we face and because of the timeliness and the magnitude of our response."

Ahead of the summit, there were reports of a growing rift between the respective duos of [France](#) and [Germany](#) and the [United States](#) and the [United Kingdom](#). While [France](#) and [Germany](#) were emphasizing stricter financial regulations, the [United States](#) and the [United Kingdom](#) were advocating public spending to deal with the economic crisis. Indeed, French President Nicolas Sarkozy had threatened to bolt the meeting if his priority issues were not addressed. But such an end did not occur, although tensions were existent.

To that end, President Obama was hailed for his diplomatic skills after he brokered an agreement between [France](#) and [China](#) on tax havens. The American president played the role of peacemaker between French President Sarkozy and Chinese Premier Hu Jintao, paving the way for a meeting of the minds on the matter of tax havens.

French President Nicolas Sarkozy said the concurrence reached at the G-20 summit were "more than we could have hoped for." President Sarkozy also credited President Obama for the American president's leadership at the summit, effusively stating: "President Obama really found the consensus. He didn't focus exclusively on stimulus ... In fact it was he who managed to help me persuade [Chinese] President Hu Jintao to agree to the reference to the ... publication of a list of tax havens, and I wish to thank him for that."

Meanwhile, German Chancellor Angela Merkel also expressed positive feedback about the success of the summit noting that the new measures would give the international arena a "clearer financial market architecture." She noted the agreement reached was "a very, very good, almost historic compromise." Finally, Chancellor Merkel had warm words of praise for President Obama. "The American president also put his hand into this," said Merkel.

Note: The G-20 leaders agreed to meet again in September 2009 in New York to assess the progress of their agenda.

## Nominal GDP and Components

Nominal GDP and Components					
	2011	2012	2013	2014	2015
Nominal GDP (LCU billions)	1,299.99	1,404.67	1,465.20	1,566.73	1,980.74
Nominal GDP Growth Rate (%)	20.084	8.052	4.309	6.929	26.425
Consumption (LCU billions)	868.524	959.196	1,069.95	1,118.88	1,373.34
Government Expenditure (LCU billions)	225.707	261.967	267.098	291.302	357.553
Gross Capital Formation (LCU billions)	291.678	305.031	262.257	220.563	229.984
Exports of Goods & Services (LCU billions)	647.608	670.319	629.392	770.121	986.949
Imports of Goods & Services (LCU billions)	733.526	791.844	763.499	834.133	967.086

## Population and GDP Per Capita

Population and GDP Per Capita					
	2011	2012	2013	2014	2015
Population, total (million)	45.453	45.246	40.489	42.831	42.741
Population growth (%)	-0.3180	-0.4554	-10.5136	5.784	-0.2101
Nominal GDP per Capita (LCU 1000s)	28,600.77	31,045.15	36,187.56	36,579.30	46,342.88

## Real GDP and Inflation

Real GDP and Inflation					
	2011	2012	2013	2014	2015
Real Gross Domestic Product (LCU billions 2005 base)	1,138.34	1,141.05	1,140.75	1,062.84	966.673
Real GDP Growth Rate (%)	5.151	0.2386	-0.0267	-6.8297	-9.0479
GDP Deflator (2005=100.0)	114.201	123.103	128.442	147.410	204.903
Inflation, GDP Deflator (%)	14.201	7.795	4.337	14.768	39.002

## Government Spending and Taxation

Government Spending and Taxation					
	2011	2012	2013	2014	2015
Government Fiscal Budget (billions)	594.100	687.900	704.900	710.524	891.068
Fiscal Budget Growth Rate (percentage)	11.989	15.789	2.471	0.7978	25.410
National Tax Rate Net of Transfers (%)	42.939	44.665	43.325	40.829	40.811
Government Revenues Net of Transfers (LCU billions)	558.200	627.400	634.800	639.684	808.367
Government Surplus(-) Deficit(+) (LCU billions)	-35.9000	-60.5000	-70.1000	-70.8400	-82.7010
Government Surplus(+) Deficit(-) (%GDP)	-2.7616	-4.3071	-4.7843	-4.5215	-4.1753

## Money Supply, Interest Rates and Unemployment

Money Supply, Interest Rates and Unemployment					
	2011	2012	2013	2014	2015
Money and Quasi-Money (M2) (LCU billions)	685.515	773.199	908.994	956.728	1,209.55
Money Supply Growth Rate (%)	14.659	12.791	17.563	5.251	26.425
Lending Interest Rate (%)	15.947	18.392	16.649	17.718	19.447
Unemployment Rate (%)	7.856	7.529	7.253	9.275	11.467

## Foreign Trade and the Exchange Rate

Foreign Trade and the Exchange Rate					
	2011	2012	2013	2014	2015
Official Exchange Rate (LCU/\$US)	7.968	7.994	8.159	11.991	21.975
Trade Balance NIPA (\$US billions)	-10.7835	-15.2013	-16.4359	-5.3384	0.9039
Trade Balance % of GDP	-6.6091	-8.6515	-9.1528	-4.0857	1.003
Total Foreign Exchange Reserves (\$US billions)	31.789	24.553	20.414	7.539	14.230

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**Data in US Dollars**

Data in US Dollars					
	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Nominal GDP (\$US billions)	163.161	175.707	179.572	130.660	90.138
Exports (\$US billions)	81.281	83.849	77.137	64.226	44.913
Imports (\$US billions)	92.064	99.050	93.573	69.564	44.009

## Energy Consumption and Production Standard Units

Energy Consumption and Production Standard Units					
	2011	2012	2013	2014	2015
Petroleum Consumption (TBPD)	291.912	262.231	255.000	219.867	217.478
Petroleum Production (TBPD)	79.606	80.487	74.638	64.897	63.964
Petroleum Net Exports (TBPD)	-212.3059	-181.7434	-180.3622	-154.9691	-153.5143
Natural Gas Consumption (bcf)	2,281.35	1,861.10	1,659.80	1,629.95	1,637.74
Natural Gas Production (bcf)	699.919	701.514	746.677	646.213	679.629
Natural Gas Net Exports (bcf)	-1581.4300	-1159.5862	-913.1276	-983.7377	-958.1161
Coal Consumption (1000s st)	70,641.62	77,327.14	74,990.20	58,722.37	58,613.60
Coal Production	67,752.96	67,118.02	66,432.21	49,681.06	46,992.27

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	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
(1000s st)					
Coal Net Exports (1000s st)	-2888.6595	-10209.1211	-8557.9962	-9041.3028	-11621.3299
Nuclear Production (bil kwh)	84.894	84.886	78.362	83.240	82.695
Hydroelectric Production (bil kwh)	10.837	10.374	13.663	8.494	8.069
Renewables Production (bil kwh)	0.4850	0.7550	1.337	1.569	1.726

## Energy Consumption and Production QUADS

Energy Consumption and Production QUADS					
	2011	2012	2013	2014	2015
Petroleum Consumption (Quads)	0.6233	0.5599	0.5445	0.4695	0.4644
Petroleum Production (Quads)	0.1700	0.1730	0.1599	0.1417	0.1092
Petroleum Net Exports (Quads)	-0.4533	-0.3869	-0.3846	-0.3277	-0.3552
Natural Gas Consumption (Quads)	2.327	1.898	1.693	1.663	1.670
Natural Gas Production (Quads)	0.7132	0.7132	0.7600	0.6686	0.5933
Natural Gas Net Exports (Quads)	-1.6138	-1.1851	-0.9330	-0.9940	-1.0772
Coal Consumption (Quads)	1.413	1.547	1.500	1.174	1.172
Coal Production (Quads)	1.381	1.425	1.397	0.9936	0.8474
Coal Net Exports (Quads)	-0.0314	-0.1217	-0.1030	-0.1808	-0.3249
Nuclear Production (Quads)	0.8489	0.8489	0.7836	0.8324	0.8270
Hydroelectric Production (Quads)	0.1084	0.1037	0.1366	0.0849	0.0807
Renewables Production (Quads)	0.0048	0.0076	0.0134	0.0157	0.0173

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## World Energy Price Summary

World Energy Price Summary					
	2011	2012	2013	2014	2015
Petroleum-WTI (\$/bbl)	95.054	94.159	97.943	93.112	48.709
Natural Gas-Henry Hub (\$/mmbtu)	3.999	2.752	3.729	4.369	2.614
Coal Thermal-Australian (\$/mt)	121.448	96.364	84.562	70.130	57.511

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**CO2 Emissions**

CO2 Emissions					
	2011	2012	2013	2014	2015
Petroleum Based (mm mt C)	1.057	1.057	1.049	1.080	1.101
Natural Gas Based (mm mt C)	37.013	30.195	26.929	26.445	26.571
Coal Based (mm mt C)	40.485	44.316	42.977	33.654	33.591
Total CO2 Emissions (mm mt C)	78.555	75.568	70.955	61.178	61.264

## Agriculture Consumption and Production

Agriculture Consumption and Production					
	2011	2012	2013	2014	2015
Corn Total Consumption (1000 metric tons)	15,077.41	5,379.59	14,269.64	11,575.55	11,575.55
Corn Production (1000 metric tons)	22,795.57	20,897.55	30,823.45	28,932.74	26,965.51
Corn Net Exports (1000 metric tons)	7,718.16	15,517.96	16,553.81	17,357.20	15,389.97
Soybeans Total Consumption (1000 metric tons)	1,170.23	930.220	1,283.88	947.050	758.336
Soybeans Production (1000 metric tons)	2,267.37	2,405.83	2,757.48	3,819.13	3,598.06
Soybeans Net Exports (1000 metric tons)	1,097.14	1,475.61	1,473.60	2,872.08	2,839.72

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Rice Total Consumption (1000 metric tons)	170.446	134.675	122.006	49.491	39.387
Rice Production (1000 metric tons)	170.015	159.797	144.986	50.860	47.497
Rice Net Exports (1000 metric tons)	-0.4314	25.122	22.980	1.369	8.109
Coffee Total Consumption (metric tons)	6,156.00	7,480.00	7,940.00	9,611.10	8,097.49
Coffee Production (metric tons)	0.0000	0.0000	0.0000	0.0000	0.0000
Coffee Net Exports (metric tons)	-6156.0000	-7480.0000	-7940.0000	-9611.1032	-8097.4877
Cocoa Beans Total Consumption (metric tons)	17,493.00	18,092.00	20,804.00	26,950.92	23,371.38
Cocoa Beans Production (metric tons)	0.0000	0.0000	0.0000	0.0000	0.0000
Cocoa Beans Net Exports	-17493.0000	-18092.0000	-20804.0000	-26950.9208	-23371.3789

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	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
(metric tons)					
Wheat Total Consumption (1000 metric tons)	18,228.41	7,084.62	14,518.80	14,666.61	11,100.58
Wheat Production (1000 metric tons)	22,274.01	15,846.04	22,244.40	24,193.48	21,071.78
Wheat Net Exports (1000 metric tons)	4,045.60	8,761.42	7,725.61	9,526.87	9,971.21

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## World Agriculture Pricing Summary

World Agriculture Pricing Summary					
	2011	2012	2013	2014	2015
Corn Pricing Summary (\$/metric ton)	291.684	298.417	259.389	192.881	169.750
Soybeans Pricing Summary (\$/metric ton)	540.667	591.417	538.417	491.771	390.417
Rice Pricing Summary (\$/metric ton)	458.558	525.071	473.989	425.148	386.033
Coffee Pricing Summary (\$/kilogram)	5.976	4.111	3.076	4.424	3.526
Cocoa Beans Pricing Summary (\$/kilogram)	2.980	2.392	2.439	3.062	3.135
Wheat Pricing Summary (\$/metric ton)	316.264	313.242	312.248	284.895	203.177

## Metals Consumption and Production

Metals Consumption and Production					
	2011	2012	2013	2014	2015
Copper Consumption (1000 mt)	13,077.26	16,184.39	16,142.74	17,198.46	13,430.55
Copper Production (1000 mt)	19,845.91	19,811.42	19,889.95	21,308.14	18,757.14
Copper Net Exports (1000 mt)	6,768.65	3,627.03	3,747.21	4,109.68	5,326.59
Zinc Consumption (1000 mt)	16,282.67	16,536.84	18,344.11	10,028.46	8,049.70
Zinc Production (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000
Zinc Exports (1000 mt)	-16282.6710	-16536.8350	-18344.1090	-10028.4580	-8049.6993
Lead Consumption (1000 mt)	39,180.91	31,034.00	20,066.04	11,618.36	8,749.63
Lead Production (1000 mt)	13,395.99	13,570.82	13,922.96	18,190.12	17,771.55

	2011	2012	2013	2014	2015
Lead Exports (1000 mt)	-25784.9227	-17463.1813	-6143.0814	6,571.76	9,021.92
Tin Consumption (1000 mt)	362.309	331.163	252.158	150.008	125.231
Tin Production (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000
Tin Exports (1000 mt)	-362.3090	-331.1630	-252.1580	-150.0076	-125.2311
Nickel Consumption (1000 mt)	17,359.82	23,951.12	27,319.21	30,943.61	25,014.21
Nickel Production (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000
Nickel Exports (1000 mt)	-17359.8160	-23951.1150	-27319.2081	-30943.6062	-25014.2139
Gold Consumption (kg)	12,725.25	8,012.01	13,700.44	3,699.11	2,902.79
Gold Production (kg)	1,052.62	1,085.34	1,121.00	1,196.20	1,154.44
Gold Exports (kg)	-11672.6340	-6926.6731	-12579.4367	-2502.9120	-1748.3548

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	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Silver Consumption (mt)	22,107.00	20,189.00	34,054.00	18,242.00	13,489.19
Silver Production (mt)	4,328.39	4,541.63	4,615.06	4,775.99	4,389.26
Silver Exports (mt)	-17778.6101	-15647.3670	-29438.9423	-13466.0059	-9099.9303

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**World Metals Pricing Summary**

World Metals Pricing Summary					
	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Copper (\$/mt)	8,828.19	7,962.35	7,332.10	6,863.40	5,510.46
Zinc (\$/mt)	2,193.90	1,950.41	1,910.26	2,160.97	1,931.68
Tin (\$/mt)	26,053.68	21,125.99	22,282.80	21,898.87	16,066.63
Lead (\$/mt)	2,400.81	2,064.64	2,139.79	2,095.46	1,787.82
Nickel (\$/mt)	22,910.36	17,547.55	15,031.80	16,893.38	11,862.64
Gold (\$/oz)	1,569.21	1,669.52	1,411.46	1,265.58	1,160.66
Silver (\$/oz)	35.224	31.137	23.850	19.071	15.721

## Economic Performance Index

### Economic Performance Index

The Economic Performance rankings are calculated by CountryWatch's editorial team, and are based on criteria including sustained economic growth, monetary stability, current account deficits, budget surplus, unemployment and structural imbalances. Scores are assessed from 0 to 100 using this aforementioned criteria as well as CountryWatch's proprietary economic research data and models.

	Bank stability risk	Monetary/ Currency stability	Government Finances	Empl./ Unempl.	Econ.GNP growth or decline/ forecast
	0 - 100	0 - 100	0 - 100	0 - 100	%
<b>North Americas</b>					
Canada	92	69	35	38	3.14%
United States	94	76	4	29	3.01%
<b>Western Europe</b>					
Austria	90	27	30	63	1.33%
Belgium	88	27	19	23	1.15%
Cyprus	81	91	16	80	-0.69%
Denmark	97	70	45	78	1.20%
Finland	89	27	41	33	1.25%

France	87	27	18	27	1.52%
Germany	86	27	22	21	1.25%
Greece	79	27	5	24	-2.00%
Iceland	90	17	2	34	-3.04%
Italy	85	27	37	24	0.84%
Ireland	92	27	11	10	-1.55%
Luxembourg	99	27	28	66	2.08%
Malta	77	27	41	51	0.54%
Netherlands	91	27	26	74	1.30%
Norway	98	44	10	76	1.08%
Portugal	77	27	13	20	0.29%
Spain	83	27	9	3	-0.41%
Sweden	94	72	54	32	1.23%
Switzerland	97	86	55	77	1.53%
United Kingdom	85	12	9	37	1.34%
<b>Central and Eastern Europe</b>					
Albania	44	60	33	6	2.30%
Armenia	45	59	49	30	1.80%

Azerbaijan	56	4	84	99	2.68%
Belarus	59	21	83	98	2.41%
Bosnia and Herzegovina	34	68	69	N/A	0.50%
Bulgaria	58	75	88	49	0.20%
Croatia	69	68	94	9	0.18%
Czech Republic	80	89	29	70	1.67%
Estonia	72	90	66	92	0.80%
Georgia	36	60	53	56	2.00%
Hungary	70	66	26	54	-0.16%
Latvia	67	100	65	44	-3.97%
Lithuania	65	91	87	79	-1.65%
Macedonia (FYR)	53	69	56	2	2.03%
Moldova	23	36	81	67	2.50%
Poland	74	74	38	12	2.72%
Romania	62	56	70	62	0.75%
Russia	73	18	90	8	4.00%
Serbia	48	49	52	5	1.97%

Montenegro	39	27	73	1	-1.70%
Slovak Republic	80	62	30	14	4.06%
Slovenia	81	27	36	65	1.12%
Ukraine	41	11	57	N/A	3.68%
Africa					
Algeria	57	18	96	7	4.55%
Angola	49	1	97	N/A	7.05%
Benin	19	91	20	N/A	3.22%
Botswana	68	58	76	N/A	6.33%
Burkina Faso	16	91	13	N/A	4.41%
Burundi	2	91	6	N/A	3.85%
Cameroon	26	91	91	N/A	2.58%
Cape Verde	52	87	4	N/A	4.96%
Central African Republic	9	91	32	N/A	3.18%
Chad	22	91	89	N/A	4.42%
Congo	52	87	87	N/A	12.13%
Côte d'Ivoire	25	91	82	28	2.98%
Dem. Republic					

Congo	4	91	47	N/A	5.44%
Djibouti	31	76	50	N/A	4.47%
Egypt	37	20	24	69	5.01%
Equatorial Guinea	82	91	85	N/A	0.94%
Eritrea	1	3	1	18	1.81%
Ethiopia	6	45	8	N/A	6.96%
Gabon	64	91	96	N/A	5.36%
Gambia	8	48	86	N/A	4.82%
Ghana	9	11	69	N/A	4.50%
Guinea	10	7	91	N/A	3.03%
Guinea-Bissau	5	91	46	N/A	3.47%
Kenya	20	41	59	N/A	4.11%
Lesotho	13	40	12	N/A	2.98%
Liberia	12	73	74	N/A	5.92%
Libya	73	2	94	N/A	5.22%
Madagascar	4	22	24	N/A	-1.02%
Malawi	7	25	55	N/A	5.96%
Mali	20	91	82	N/A	5.12%

Mauritania	15	13	93	N/A	4.58%
Mauritius	65	52	56	55	4.10%
Morocco	37	72	48	26	3.23%
Mozambique	12	23	71	N/A	6.45%
Namibia	40	39	62	N/A	1.70%
Niger	10	91	21	N/A	4.41%
Nigeria	30	6	61	N/A	6.98%
Rwanda	21	40	68	N/A	5.39%
Sao Tome & Principe	1	61	100	N/A	3.40%
Senegal	24	91	63	N/A	3.44%
Seychelles	60	67	97	N/A	4.01%
Sierra Leone	5	10	39	N/A	4.77%
Somalia	2	38	59	N/A	3.19%
South Africa	61	37	70	N/A	2.59%
Sudan	16	5	73	N/A	5.52%
Swaziland	32	44	79	N/A	1.09%
Tanzania	15	45	32	N/A	6.17%
Togo	8	91	92	N/A	2.56%

Tunisia	50	61	44	39	4.00%
Uganda	11	17	54	N/A	5.59%
Zambia	29	20	49	N/A	5.84%
Zimbabwe	0	8	16	N/A	2.24%
<b>South and Central America</b>					
Argentina	66	3	80	36	3.50%
Belize	47	76	80	N/A	1.00%
Bolivia	32	51	61	81	3.99%
Brazil	71	47	78	11	5.50%
Chile	78	25	92	73	4.72%
Columbia	47	52	34	47	2.25%
Costa Rica	60	42	39	57	3.45%
Ecuador	43	76	75	64	2.51%
El Salvador	35	76	67	N/A	1.04%
Guatemala	46	59	58	N/A	2.52%
Honduras	27	47	58	N/A	2.00%
Mexico	69	42	52	61	4.07%
Nicaragua	23	49	42	N/A	1.75%

Panama	66	76	72	45	5.00%
Paraguay	35	46	66	16	5.27%
Peru	59	66	75	22	6.33%
Suriname	58	26	81	59	4.02%
Uruguay	70	26	27	N/A	5.71%
Venezuela	55	1	28	13	-2.63%
<b>Caribbean</b>					
Antigua & Barbuda	72	76	15	N/A	-2.01%
Bahamas	74	76	45	87	-0.50%
Barbados	67	76	33	15	-0.50%
Bermuda	N/A	N/A	N/A	N/A	N/A
Cuba	45	76	18	95	0.25%
Dominica	53	76	65	N/A	1.40%
Dominican Republic	54	39	43	4	3.50%
Grenada	63	76	48	N/A	0.80%
Guyana	28	56	17	N/A	4.36%
Haiti	11	27	89	N/A	-8.50%
Jamaica	42	9	85	19	-0.28%

St Lucia	55	76	67	N/A	1.14%
St Vincent & Grenadines	49	76	95	N/A	0.50%
Trinidad & Tobago	82	37	77	72	2.13%
<b>Middle East</b>					
Bahrain	84	76	62	91	3.48%
Iran	51	19	40	58	3.01%
Iraq	48	9	8	N/A	7.27%
Israel	87	62	12	48	3.20%
Jordan	41	51	3	N/A	4.10%
Kuwait	96	4	99	N/A	3.10%
Lebanon	63	54	2	N/A	6.00%
Oman	76	16	88	N/A	4.71%
Qatar	99	16	83	N/A	18.54%
Saudi Arabia	76	8	98	N/A	3.70%
Syria	61	24	40	N/A	5.00%
Turkey	75	23	27	60	5.20%
United Arab Emirates	96	24	98	94	1.29%

Yemen	28	2	78	N/A	7.78%
<b>Asia</b>					
Afghanistan	17	70	74	N/A	8.64%
Bangladesh	13	43	25	N/A	5.38%
Bhutan	24	55	5	N/A	6.85%
Brunei	78	19	99	75	0.48%
Cambodia	18	67	42	N/A	4.77%
China	54	90	19	68	11.03%
Hong Kong	89	76	14	82	5.02%
India	31	38	34	35	8.78%
Indonesia	42	46	37	31	6.00%
Japan	88	89	6	71	1.90%
Kazakhstan	62	13	76	42	2.40%
Korea North	18	65	23	N/A	1.50%
Korea South	83	63	22	85	4.44%
Kyrgyz Republic	24	15	84	88	4.61%
Laos	17	54	7	N/A	7.22%
Macao	91	76	14	82	3.00%

Malaysia	68	65	44	90	4.72%
Maldives	44	55	17	N/A	3.45%
Mongolia	33	5	77	93	7.22%
Myanmar	3	41	72	N/A	5.26%
Nepal	3	14	25	N/A	2.97%
Pakistan	19	15	31	41	3.00%
Papua New Guinea	75	50	11	N/A	7.96%
Philippines	30	48	53	43	3.63%
Singapore	93	75	63	40	5.68%
Sri Lanka	38	22	10	N/A	5.50%
Taiwan	84	88	35	89	6.50%
Tajikistan	6	6	60	97	4.00%
Thailand	56	64	90	96	5.46%
Turkmenistan	51	53	68	N/A	12.00%
Uzbekistan	40	10	60	100	8.00%
Vietnam	25	12	20	N/A	6.04%
<b>Pacific</b>					
Australia	96	63	31	46	2.96%

Fiji	46	53	3	N/A	2.06%
Marshall Islands	27	76	46	N/A	1.08%
Micronesia (Fed. States)	N/A	N/A	N/A	N/A	N/A
New Caledonia	96	73	51	52	2.00%
New Zealand	98	73	51	52	2.00%
Samoa	34	88	64	N/A	-2.77%
Solomon Islands	14	71	1	N/A	3.36%
Tonga	26	57	38	N/A	0.60%
Vanuatu	33	58	47	N/A	3.80%

Source:

CountryWatch Inc. [www.countrywatch.com](http://www.countrywatch.com)

Updated:

This material was produced in 2010; it is subject to updating in 2012.

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# Chapter 4

## Investment Overview

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## Foreign Investment Climate

### Background

After Russia, the Ukrainian republic was far and away the most important economic component of the former Soviet Union, producing about four times the output of the next-ranking republic. Its fertile black soil generated more than one-fourth of Soviet agricultural output, and its farms provided substantial quantities of meat, milk, grain, and vegetables to other republics. Likewise, its diversified heavy industry supplied the unique equipment (for example, large diameter pipes) and raw materials to industrial and mining sites (vertical drilling apparatus) in other regions of the former USSR. Shortly after independence was ratified in December 1991, the Ukrainian Government liberalized most prices and erected a legal framework for privatization, but widespread resistance to reform within the government and the legislature soon stalled reform efforts and led to some backtracking. Outside institutions - particularly the IMF - have encouraged Ukraine to quicken the pace and scope of reforms.

### Foreign Investment Assessment

For some time, the Ukrainian government officially claimed it was actively interested in creating a free market economy and was seeking foreign investment. However, the country was actually very slow to implement much-needed reforms, and for many years failed to establish an investment climate that encouraged business and investment. Specifically, the government had difficulty adopting and implementing business-friendly legislation. Certainly, it passed a Foreign Investment Law in April 1996, which guaranteed registered foreign investors equal treatment with local companies, offered special privileges for investors, and provided certain protections. But on the whole, Ukrainian laws and regulations are ambiguous. As such, the chance of corruption within a considerable bureaucracy is substantial. As well, tax laws change frequently making compliance a challenge. Another problem exists via the xenophobic attitudes toward foreign investors whom are viewed antagonistically as competitors of local firms.

### Labor Force

Labor force: 21.29 million

Labor force - by occupation: agriculture 24%, industry 32%, services 44%

## **Agriculture and Industry**

Agriculture - products: grain, sugar beets, sunflower seeds, vegetables; beef, milk

Industries: coal, electric power, ferrous and nonferrous metals, machinery and transport equipment, chemicals, food processing (especially sugar)

## **Import Commodities and Import Partners**

Imports - commodities: energy, machinery and equipment, chemicals

Imports - partners: Russia 35.9%, Germany 9.4%, Turkmenistan 7.2%

## **Export Commodities and Export Partners**

Exports - commodities: ferrous and nonferrous metals, fuel and petroleum products, chemicals, machinery and transport equipment, food products

Exports - partners: Russia 17.8%, Germany 5.9%, Italy 5.3%, China 4.1%

## **Telephone System**

Telephones - main lines in use: 10,833,300

Telephones - mobile cellular: 4.2 million

Telephone system: general assessment: Ukraine's telecommunication development plan, running through 2005, emphasizes improving domestic trunk lines, international connections, and the mobile cellular system

domestic: at independence in December 1991, Ukraine inherited a telephone system that was antiquated, inefficient, and in disrepair; more than 3.5 million applications for telephones could not be satisfied; telephone density is now rising slowly and the domestic trunk system is being improved; the mobile cellular telephone system is expanding at a high rate

international: country code - 380

## **Internet Users**

Internet hosts: 94,345

Internet users: 900,000 a few years ago; on the increase since then

## **Roads, Airports, Ports and Harbors**

Railways: total: 22,473 km

Highways: total: 169,491 km

Ports and harbors: Berdyans'k, Feodosiya, Illichivs'k, Izmayil, Kerch, Kherson, Kiev (Kyyiv),

Kiliya, Mariupol', Mykolayiv, Odesa, Reni, Sevastopol', Yalta, Yuzhnyy  
Airports: 702; with paved runways, 174

### **Legal System and Considerations**

Legal system is based on civil law system with judicial review of legislative acts.

### **Corruption Perception Ranking**

See listing in this Country Review for Ukraine's rank, as reported by Transparency International, from least to most corrupt (scale of 1 - 163).

### **Cultural Considerations**

Western business practices are quickly becoming the norm across Europe, including such things as business lunches. One should not, however, enter into business discussions without some light introductory conversation, politesse and other such niceties. In this regard, it is acceptable to ask about your counterpart's family.

### **Country Website (s)**

N/A

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### **Foreign Investment Index**

#### Foreign Investment Index

**The Foreign Investment Index** is a proprietary index measuring attractiveness to international investment flows. The Foreign Investment Index is calculated using an established methodology by CountryWatch's Editor-in-Chief and is based on a given country's economic stability (sustained economic growth, monetary stability, current account deficits, budget surplus), economic risk (risk of non-servicing of payments for goods or services, loans and trade-related finance, risk of sovereign default), business and investment climate (property rights, labor force and laws, regulatory transparency, openness to foreign investment, market conditions, and stability of government). Scores are assigned from 0-10 using the aforementioned criteria. A score of 0 marks the lowest level of foreign investment viability, while a score of 10 marks the highest level of foreign investment viability, according to this proprietary index.

Country	Assessment
Afghanistan	2
Albania	4.5
Algeria	6
Andorra	9
Angola	4.5-5
Antigua	8.5
Argentina	5
Armenia	5
Australia	9.5
Austria	9-9.5
Azerbaijan	5
Bahamas	9
Bahrain	7.5
Bangladesh	4.5
Barbados	9

Belarus	4
Belgium	9
Belize	7.5
Benin	5.5
Bhutan	4.5
Bolivia	4.5
Bosnia-Herzegovina	5
Botswana	7.5-8
Brazil	8
Brunei	7
Bulgaria	5.5
Burkina Faso	4
Burma (Myanmar)	4.5
Burundi	4
Cambodia	4.5
Cameroon	5
Canada	9.5
Cape Verde	6

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Central African Republic	3
Chad	4
Chile	9
China	7.5
China: Hong Kong	8.5
China: Taiwan	8.5
Colombia	7
Comoros	4
Congo DRC	4
Congo RC	5
Costa Rica	8
Cote d'Ivoire	4.5
Croatia	7
Cuba	4.5
Cyprus	7
Czech Republic	8.5
Denmark	9.5
Djibouti	4.5

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Dominica	6
Dominican Republic	6.5
East Timor	4.5
Ecuador	5.5
Egypt	4.5-5
El Salvador	6
Equatorial Guinea	4.5
Eritrea	3.5
Estonia	8
Ethiopia	4.5
Fiji	5
Finland	9
Former Yugoslav Rep. of Macedonia	5
France	9-9.5
Gabon	5.5
Gambia	5
Georgia	5
Germany	9-9.5

Ghana	5.5
Greece	5
Grenada	7.5
Guatemala	5.5
Guinea	3.5
Guinea-Bissau	3.5
Guyana	4.5
Haiti	4
Holy See (Vatican)	n/a
Hong Kong (China)	8.5
Honduras	5.5
Hungary	8
Iceland	8-8.5
India	8
Indonesia	5.5
Iran	4
Iraq	3
Ireland	8

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Israel	8.5
Italy	8
Jamaica	5.5
Japan	9.5
Jordan	6
Kazakhstan	6
Kenya	5
Kiribati	5.5
Korea, North	1
Korea, South	9
Kosovo	4.5
Kuwait	8.5
Kyrgyzstan	4.5
Laos	4
Latvia	7
Lebanon	5
Lesotho	5.5
Liberia	3.5

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Libya	3
Liechtenstein	9
Lithuania	7.5
Luxembourg	9-9.5
Madagascar	4.5
Malawi	4.5
Malaysia	8.5
Maldives	6.5
Mali	5
Malta	9
Marshall Islands	5
Mauritania	4.5
Mauritius	7.5-8
Mexico	6.5-7
Micronesia	5
Moldova	4.5-5
Monaco	9
Mongolia	5

Montenegro	5.5
Morocco	7.5
Mozambique	5
Namibia	7.5
Nauru	4.5
Nepal	4
Netherlands	9-9.5
New Zealand	9.5
Nicaragua	5
Niger	4.5
Nigeria	4.5
Norway	9-9.5
Oman	8
Pakistan	4
Palau	4.5-5
Panama	7
Papua New Guinea	5
Paraguay	6

Peru	6
Philippines	6
Poland	8
Portugal	7.5-8
Qatar	9
Romania	6-6.5
Russia	6
Rwanda	4
Saint Kitts and Nevis	8
Saint Lucia	8
Saint Vincent and Grenadines	7
Samoa	7
San Marino	8.5
Sao Tome and Principe	4.5-5
Saudi Arabia	7
Senegal	6
Serbia	6
Seychelles	5

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Sierra Leone	4
Singapore	9.5
Slovak Republic (Slovakia)	8.5
Slovenia	8.5-9
Solomon Islands	5
Somalia	2
South Africa	8
Spain	7.5-8
Sri Lanka	5.5
Sudan	4
Suriname	5
Swaziland	4.5
Sweden	9.5
Switzerland	9.5
Syria	2.5
Tajikistan	4
Taiwan (China)	8.5
Tanzania	5

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Thailand	7.5-8
Togo	4.5-5
Tonga	5.5-6
Trinidad and Tobago	8-8.5
Tunisia	6
Turkey	6.5-7
Turkmenistan	4
Tuvalu	7
Uganda	5
Ukraine	4.5-5
United Arab Emirates	8.5
United Kingdom	9
United States	9
Uruguay	6.5-7
Uzbekistan	4
Vanuatu	6
Venezuela	5
Vietnam	5.5

Yemen	3
Zambia	4.5-5
Zimbabwe	3.5

### Editor's Note:

As of 2015, the global economic crisis (emerging in 2008) had affected many countries across the world, resulting in changes to their rankings. Among those countries affected were top tier economies, such as the [United Kingdom](#), [Iceland](#), [Switzerland](#) and [Austria](#). However, in all these cases, their rankings have moved back upward in the last couple of years as anxieties have eased. Other top tier countries, such as [Spain](#), [Portugal](#), [Ireland](#), and [Italy](#), suffered some effects due to debt woes and the concomitant effect on the euro zone. Greece, another euro zone nation, was also downgraded due to its sovereign debt crisis; however, Greece's position on the precipice of default incurred a sharper downgrade than the other four euro zone countries mentioned above. Cyprus' exposure to Greek bank yielded a downgrade in its case. Slovenia and [Latvia](#) have been slightly downgraded due to a mix of economic and political concerns but could easily be upgraded in a future assessment, should these concerns abate. Meanwhile, the crisis in eastern [Ukraine](#) fueled downgrades in that country and neighboring [Russia](#).

Despite the "trifecta of tragedy" in [Japan](#) in 2011 -- the earthquake, the ensuing tsunami, and the resulting nuclear crisis -- and the appreciable destabilization of the economic and political terrain therein, this country has only slightly been downgraded. Japan's challenges have been assessed to be transient, the government remains accountable, and there is little risk of default. Both [India](#) and [China](#) retain their rankings; [India](#) holds a slightly higher ranking than [China](#) due to its record of democratic representation and accountability.

There were shifts in opposite directions for [Mali](#) and [Nigeria](#) versus the [Central African Republic](#), [Burkina Faso](#), and [Burundi](#). [Mali](#) was slightly upgraded due to its efforts to return to constitutional order following the 2012 coup and to neutralize the threat of separatists and Islamists. Likewise, a new government in [Nigeria](#) generated a slight upgrade as the country attempts to confront corruption, crime, and terrorism. But the [Central African Republic](#) was downgraded due to the takeover of the government by Seleka rebels and the continued decline into lawlessness in that country. Likewise, the attempts by the leaders of [Burundi](#) and [Burkina Faso](#) to hold onto power by by-passing the constitution raised eyebrows and resulted in downgrades.

Political unrest in [Libya](#) and [Algeria](#) have contributed to a decision to marginally downgrade these

countries as well. [Syria](#) incurred a sharper downgrade due to the devolution into de facto civil war and the dire security threat posed by Islamist terrorists. [Iraq](#) saw a similar downgrade as a result of the takeover of wide swaths of territory and the threat of genocide at the hands of Islamist terrorists. [Yemen](#), likewise, has been downgraded due to political instability at the hands of secessionists, terrorists, Houthi rebels, and the intervention of external parties. Conversely, [Egypt](#) and [Tunisia](#) saw slight upgrades as their political environments stabilize.

At the low end of the spectrum, devolving security conditions and/or economic crisis have resulted in countries like [Pakistan](#), [Afghanistan](#), [Somalia](#), and [Zimbabwe](#) maintaining their low ratings.

The [United States](#) continues to retain its previous slight downgrade due to the enduring threat of default surrounding the debt ceiling in that country, matched by a conflict-ridden political climate. In the case of [Mexico](#), there is limited concern about default, but increasing alarm over the security situation in that country and the government's ability to contain it. In [Argentina](#), a default to bond holders resulted in a downgrade to that country. Finally, a small but significant upgrade was attributed to [Cuba](#) due to its recent pro-business reforms and its normalization of ties with the United States.

Source:

CountryWatch Inc. [www.countrywatch.com](http://www.countrywatch.com)

Updated:

2015

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## **Corruption Perceptions Index**

Corruption Perceptions Index

**Transparency International: [Corruption Perceptions Index](#)**

Editor's Note:

Transparency International's [Corruption Perceptions Index](#) is a composite index which ranks countries in terms of the degree to which corruption is perceived to exist among public officials. This index indicates the views of national and international business people and analysts about the levels of corruption in each country. The highest (and best) level of transparency is indicated by

the number, 10. The lower (and worse) levels of transparency are indicated by lower numbers.

Rank	Country/Territory	CPI 2009 Score	Surveys Used	Confidence Range
1	New Zealand	9.4	6	9.1 - 9.5
2	Denmark	9.3	6	9.1 - 9.5
3	Singapore	9.2	9	9.0 - 9.4
3	Sweden	9.2	6	9.0 - 9.3
5	Switzerland	9.0	6	8.9 - 9.1
6	Finland	8.9	6	8.4 - 9.4
6	Netherlands	8.9	6	8.7 - 9.0
8	Australia	8.7	8	8.3 - 9.0
8	Canada	8.7	6	8.5 - 9.0
8	Iceland	8.7	4	7.5 - 9.4
11	Norway	8.6	6	8.2 - 9.1
12	Hong Kong	8.2	8	7.9 - 8.5
12	Luxembourg	8.2	6	7.6 - 8.8
14	Germany	8.0	6	7.7 - 8.3
14	Ireland	8.0	6	7.8 - 8.4

16	Austria	7.9	6	7.4 - 8.3
17	Japan	7.7	8	7.4 - 8.0
17	United Kingdom	7.7	6	7.3 - 8.2
19	United States	7.5	8	6.9 - 8.0
20	Barbados	7.4	4	6.6 - 8.2
21	Belgium	7.1	6	6.9 - 7.3
22	Qatar	7.0	6	5.8 - 8.1
22	Saint Lucia	7.0	3	6.7 - 7.5
24	France	6.9	6	6.5 - 7.3
25	Chile	6.7	7	6.5 - 6.9
25	Uruguay	6.7	5	6.4 - 7.1
27	Cyprus	6.6	4	6.1 - 7.1
27	Estonia	6.6	8	6.1 - 6.9
27	Slovenia	6.6	8	6.3 - 6.9
30	United Arab Emirates	6.5	5	5.5 - 7.5
31	Saint Vincent and the Grenadines	6.4	3	4.9 - 7.5
32	Israel	6.1	6	5.4 - 6.7
32	Spain	6.1	6	5.5 - 6.6

34	Dominica	5.9	3	4.9 - 6.7
35	Portugal	5.8	6	5.5 - 6.2
35	Puerto Rico	5.8	4	5.2 - 6.3
37	Botswana	5.6	6	5.1 - 6.3
37	Taiwan	5.6	9	5.4 - 5.9
39	Brunei Darussalam	5.5	4	4.7 - 6.4
39	Oman	5.5	5	4.4 - 6.5
39	Korea (South)	5.5	9	5.3 - 5.7
42	Mauritius	5.4	6	5.0 - 5.9
43	Costa Rica	5.3	5	4.7 - 5.9
43	Macau	5.3	3	3.3 - 6.9
45	Malta	5.2	4	4.0 - 6.2
46	Bahrain	5.1	5	4.2 - 5.8
46	Cape Verde	5.1	3	3.3 - 7.0
46	Hungary	5.1	8	4.6 - 5.7
49	Bhutan	5.0	4	4.3 - 5.6
49	Jordan	5.0	7	3.9 - 6.1
49	Poland	5.0	8	4.5 - 5.5

52	Czech Republic	4.9	8	4.3 - 5.6
52	Lithuania	4.9	8	4.4 - 5.4
54	Seychelles	4.8	3	3.0 - 6.7
55	South Africa	4.7	8	4.3 - 4.9
56	Latvia	4.5	6	4.1 - 4.9
56	Malaysia	4.5	9	4.0 - 5.1
56	Namibia	4.5	6	3.9 - 5.1
56	Samoa	4.5	3	3.3 - 5.3
56	Slovakia	4.5	8	4.1 - 4.9
61	Cuba	4.4	3	3.5 - 5.1
61	Turkey	4.4	7	3.9 - 4.9
63	Italy	4.3	6	3.8 - 4.9
63	Saudi Arabia	4.3	5	3.1 - 5.3
65	Tunisia	4.2	6	3.0 - 5.5
66	Croatia	4.1	8	3.7 - 4.5
66	Georgia	4.1	7	3.4 - 4.7
66	Kuwait	4.1	5	3.2 - 5.1
69	Ghana	3.9	7	3.2 - 4.6

69	Montenegro	3.9	5	3.5 - 4.4
71	Bulgaria	3.8	8	3.2 - 4.5
71	FYR Macedonia	3.8	6	3.4 - 4.2
71	Greece	3.8	6	3.2 - 4.3
71	Romania	3.8	8	3.2 - 4.3
75	Brazil	3.7	7	3.3 - 4.3
75	Colombia	3.7	7	3.1 - 4.3
75	Peru	3.7	7	3.4 - 4.1
75	Suriname	3.7	3	3.0 - 4.7
79	Burkina Faso	3.6	7	2.8 - 4.4
79	China	3.6	9	3.0 - 4.2
79	Swaziland	3.6	3	3.0 - 4.7
79	Trinidad and Tobago	3.6	4	3.0 - 4.3
83	Serbia	3.5	6	3.3 - 3.9
84	El Salvador	3.4	5	3.0 - 3.8
84	Guatemala	3.4	5	3.0 - 3.9
84	India	3.4	10	3.2 - 3.6
84	Panama	3.4	5	3.1 - 3.7

84	Thailand	3.4	9	3.0 - 3.8
89	Lesotho	3.3	6	2.8 - 3.8
89	Malawi	3.3	7	2.7 - 3.9
89	Mexico	3.3	7	3.2 - 3.5
89	Moldova	3.3	6	2.7 - 4.0
89	Morocco	3.3	6	2.8 - 3.9
89	Rwanda	3.3	4	2.9 - 3.7
95	Albania	3.2	6	3.0 - 3.3
95	Vanuatu	3.2	3	2.3 - 4.7
97	Liberia	3.1	3	1.9 - 3.8
97	Sri Lanka	3.1	7	2.8 - 3.4
99	Bosnia and Herzegovina	3.0	7	2.6 - 3.4
99	Dominican Republic	3.0	5	2.9 - 3.2
99	Jamaica	3.0	5	2.8 - 3.3
99	Madagascar	3.0	7	2.8 - 3.2
99	Senegal	3.0	7	2.5 - 3.6
99	Tonga	3.0	3	2.6 - 3.3
99	Zambia	3.0	7	2.8 - 3.2

106	Argentina	2.9	7	2.6 - 3.1
106	Benin	2.9	6	2.3 - 3.4
106	Gabon	2.9	3	2.6 - 3.1
106	Gambia	2.9	5	1.6 - 4.0
106	Niger	2.9	5	2.7 - 3.0
111	Algeria	2.8	6	2.5 - 3.1
111	Djibouti	2.8	4	2.3 - 3.2
111	Egypt	2.8	6	2.6 - 3.1
111	Indonesia	2.8	9	2.4 - 3.2
111	Kiribati	2.8	3	2.3 - 3.3
111	Mali	2.8	6	2.4 - 3.2
111	Sao Tome and Principe	2.8	3	2.4 - 3.3
111	Solomon Islands	2.8	3	2.3 - 3.3
111	Togo	2.8	5	1.9 - 3.9
120	Armenia	2.7	7	2.6 - 2.8
120	Bolivia	2.7	6	2.4 - 3.1
120	Ethiopia	2.7	7	2.4 - 2.9
120	Kazakhstan	2.7	7	2.1 - 3.3

120	Mongolia	2.7	7	2.4 - 3.0
120	Vietnam	2.7	9	2.4 - 3.1
126	Eritrea	2.6	4	1.6 - 3.8
126	Guyana	2.6	4	2.5 - 2.7
126	Syria	2.6	5	2.2 - 2.9
126	Tanzania	2.6	7	2.4 - 2.9
130	Honduras	2.5	6	2.2 - 2.8
130	Lebanon	2.5	3	1.9 - 3.1
130	Libya	2.5	6	2.2 - 2.8
130	Maldives	2.5	4	1.8 - 3.2
130	Mauritania	2.5	7	2.0 - 3.3
130	Mozambique	2.5	7	2.3 - 2.8
130	Nicaragua	2.5	6	2.3 - 2.7
130	Nigeria	2.5	7	2.2 - 2.7
130	Uganda	2.5	7	2.1 - 2.8
139	Bangladesh	2.4	7	2.0 - 2.8
139	Belarus	2.4	4	2.0 - 2.8
139	Pakistan	2.4	7	2.1 - 2.7

139	Philippines	2.4	9	2.1 - 2.7
143	Azerbaijan	2.3	7	2.0 - 2.6
143	Comoros	2.3	3	1.6 - 3.3
143	Nepal	2.3	6	2.0 - 2.6
146	Cameroon	2.2	7	1.9 - 2.6
146	Ecuador	2.2	5	2.0 - 2.5
146	Kenya	2.2	7	1.9 - 2.5
146	Russia	2.2	8	1.9 - 2.4
146	Sierra Leone	2.2	5	1.9 - 2.4
146	Timor-Leste	2.2	5	1.8 - 2.6
146	Ukraine	2.2	8	2.0 - 2.6
146	Zimbabwe	2.2	7	1.7 - 2.8
154	Côte d'Ivoire	2.1	7	1.8 - 2.4
154	Papua New Guinea	2.1	5	1.7 - 2.5
154	Paraguay	2.1	5	1.7 - 2.5
154	Yemen	2.1	4	1.6 - 2.5
158	Cambodia	2.0	8	1.8 - 2.2
158	Central African Republic	2.0	4	1.9 - 2.2

158	Laos	2.0	4	1.6 - 2.6
158	Tajikistan	2.0	8	1.6 - 2.5
162	Angola	1.9	5	1.8 - 1.9
162	Congo Brazzaville	1.9	5	1.6 - 2.1
162	Democratic Republic of Congo	1.9	5	1.7 - 2.1
162	Guinea-Bissau	1.9	3	1.8 - 2.0
162	Kyrgyzstan	1.9	7	1.8 - 2.1
162	Venezuela	1.9	7	1.8 - 2.0
168	Burundi	1.8	6	1.6 - 2.0
168	Equatorial Guinea	1.8	3	1.6 - 1.9
168	Guinea	1.8	5	1.7 - 1.8
168	Haiti	1.8	3	1.4 - 2.3
168	Iran	1.8	3	1.7 - 1.9
168	Turkmenistan	1.8	4	1.7 - 1.9
174	Uzbekistan	1.7	6	1.5 - 1.8
175	Chad	1.6	6	1.5 - 1.7
176	Iraq	1.5	3	1.2 - 1.8
176	Sudan	1.5	5	1.4 - 1.7

178	Myanmar	1.4	3	0.9 - 1.8
179	Afghanistan	1.3	4	1.0 - 1.5
180	Somalia	1.1	3	0.9 - 1.4

### Methodology:

As noted above, the highest (and best) level of transparency with the least perceived corruption is indicated by the number, 10. The lower (and worse) levels of transparency are indicated by lower numbers.

According to Transparency International, the [Corruption Perceptions Index](#) (CPI) table shows a country's ranking and score, the number of surveys used to determine the score, and the confidence range of the scoring.

The rank shows how one country compares to others included in the index. The CPI score indicates the perceived level of public-sector corruption in a country/territory.

The CPI is based on 13 independent surveys. However, not all surveys include all countries. The surveys used column indicates how many surveys were relied upon to determine the score for that country.

The confidence range indicates the reliability of the CPI scores and tells us that allowing for a margin of error, we can be 90% confident that the true score for this country lies within this range.

### Note:

Kosovo, which separated from the Yugoslav successor state of [Serbia](#), is not listed above. No calculation is available for [Kosovo](#) at this time, however, a future corruption index by Transparency International may include the world's newest country in its tally. Taiwan has been listed above despite its contested status; while Taiwan claims sovereign status, [China](#) claims ultimate jurisdiction over Taiwan. Hong Kong, which is also under the rubric of Chinese sovereignty, is listed above. Note as well that Puerto Rico, which is a [United States](#) domain, is also included in the list above. These inclusions likely have to do with the size and fairly autonomous status of their economies.

### Source:

Transparency International's Corruption Perception Index; available at URL: <http://www.transparency.org>

Updated:

Uploaded in 2011 using most recent ranking available; reviewed in 2015.

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## Competitiveness Ranking

### Competitiveness Ranking

Editor's Note:

The Global Competitiveness Report's competitiveness ranking is based on the Global Competitiveness Index (GCI), which was developed for the World Economic Forum. The GCI is based on a number of competitiveness considerations, and provides a comprehensive picture of the competitiveness landscape in countries around the world. The competitiveness considerations are: institutions, infrastructure, macroeconomic environment, health and primary education, higher education and training, goods market efficiency, labour market efficiency, financial market development, technological readiness, market size, business sophistication, and innovation. The rankings are calculated from both publicly available data and the Executive Opinion Survey.

Country/Economy	GCI 2010 Rank	GCI 2010 Score	GCI 2009 Rank	Change 2009-2010
Switzerland	1	5.63	1	0
Sweden	2	5.56	4	2
Singapore	3	5.48	3	0
United States	4	5.43	2	-2
Germany	5	5.39	7	2

Japan	6	5.37	8	2
Finland	7	5.37	6	-1
Netherlands	8	5.33	10	2
Denmark	9	5.32	5	-4
Canada	10	5.30	9	-1
Hong Kong SAR	11	5.30	11	0
United Kingdom	12	5.25	13	1
Taiwan, China	13	5.21	12	-1
Norway	14	5.14	14	0
France	15	5.13	16	1
Australia	16	5.11	15	-1
Qatar	17	5.10	22	5
Austria	18	5.09	17	-1
Belgium	19	5.07	18	-1
Luxembourg	20	5.05	21	1
Saudi Arabia	21	4.95	28	7
Korea, Rep.	22	4.93	19	-3
New Zealand	23	4.92	20	-3

Israel	24	4.91	27	3
United Arab Emirates	25	4.89	23	-2
Malaysia	26	4.88	24	-2
China	27	4.84	29	2
Brunei Darussalam	28	4.75	32	4
Ireland	29	4.74	25	-4
Chile	30	4.69	30	0
Iceland	31	4.68	26	-5
Tunisia	32	4.65	40	8
Estonia	33	4.61	35	2
Oman	34	4.61	41	7
Kuwait	35	4.59	39	4
Czech Republic	36	4.57	31	-5
Bahrain	37	4.54	38	1
Thailand	38	4.51	36	-2
Poland	39	4.51	46	7
Cyprus	40	4.50	34	-6
Puerto Rico	41	4.49	42	1

Spain	42	4.49	33	-9
Barbados	43	4.45	44	1
Indonesia	44	4.43	54	10
Slovenia	45	4.42	37	-8
Portugal	46	4.38	43	-3
Lithuania	47	4.38	53	6
Italy	48	4.37	48	0
Montenegro	49	4.36	62	13
Malta	50	4.34	52	2
India	51	4.33	49	-2
Hungary	52	4.33	58	6
Panama	53	4.33	59	6
South Africa	54	4.32	45	-9
Mauritius	55	4.32	57	2
Costa Rica	56	4.31	55	-1
Azerbaijan	57	4.29	51	-6
Brazil	58	4.28	56	-2
Vietnam	59	4.27	75	16

Slovak Republic	60	4.25	47	-13
Turkey	61	4.25	61	0
Sri Lanka	62	4.25	79	17
Russian Federation	63	4.24	63	0
Uruguay	64	4.23	65	1
Jordan	65	4.21	50	-15
Mexico	66	4.19	60	-6
Romania	67	4.16	64	-3
Colombia	68	4.14	69	1
Iran	69	4.14	n/a	n/a
Latvia	70	4.14	68	-2
Bulgaria	71	4.13	76	5
Kazakhstan	72	4.12	67	-5
Peru	73	4.11	78	5
Namibia	74	4.09	74	0
Morocco	75	4.08	73	-2
Botswana	76	4.05	66	-10
Croatia	77	4.04	72	-5

Guatemala	78	4.04	80	2
Macedonia, FYR	79	4.02	84	5
Rwanda	80	4.00	n/a	n/a
Egypt	81	4.00	70	-11
El Salvador	82	3.99	77	-5
Greece	83	3.99	71	-12
Trinidad and Tobago	84	3.97	86	2
Philippines	85	3.96	87	2
Algeria	86	3.96	83	-3
Argentina	87	3.95	85	-2
Albania	88	3.94	96	8
Ukraine	89	3.90	82	-7
Gambia, The	90	3.90	81	-9
Honduras	91	3.89	89	-2
Lebanon	92	3.89	n/a	n/a
Georgia	93	3.86	90	-3
Moldova	94	3.86	n/a	n/a
Jamaica	95	3.85	91	-4

Serbia	96	3.84	93	-3
Syria	97	3.79	94	-3
Armenia	98	3.76	97	-1
Mongolia	99	3.75	117	18
Libya	100	3.74	88	-12
Dominican Republic	101	3.72	95	-6
Bosnia and Herzegovina	102	3.70	109	7
Benin	103	3.69	103	0
Senegal	104	3.67	92	-12
Ecuador	105	3.65	105	0
Kenya	106	3.65	98	-8
Bangladesh	107	3.64	106	-1
Bolivia	108	3.64	120	12
Cambodia	109	3.63	110	1
Guyana	110	3.62	104	-6
Cameroon	111	3.58	111	0
Nicaragua	112	3.57	115	3
Tanzania	113	3.56	100	-13

Ghana	114	3.56	114	0
Zambia	115	3.55	112	-3
Tajikistan	116	3.53	122	6
Cape Verde	117	3.51	n/a	n/a
Uganda	118	3.51	108	-10
Ethiopia	119	3.51	118	-1
Paraguay	120	3.49	124	4
Kyrgyz Republic	121	3.49	123	2
Venezuela	122	3.48	113	-9
Pakistan	123	3.48	101	-22
Madagascar	124	3.46	121	-3
Malawi	125	3.45	119	-6
Swaziland	126	3.40	n/a	n/a
Nigeria	127	3.38	99	-28
Lesotho	128	3.36	107	-21
Côte d'Ivoire	129	3.35	116	-13
Nepal	130	3.34	125	-5
Mozambique	131	3.32	129	-2

Mali	132	3.28	130	-2
Timor-Leste	133	3.23	126	-7
Burkina Faso	134	3.20	128	-6
Mauritania	135	3.14	127	-8
Zimbabwe	136	3.03	132	-4
Burundi	137	2.96	133	-4
Angola	138	2.93	n/a	n/a
Chad	139	2.73	131	-8

### Methodology:

The competitiveness rankings are calculated from both publicly available data and the Executive Opinion Survey, a comprehensive annual survey conducted by the World Economic Forum together with its network of Partner Institutes (leading research institutes and business organizations) in the countries covered by the Report.

Highlights according to WEF --

- The [United States](#) falls two places to fourth position, overtaken by [Sweden](#) and [Singapore](#) in the rankings of the World Economic Forum's Global Competitiveness Report 2010-2011
- The People's Republic of [China](#) continues to move up the rankings, with marked improvements in several other Asian countries
- [Germany](#) moves up two places to fifth place, leading the Eurozone countries
- [Switzerland](#) tops the rankings

### Source:

World Economic Forum; available at URL: <http://www.weforum.org>

### Updated:

2011 using most recent ranking available; reviewed in 2015.

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## **Taxation**

### Corporate tax

The main corporate tax rate is 25 percent. There is also a dividend tax, which is to be paid at the time of distribution, but which is creditable against corporate income tax. A cabinet resolution of 2005 proposed the reduction of the rate of corporate income tax to 23 percent in 2007, and then by one percent each year ultimately reaching 20 percent.

### Individual tax

Individuals are taxed at a flat rate of 13 percent.

### Capital gains

Capital gains are generally taxed as income, however, those from the sale of state securities are exempt. There is a reduced rate that applies to certain property.

### Indirect tax

There is a value-added tax (VAT) that applies to most transactions at the standard rate of 20 percent. Exemptions include educational and insurance services, real estate, some foods including baby foods, healthcare and medicines, publications, passenger transport, some legal, consulting and marketing services, and transfers of intellectual property. Exports of goods are zero-rated.

Note: There are efforts being put forth to reduce VAT to 19 percent by 2007 and 18 percent in 2008.

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## Stock Market

In June 1991, the parliament of the then Ukrainian Soviet Socialist Republic approved a Law on Securities and the Stock Market, which marked the birth of a Ukrainian capital market. The Law outlined the existence of the following types of securities: stocks (registered, bearer, preferred, and common), government securities, general obligations/bonds, corporate bonds, savings certificates, and promissory notes. Later decrees and amendments adopted from 1991 to 1995 added bond coupons, loan certificates, bank orders, savings books, and privatization certificates. In June 1995, the State Securities and Stock Market Commission was established, with administrative and disciplinary powers over issuers, investment funds, brokers, and trading activities. A law on a depository system, regulating financial infrastructure and trading institutions was added in December 1997.

Almost 95 percent of the reported secondary market activity is conducted through the nationwide electronic trading system for the self-regulatory organization or "PFTS" (The Ukrainian Broker/Dealer Association and Over-the-Counter Trading System). Other markets exist, including the Ukrainian Stock Exchange, the Donetsk Exchange and the Crimean Stock Exchange, but most trading (about 75 percent) is not reported to any licensed market (PFTS or exchange).

Ukraine's stock market was negatively impacted by the Russian financial crisis in 1998, experiencing sharp declines in trading volumes and overall market capitalization. Investors continue to face numerous problems, including low market confidence, incompatible accounting standards, lack of accurate company information, and inadequate protection of minority shareholders' rights. To date, an effective portfolio investment regulatory system has not been established.

The PFTS (Over-the-Counter Trading System) had 125 listed companies at the end of 1998.

For more information on the Ukraine Stock Exchange, see URL: [http://www.ukrse.kiev.ua/eng/about/visit\\_card.htm](http://www.ukrse.kiev.ua/eng/about/visit_card.htm).

## **Partner Links**

Partner Links

# **Chapter 5**

## **Social Overview**

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## People

### **Demography and Culture**

The population of Ukraine is around 46 million, and represents about 18 percent of the population of the former Soviet Union. Ukrainians make up about 73 percent of the total; ethnic Russians number about 22 percent. Romanians, Poles and Hungarians, as well as various other ethnic groups make up the remainder.

The industrial regions in the east and southeast are the most heavily populated, and the urban population makes up about 70 percent of the population.

In keeping with this ethnic composition, Ukrainian, Russian, Romanian, Polish and Hungarian are spoken. Indeed, Ukrainian and Russian are the principal languages, and about 88 percent of the population consider Ukrainian their native language.

In terms of religious affiliation, there are Ukrainian Orthodox affiliated with the Moscow Patriarchate, and Ukrainian Orthodox affiliated with the Kyiv Patriarchate. There are also Ukrainian Autocephalous Orthodox, Ukrainian Catholics, Protestants and Jews. Nevertheless, the dominant religions are the Ukrainian Orthodox Church, much of which retains its links to the Russian Orthodox Church, and the Ukrainian Greek Catholic Church. The Ukrainian Orthodox Church (Kyiv Patriarchate) is independent of Moscow.

### **Human Development**

About 70 percent of adult Ukrainians have a secondary or higher education. Ukraine has about 150 colleges and universities, of which the most important are at Kyiv (Kiev), Lviv, and Kharkiv. About 70,000 scholars in 80 research institutes make Ukraine a leader in science and technology.

An estimated 99.6 percent of the total population, age 15 and older, can read and write (100 percent of males, 97 percent of females). According to recent estimates, Ukrainians have an average life expectancy at birth of 66 years of age (60 years for males, 72 years for females). The infant mortality rate is 21.14 deaths per 1,000 live births.

About 5.3 percent of GDP is spent in the country on educational expenditures. About seven percent of GDP is spent on health expenditures. Access to sanitation, water, and health care is considered to be generally good.

One notable measure used to determine a country's quality of life is the Human Development Index (HDI), which has been compiled annually since 1990 by the United Nations Development Programme (UNDP). The HDI is a composite of several indicators, which measure a country's achievements in three main arenas of human development: longevity, knowledge and education, as well as economic standard of living. In a recent ranking of 169 countries, the HDI placed Ukraine in the high human development category, at 69th place.

Note: Although the concept of human development is complicated and cannot be properly captured by values and indices, the HDI, which is calculated and updated annually, offers a wide-ranging assessment of human development in certain countries, not based solely upon traditional economic and financial indicators.

Written by Dr. Denise Youngblood Coleman, Editor in Chief, [www.countrywatch.com](http://www.countrywatch.com); see Bibliography for research sources.

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## Human Development Index

Human Development Index

### Human Development Index (Ranked Numerically)

The [Human Development Index](#) (HDI) is used to measure quality of life in countries across the world. The HDI has been compiled since 1990 by the United Nations Development Programme (UNDP) on a regular basis. The HDI is a composite of several indicators, which measure a country's achievements in three main arenas of human development: longevity, education, and economic standard of living. Although the concept of human development is complicated and cannot be properly captured by values and indices, the HDI offers a wide-ranging assessment of human development in certain countries, not based solely upon traditional economic and financial indicators. For more information about the methodology used to calculate the HDI, please see the "Source Materials" in the appendices of this review.

<b>Very High Human</b>	<b>High Human</b>	<b>Medium Human</b>	<b>Low Human</b>
----------------------------	-------------------	---------------------	------------------

<b>Development</b>	<b>Development</b>	<b>Development</b>	<b>Development</b>
1. Norway	43. Bahamas	86. Fiji	128. Kenya
2. Australia	44. Lithuania	87. Turkmenistan	129. Bangladesh
3. New Zealand	45. Chile	88. Dominican Republic	130. Ghana
4. United States	46. Argentina	89. China	131. Cameroon
5. Ireland	47. Kuwait	90. El Salvador	132. Myanmar (Burma)
6. Liechtenstein	48. Latvia	91. Sri Lanka	133. Yemen
7. Netherlands	49. Montenegro	92. Thailand	134. Benin
8. Canada	50. Romania	93. Gabon	135. Madagascar
9. Sweden	51. Croatia	94. Suriname	136. Mauritania
10. Germany	52. Uruguay	95. Bolivia	137. Papua New Guinea
11. Japan	53. Libya	96. Paraguay	138. Nepal
12. South Korea	54. Panama	97. Philippines	139. Togo
13. Switzerland	55. Saudi Arabia	98. Botswana	140. Comoros
14. France	56. Mexico	99. Moldova	141. Lesotho
15. Israel	57. Malaysia	100. Mongolia	142. Nigeria
16. Finland	58. Bulgaria	101. Egypt	143. Uganda

17. Iceland	59. Trinidad and Tobago	102. Uzbekistan	144. Senegal
18. Belgium	60. Serbia	103. Micronesia	145. Haiti
19. Denmark	61. Belarus	104. Guyana	146. Angola
20. Spain	62. Costa Rica	105. Namibia	147. Djibouti
21. Hong King	63. Peru	106. Honduras	148. Tanzania
22. Greece	64. Albania	107. Maldives	149. Cote d'Ivoire
23. Italy	65. Russian Federation	108. Indonesia	150. Zambia
24. Luxembourg	66. Kazakhstan	109. Kyrgyzstan	151. Gambia
25. Austria	67. Azerbaijan	110. South Africa	152. Rwanda
26. United Kingdom	68. Bosnia and Herzegovina	111. Syria	153. Malawi
27. Singapore	69. Ukraine	112. Tajikistan	154. Sudan
28. Czech Republic	70. Iran	113. Vietnam	155. Afghanistan
29. Slovenia	71. The former Yugoslav Republic of Macedonia	114. Morocco	156. Guinea
30. Andorra	72. Mauritius	115. Nicaragua	157. Ethiopia
31. Slovakia	73. Brazil	116. Guatemala	158. Sierra Leone
			159. Central

32. United Arab Emirates	74. Georgia	117. Equatorial Guinea	African Republic
33. Malta	75. Venezuela	118. Cape Verde	160. Mali
34. Estonia	76. Armenia	119. India	161. Burkina Faso
35. Cyprus	77. Ecuador	120. East Timor	162. Liberia
36. Hungary	78. Belize	121. Swaziland	163. Chad
37. Brunei	79. Colombia	122. Laos	164. Guinea-Bissau
38. Qatar	80. Jamaica	123. Solomon Islands	165. Mozambique
39. Bahrain	81. Tunisia	124. Cambodia	166. Burundi
40. Portugal	82. Jordan	125. Pakistan	167. Niger
41. Poland	83. Turkey	126. Congo RC	168. Congo DRC
42. Barbados	84. Algeria	127. Sao Tome and Principe	169. Zimbabwe
	85. Tonga		

### Methodology:

For more information about the methodology used to calculate the HDI, please see the "Source Materials" in the appendices of this Country Review.

Reference:

As published in United Nations Development Programme's Human Development Report 2010.

Source:

United Nations Development Programme's [Human Development Index](http://hdr.undp.org/en/statistics/) available at URL: <http://hdr.undp.org/en/statistics/>

Updated:

Uploaded in 2011 using ranking available; reviewed in 2015

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## Life Satisfaction Index

Life Satisfaction Index

### Life Satisfaction Index

Created by Adrian G. White, an Analytic Social Psychologist at the University of Leicester, the "Satisfaction with Life Index" measures subjective life satisfaction across various countries. The data was taken from a metastudy (see below for source) and associates the notion of subjective happiness or life satisfaction with qualitative parameters such as health, wealth, and access to basic education. This assessment serves as an alternative to other measures of happiness that tend to rely on traditional and quantitative measures of policy on quality of life, such as GNP and GDP. The methodology involved the responses of 80,000 people across the globe.

Rank	Country	Score
1	Denmark	273.4
2	Switzerland	273.33
3	Austria	260

4	Iceland	260
5	The Bahamas	256.67
6	Finland	256.67
7	Sweden	256.67
8	Iran	253.33
9	Brunei	253.33
10	Canada	253.33
11	Ireland	253.33
12	Luxembourg	253.33
13	Costa Rica	250
14	Malta	250
15	Netherlands	250
16	Antiguaand Barbuda	246.67
17	Malaysia	246.67
18	New Zealand	246.67
19	Norway	246.67
20	Seychelles	246.67
21	Saint Kitts and Nevis	246.67

22	United Arab Emirates	246.67
23	United States	246.67
24	Vanuatu	246.67
25	Venezuela	246.67
26	Australia	243.33
27	Barbados	243.33
28	Belgium	243.33
29	Dominica	243.33
30	Oman	243.33
31	Saudi Arabia	243.33
32	Suriname	243.33
33	Bahrain	240
34	Colombia	240
35	Germany	240
36	Guyana	240
37	Honduras	240
38	Kuwait	240
39	Panama	240

40	Saint Vincent and the Grenadines	240
41	United Kingdom	236.67
42	Dominican Republic	233.33
43	Guatemala	233.33
44	Jamaica	233.33
45	Qatar	233.33
46	Spain	233.33
47	Saint Lucia	233.33
48	Belize	230
49	Cyprus	230
50	Italy	230
51	Mexico	230
52	Samoa	230
53	Singapore	230
54	Solomon Islands	230
55	Trinidad and Tobago	230
56	Argentina	226.67
57	Fiji	223.33

58	Israel	223.33
59	Mongolia	223.33
60	São Tomé and Príncipe	223.33
61	El Salvador	220
62	France	220
63	Hong Kong	220
64	Indonesia	220
65	Kyrgyzstan	220
66	Maldives	220
67	Slovenia	220
68	Taiwan	220
69	East Timor	220
70	Tonga	220
71	Chile	216.67
72	Grenada	216.67
73	Mauritius	216.67
74	Namibia	216.67
75	Paraguay	216.67

76	Thailand	216.67
77	Czech Republic	213.33
78	Philippines	213.33
79	Tunisia	213.33
80	Uzbekistan	213.33
81	Brazil	210
82	China	210
83	Cuba	210
84	Greece	210
85	Nicaragua	210
86	Papua New Guinea	210
87	Uruguay	210
88	Gabon	206.67
89	Ghana	206.67
90	Japan	206.67
91	Yemen	206.67
92	Portugal	203.33
93	Sri Lanka	203.33

94	Tajikistan	203.33
95	Vietnam	203.33
96	Bhutan	200
97	Comoros	196.67
98	Croatia	196.67
99	Poland	196.67
100	Cape Verde	193.33
101	Kazakhstan	193.33
102	South Korea	193.33
103	Madagascar	193.33
104	Bangladesh	190
105	Republic of the Congo	190
106	The Gambia	190
107	Hungary	190
108	Libya	190
109	South Africa	190
110	Cambodia	186.67
111	Ecuador	186.67

112	Kenya	186.67
113	Lebanon	186.67
114	Morocco	186.67
115	Peru	186.67
116	Senegal	186.67
117	Bolivia	183.33
118	Haiti	183.33
119	Nepal	183.33
120	Nigeria	183.33
121	Tanzania	183.33
122	Benin	180
123	Botswana	180
124	Guinea-Bissau	180
125	India	180
126	Laos	180
127	Mozambique	180
128	Palestinian Authority	180
129	Slovakia	180

130	Myanmar	176.67
131	Mali	176.67
132	Mauritania	176.67
133	Turkey	176.67
134	Algeria	173.33
135	Equatorial Guinea	173.33
136	Romania	173.33
137	Bosnia and Herzegovina	170
138	Cameroon	170
139	Estonia	170
140	Guinea	170
141	Jordan	170
142	Syria	170
143	Sierra Leone	166.67
144	Azerbaijan	163.33
145	Central African Republic	163.33
146	Republic of Macedonia	163.33
147	Togo	163.33

148	Zambia	163.33
149	Angola	160
150	Djibouti	160
151	Egypt	160
152	Burkina Faso	156.67
153	Ethiopia	156.67
154	Latvia	156.67
155	Lithuania	156.67
156	Uganda	156.67
157	Albania	153.33
158	Malawi	153.33
159	Chad	150
160	Côte d'Ivoire	150
161	Niger	150
162	Eritrea	146.67
163	Rwanda	146.67
164	Bulgaria	143.33
165	Lesotho	143.33

166	Pakistan	143.33
167	Russia	143.33
168	Swaziland	140
169	Georgia	136.67
170	Belarus	133.33
171	Turkmenistan	133.33
172	Armenia	123.33
173	Sudan	120
174	Ukraine	120
175	Moldova	116.67
176	Democratic Republic of the Congo	110
177	Zimbabwe	110
178	Burundi	100

### Commentary:

European countries, such as [Denmark](#), [Iceland](#), [Finland](#), [Sweden](#), [Switzerland](#), [Austria](#) resided at the top of the ranking with highest levels of self-reported life satisfaction. Conversely, European countries such as [Latvia](#), [Lithuania](#), [Moldova](#), [Belarus](#) and [Ukraine](#) ranked low on the index. African countries such as Democratic Republic of Congo, [Zimbabwe](#) and [Burundi](#) found themselves at the very bottom of the ranking, and indeed, very few African countries could be found in the top 100. [Japan](#) was at the mid-way point in the ranking, however, other Asian countries such as [Brunei](#) and [Malaysia](#) were in the top tier, while [Pakistan](#) was close to the bottom

with a low level of self-identified life satisfaction. As a region, the Middle East presented a mixed bag with Saudi Arabians reporting healthy levels of life satisfaction and Egyptians near the bottom of the ranking. As a region, Caribbean countries were ranked highly, consistently demonstrating high levels of life satisfaction. The findings showed that health was the most crucial determining factor in life satisfaction, followed by prosperity and education.

Source:

White, A. (2007). A Global Projection of Subjective Well-being: A Challenge To Positive Psychology? *Psychiatry* 56, 17-20. The data was extracted from a meta-analysis by Marks, Abdallah, Simms & Thompson (2006).

Uploaded:

Based on study noted above in "Source" ; reviewed in 2015

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## Happy Planet Index

### Happy Planet Index

The Happy Planet Index (HPI) is used to measure human well-being in conjunction with environmental impact. The HPI has been compiled since 2006 by the New Economics Foundation. The index is a composite of several indicators including subjective life satisfaction, life expectancy at birth, and ecological footprint per capita.

As noted by NEFA, the HPI "reveals the ecological efficiency with which human well-being is delivered." Indeed, the index combines environmental impact with human well-being to measure the environmental efficiency with which, country by country, people live long and happy lives. The countries ranked highest by the HPI are not necessarily the ones with the happiest people overall, but the ones that allow their citizens to live long and fulfilling lives, without negatively impacting this opportunity for either future generations or citizens of other countries. Accordingly, a country like the [United States](#) will rank low on this list due to its large per capital ecological footprint, which uses more than its fair share of resources, and will likely cause planetary damage.

It should be noted that the HPI was designed to be a counterpoint to other well-established indices of countries' development, such as Gross Domestic Product (GDP), which measures overall

national wealth and economic development, but often obfuscates the realities of countries with stark variances between the rich and the poor. Moreover, the objective of most of the world's people is not to be wealthy but to be happy. The HPI also differs from the [Human Development Index](#) (HDI), which measures quality of life but not ecology, since it [HPI] also includes sustainability as a key indicator.

Rank	Country	HPI
1	Costa Rica	76.1
2	Dominican Republic	71.8
3	Jamaica	70.1
4	Guatemala	68.4
5	Vietnam	66.5
6	Colombia	66.1
7	Cuba	65.7
8	El Salvador	61.5
9	Brazil	61.0
10	Honduras	61.0
11	Nicaragua	60.5
12	Egypt	60.3
13	Saudi Arabia	59.7

14	Philippines	59.0
15	Argentina	59.0
16	Indonesia	58.9
17	Bhutan	58.5
18	Panama	57.4
19	Laos	57.3
20	China	57.1
21	Morocco	56.8
22	Sri Lanka	56.5
23	Mexico	55.6
24	Pakistan	55.6
25	Ecuador	55.5
26	Jordan	54.6
27	Belize	54.5
28	Peru	54.4
29	Tunisia	54.3
30	Trinidad and Tobago	54.2
31	Bangladesh	54.1

32	Moldova	54.1
33	Malaysia	54.0
34	Tajikistan	53.5
35	India	53.0
36	Venezuela	52.5
37	Nepal	51.9
38	Syria	51.3
39	Burma	51.2
40	Algeria	51.2
41	Thailand	50.9
42	Haiti	50.8
43	Netherlands	50.6
44	Malta	50.4
45	Uzbekistan	50.1
46	Chile	49.7
47	Bolivia	49.3
48	Armenia	48.3
49	Singapore	48.2

50	Yemen	48.1
51	Germany	48.1
52	Switzerland	48.1
53	Sweden	48.0
54	Albania	47.9
55	Paraguay	47.8
56	Palestinian Authority	47.7
57	Austria	47.7
58	Serbia	47.6
59	Finland	47.2
60	Croatia	47.2
61	Kyrgyzstan	47.1
62	Cyprus	46.2
63	Guyana	45.6
64	Belgium	45.4
65	Bosnia and Herzegovina	45.0
66	Slovenia	44.5
67	Israel	44.5

68	South Korea	44.4
69	Italy	44.0
70	Romania	43.9
71	France	43.9
72	Georgia	43.6
73	Slovakia	43.5
74	United Kingdom	43.3
75	Japan	43.3
76	Spain	43.2
77	Poland	42.8
78	Ireland	42.6
79	Iraq	42.6
80	Cambodia	42.3
81	Iran	42.1
82	Bulgaria	42.0
83	Turkey	41.7
84	Hong Kong	41.6
85	Azerbaijan	41.2

86	Lithuania	40.9
87	Djibouti	40.4
88	Norway	40.4
89	Canada	39.4
90	Hungary	38.9
91	Kazakhstan	38.5
92	Czech Republic	38.3
93	Mauritania	38.2
94	Iceland	38.1
95	Ukraine	38.1
96	Senegal	38.0
97	Greece	37.6
98	Portugal	37.5
99	Uruguay	37.2
100	Ghana	37.1
101	Latvia	36.7
102	Australia	36.6
103	New Zealand	36.2

104	Belarus	35.7
105	Denmark	35.5
106	Mongolia	35.0
107	Malawi	34.5
108	Russia	34.5
109	Chad	34.3
110	Lebanon	33.6
111	Macedonia	32.7
112	Republic of the Congo	32.4
113	Madagascar	31.5
114	United States	30.7
115	Nigeria	30.3
116	Guinea	30.3
117	Uganda	30.2
118	South Africa	29.7
119	Rwanda	29.6
120	Democratic Republic of the Congo	29.0
121	Sudan	28.5

122	Luxembourg	28.5
123	United Arab Emirates	28.2
124	Ethiopia	28.1
125	Kenya	27.8
126	Cameroon	27.2
127	Zambia	27.2
128	Kuwait	27.0
129	Niger	26.9
130	Angola	26.8
131	Estonia	26.4
132	Mali	25.8
133	Mozambique	24.6
134	Benin	24.6
135	Togo	23.3
136	Sierra Leone	23.1
137	Central African Republic	22.9
138	Burkina Faso	22.4
139	Burundi	21.8

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140	Namibia	21.1
141	Botswana	20.9
142	Tanzania	17.8
143	Zimbabwe	16.6

***Source:** This material is derived from the Happy Planet Index issued by the New Economics Foundation (NEF).*

***Methodology:** The methodology for the calculations can be found at URL: <http://www.happyplanetindex.org/>*

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## Status of Women

### **Gender Related Development Index (GDI) Rank:**

59th out of 140

### **Gender Empowerment Measure (GEM) Rank:**

66th out of 80

### **Female Population:**

25.6 million

### **Female Life Expectancy at birth:**

72.5 years

**Total Fertility Rate:**

1.2

**Maternal Mortality Ratio (2000):**

35

**Total Number of Women Living with HIV/AIDS:**

100,000-350,000

**Ever Married Women, Ages 15-19 (%):**

10%

**Mean Age at Time of Marriage:**

22

**Contraceptive Use Among Married Women, Any Method (%):**

68%

**Female Adult Literacy Rate:**

99.2%

**Combined Female Gross enrollment ratio for Primary, Secondary and Tertiary schools:**

87%

**Female-Headed Households (%):**

N/A

**Economically Active Females (%):**

55.3%

**Female Contributing Family Workers (%):**

60%

**Female Estimated Earned Income:**

\$3,891

**Seats in Parliament held by women (%):**

*Lower or Single House:* 5.3%

*Upper House or Senate:* N/A

**Year Women Received the Right to Vote:**

1919

**Year Women Received the Right to Stand for Election:**

1919

\*The Gender Development Index (GDI) is a composite index which measures the average achievement in a country. While very similar to the Human Development Index in its use of the same variables, the GDI adjusts the average achievement of each country in terms of life expectancy, enrollment in schools, income, and literacy in accordance to the disparities between males and females.

\*The Gender Empowerment Measure (GEM) is a composite index measuring gender inequality in three of the basic dimensions of empowerment; economic participation and decision-making, political participation and decision-making, and power over economic resources.

\*Total Fertility Rate (TFR) is defined as the average number of babies born to women during their reproductive years. A TFR of 2.1 is considered the replacement rate; once a TFR of a population reaches 2.1 the population will remain stable assuming no immigration or emigration takes place. When the TFR is greater than 2.1 a population will increase and when it is less than 2.1 a population will eventually decrease, although due to the age structure of a population it will take years before a low TFR is translated into lower population.

\*Maternal Mortality Rate is the number of deaths to women per 100,000 live births that resulted from conditions related to pregnancy and or delivery related complications.

\*Economically Active Females are the share of the female population, ages 15 and above, whom supply, or are able to supply, labor for the production of goods and services.

\*Female Contributing Family Workers are those females who work without pay in an economic enterprise operated by a relative living in the same household.

\*Estimated Earned Income is measured according to Purchasing Power Parity (PPP) in US dollars.

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## Global Gender Gap Index

### Global Gender Gap Index

#### Editor's Note:

The Global Gender Gap Index by the World Economic Forum ranks most of the world's countries in terms of the division of resources and opportunities among males and females. Specifically, the ranking assesses the gender inequality gap in these four arenas:

1. Economic participation and opportunity (salaries and high skilled employment participation levels)
2. Educational attainment (access to basic and higher level education)
3. Political empowerment (representation in decision-making structures)
4. Health and survival (life expectancy and sex ratio)

	2010 rank	2010 score	2010 rank among 2009 countries	2009 rank	2009 score	2008 rank	2008 score	2007 rank
Country								
Iceland	1	0.8496	1	1	0.8276	4	0.7999	4
Norway	2	0.8404	2	3	0.8227	1	0.8239	2

Finland	3	0.8260	3	2	0.8252	2	0.8195	3
Sweden	4	0.8024	4	4	0.8139	3	0.8139	1
New Zealand	5	0.7808	5	5	0.7880	5	0.7859	5
Ireland	6	0.7773	6	8	0.7597	8	0.7518	9
Denmark	7	0.7719	7	7	0.7628	7	0.7538	8
Lesotho	8	0.7678	8	10	0.7495	16	0.7320	26
Philippines	9	0.7654	9	9	0.7579	6	0.7568	6
Switzerland	10	0.7562	10	13	0.7426	14	0.7360	40
Spain	11	0.7554	11	17	0.7345	17	0.7281	10
South Africa	12	0.7535	12	6	0.7709	22	0.7232	20
Germany	13	0.7530	13	12	0.7449	11	0.7394	7
Belgium	14	0.7509	14	33	0.7165	28	0.7163	19
United Kingdom	15	0.7460	15	15	0.7402	13	0.7366	11
Sri Lanka	16	0.7458	16	16	0.7402	12	0.7371	15
Netherlands	17	0.7444	17	11	0.7490	9	0.7399	12
Latvia	18	0.7429	18	14	0.7416	10	0.7397	13
United States	19	0.7411	19	31	0.7173	27	0.7179	31

Canada	20	0.7372	20	25	0.7196	31	0.7136	18
Trinidad and Tobago	21	0.7353	21	19	0.7298	19	0.7245	46
Mozambique	22	0.7329	22	26	0.7195	18	0.7266	43
Australia	23	0.7271	23	20	0.7282	21	0.7241	17
Cuba	24	0.7253	24	29	0.7176	25	0.7195	22
Namibia	25	0.7238	25	32	0.7167	30	0.7141	29
Luxembourg	26	0.7231	26	63	0.6889	66	0.6802	58
Mongolia	27	0.7194	27	22	0.7221	40	0.7049	62
Costa Rica	28	0.7194	28	27	0.7180	32	0.7111	28
Argentina	29	0.7187	29	24	0.7211	24	0.7209	33
Nicaragua	30	0.7176	30	49	0.7002	71	0.6747	90
Barbados	31	0.7176	31	21	0.7236	26	0.7188	n/a
Portugal	32	0.7171	32	46	0.7013	39	0.7051	37
Uganda	33	0.7169	33	40	0.7067	43	0.6981	50
Moldova	34	0.7160	34	36	0.7104	20	0.7244	21
Lithuania	35	0.7132	35	30	0.7175	23	0.7222	14
Bahamas	36	0.7128	36	28	0.7179	n/a	n/a	n/a
Austria	37	0.7091	37	42	0.7031	29	0.7153	27

Guyana	38	0.7090	38	35	0.7108	n/a	n/a	n/a
Panama	39	0.7072	39	43	0.7024	34	0.7095	38
Ecuador	40	0.7072	40	23	0.7220	35	0.7091	44
Kazakhstan	41	0.7055	41	47	0.7013	45	0.6976	32
Slovenia	42	0.7047	42	52	0.6982	51	0.6937	49
Poland	43	0.7037	43	50	0.6998	49	0.6951	60
Jamaica	44	0.7037	44	48	0.7013	44	0.6980	39
Russian Federation	45	0.7036	45	51	0.6987	42	0.6994	45
France	46	0.7025	46	18	0.7331	15	0.7341	51
Estonia	47	0.7018	47	37	0.7094	37	0.7076	30
Chile	48	0.7013	48	64	0.6884	65	0.6818	86
Macedonia, FYR	49	0.6996	49	53	0.6950	53	0.6914	35
Bulgaria	50	0.6983	50	38	0.7072	36	0.7077	25
Kyrgyz Republic	51	0.6973	51	41	0.7058	41	0.7045	70
Israel	52	0.6957	52	45	0.7019	56	0.6900	36
Croatia	53	0.6939	53	54	0.6944	46	0.6967	16
Honduras	54	0.6927	54	62	0.6893	47	0.6960	68

Colombia	55	0.6927	55	56	0.6939	50	0.6944	24
Singapore	56	0.6914	56	84	0.6664	84	0.6625	77
Thailand	57	0.6910	57	59	0.6907	52	0.6917	52
Greece	58	0.6908	58	85	0.6662	75	0.6727	72
Uruguay	59	0.6897	59	57	0.6936	54	0.6907	78
Peru	60	0.6895	60	44	0.7024	48	0.6959	75
China	61	0.6881	61	60	0.6907	57	0.6878	73
Botswana	62	0.6876	62	39	0.7071	63	0.6839	53
Ukraine	63	0.6869	63	61	0.6896	62	0.6856	57
Venezuela	64	0.6863	64	69	0.6839	59	0.6875	55
Czech Republic	65	0.6850	65	74	0.6789	69	0.6770	64
Tanzania	66	0.6829	66	73	0.6797	38	0.7068	34
Romania	67	0.6826	67	70	0.6805	70	0.6763	47
Malawi	68	0.6824	68	76	0.6738	81	0.6664	87
Paraguay	69	0.6804	69	66	0.6868	100	0.6379	69
Ghana	70	0.6782	70	80	0.6704	77	0.6679	63
Slovak Republic	71	0.6778	71	68	0.6845	64	0.6824	54

Vietnam	72	0.6776	72	71	0.6802	68	0.6778	42
Dominican Republic	73	0.6774	73	67	0.6859	72	0.6744	65
Italy	74	0.6765	74	72	0.6798	67	0.6788	84
Gambia, The	75	0.6762	75	75	0.6752	85	0.6622	95
Bolivia	76	0.6751	76	82	0.6693	80	0.6667	80
Brueni Darussalem	77	0.6748	77	94	0.6524	99	0.6392	n/a
Albania	78	0.6726	78	91	0.6601	87	0.6591	66
Hungary	79	0.6720	79	65	0.6879	60	0.6867	61
Madagascar	80	0.6713	80	77	0.6732	74	0.6736	89
Angola	81	0.6712	81	106	0.6353	114	0.6032	110
Bangladesh	82	0.6702	82	93	0.6526	90	0.6531	100
Malta	83	0.6695	83	88	0.6635	83	0.6634	76
Armenia	84	0.6669	84	90	0.6619	78	0.6677	71
Brazil	85	0.6655	85	81	0.6695	73	0.6737	74
Cyprus	86	0.6642	86	79	0.6706	76	0.6694	82
Indonesia	87	0.6615	87	92	0.6580	93	0.6473	81
Georgia	88	0.6598	88	83	0.6680	82	0.6654	67

Tajikistan	89	0.6598	89	86	0.6661	89	0.6541	79
El Salvador	90	0.6596	90	55	0.6939	58	0.6875	48
Mexico	91	0.6577	91	98	0.6503	97	0.6441	93
Zimbabwe	92	0.6574	92	95	0.6518	92	0.6485	88
Belize	93	0.6536	93	87	0.6636	86	0.6610	94
Japan	94	0.6524	94	101	0.6447	98	0.6434	91
Mauritius	95	0.6520	95	96	0.6513	95	0.6466	85
Kenya	96	0.6499	96	97	0.6512	88	0.6547	83
Cambodia	97	0.6482	97	104	0.6410	94	0.6469	98
Malaysia	98	0.6479	98	100	0.6467	96	0.6442	92
Maldives	99	0.6452	99	99	0.6482	91	0.6501	99
Azerbaijan	100	0.6446	100	89	0.6626	61	0.6856	59
Senegal	101	0.6414	101	102	0.6427	n/a	n/a	n/a
Suriname	102	0.6407	102	78	0.6726	79	0.6674	56
United Arab Emirates	103	0.6397	103	112	0.6198	105	0.6220	105
Korea, Rep.	104	0.6342	104	115	0.6146	108	0.6154	97
Kuwait	105	0.6318	105	105	0.6356	101	0.6358	96
Zambia	106	0.6293	106	107	0.6310	106	0.6205	101

Tunisia	107	0.6266	107	109	0.6233	103	0.6295	102
Fiji	108	0.6256	108	103	0.6414	n/a	n/a	n/a
Guatemala	109	0.6238	109	111	0.6209	112	0.6072	106
Bahrain	110	0.6217	110	116	0.6136	121	0.5927	115
Burkina Faso	111	0.6162	111	120	0.6081	115	0.6029	117
India	112	0.6155	112	114	0.6151	113	0.6060	114
Mauritania	113	0.6152	113	119	0.6103	110	0.6117	111
Cameroon	114	0.6110	114	118	0.6108	117	0.6017	116
Nepal	115	0.6084	115	110	0.6213	120	0.5942	125
Lebanon*	116	0.6084	n/a	n/a	n/a	n/a	n/a	n/a
Qatar	117	0.6059	116	125	0.5907	119	0.5948	109
Nigeria	118	0.6055	117	108	0.6280	102	0.6339	107
Algeria	119	0.6052	118	117	0.6119	111	0.6111	108
Jordan	120	0.6048	119	113	0.6182	104	0.6275	104
Ethiopia	121	0.6019	120	122	0.5948	122	0.5867	113
Oman	122	0.5950	121	123	0.5938	118	<a href="#">0.5960</a>	119
Iran	123	0.5933	122	128	0.5839	116	0.6021	118

Syria	124	0.5926	123	121	0.6072	107	0.6181	103
Egypt	125	0.5899	124	126	0.5862	124	0.5832	120
Turkey	126	0.5876	125	129	0.5828	123	0.5853	121
Morocco	127	0.5767	126	124	0.5926	125	0.5757	122
Benin	128	0.5719	127	131	0.5643	126	0.5582	123
Saudi Arabia	129	0.5713	128	130	0.5651	128	0.5537	124
Côte d'Ivoire*	130	0.5691	n/a	n/a	n/a	n/a	n/a	n/a
Mali	131	0.5680	129	127	0.5860	109	0.6117	112
Pakistan	132	0.5465	130	132	0.5458	127	0.5549	126
Chad	133	0.5330	131	133	0.5417	129	0.5290	127
Yemen	134	0.4603	132	134	0.4609	130	0.4664	128
Belarus	n/a	n/a	n/a	34	0.7141	33	0.7099	23
Uzbekistan	n/a	n/a	n/a	58	0.6913	55	0.6906	41

\*new country 2010

Commentary:

According to the report's index, Nordic countries, such as [Iceland](#), [Norway](#), [Finland](#), and [Sweden](#)

have continued to dominate at the top of the ranking for gender equality. Meanwhile, [France](#) has seen a notable decline in the ranking, largely as a result of decreased number of women holding ministerial portfolios in that country. In the Americas, the [United States](#) has risen in the ranking to top the region, predominantly as a result of a decreasing wage gap, as well as higher number of women holding key positions in the current Obama administration. [Canada](#) has continued to remain as one of the top ranking countries of the Americas, followed by the small Caribbean island nation of Trinidad and Tobago, which has the distinction of being among the top three countries of the Americans in the realm of gender equality. [Lesotho](#) and South African ranked highly in the index, leading not only among African countries but also in global context. Despite [Lesotho](#) still lagging in the area of life expectancy, its high ranking was attributed to high levels of female participation in the labor force and female literacy. The [Philippines](#) and [Sri Lanka](#) were the top ranking countries for gender equality for Asia, ranking highly also in global context. The [Philippines](#) has continued to show strong performance in all strong performance on all four dimensions (detailed above) of the index. Finally, in the Arab world, the [United Arab Emirates](#) held the highest-rank within that region of the world; however, its placement near the bottom of the global list highlights the fact that Arab countries are generally poor performers when it comes to the matter of gender equality in global scope.

Source:

This data is derived from the latest edition of The Global Gender Gap Report by the World Economic Forum.

Available at URL:

<http://www.weforum.org/en/Communities/Women%20Leaders%20and%20Gender%20Parity/Gende>

Updated:

Based on latest available data as set forth in chart; reviewed in 2014

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## **Culture and Arts**

### **Culture and Arts of Ukraine**

## Music

The Byzantine Orthodox Church greatly influenced the development of Ukrainian music. It is been said that in the 10th century, when the Kyiv, or Old Rus, ruler, Prince Volodymyr Sviatoslavych or Vladimir I, was considering a number of religions, Islam, Catholicism and Eastern Orthodox, as the official state religion, he was so enchanted by the chants of the Byzantine Orthodox liturgy that he converted to the Orthodox religion at once (other stories have said that Vladimir was quite impressed with Islam until he learned of the religion's intolerance of alcohol). The traditional Ukrainian liturgy is characterized by the human voice being the only musical instrument.

Ukraine has a strong and rather interesting tradition in folk music. There were folk songs to accompany the farmers during the sowing and reaping of crops, songs that were sung out to call herdsman back with their animals at the end of the day, special songs for feast days, weddings and funerals.

Musicians were always a necessary part of Ukrainian culture. During the 15th century, musicians playing the kobza, a type of lute, rode out to the frontlines of battles alongside Cossack warriors, singing lyrical heroic ballads or dumas, to raise moral of the fighters. From then on, the culture of national identity was maintained by a variety of minstrel types whose songs were intertwined with the heroics of the Cossacks.

Unlike the bards who rode out to battle with their Cossack defenders, most of the following generations of professional minstrels were blind. These blind musicians such as the kobzari, traveling folk minstrels who play the bandura, a variation on the kobza, and the lirnyky, who play a lira, or hurdy gurdy, formed secret societies and musicians guilds and apprenticed young blind children through which they would pass their songs.

The kobzari and lirnyky filled an important cultural and social need for the Ukrainian communities: They entertained while reinforcing ideas of freedom and religion that was always associated with the Cossack stories (Cossacks were well known defenders of their nation and the Orthodox faith), and they gave the disabled a profession with which they could support themselves. The kobzari were so important to the Ukrainian national identity that in 1939 Stalin called for a convention of kobzari and subsequently executed the majority of them, destroying their banduras and their rich memories of song, as Stalin believed these blind men were a threat to Soviet social indoctrination. Some of these musicians escaped the persecution of the Soviets by fleeing to Canada and the United States where they maintained their traditional songs.

Today the bandura is the national instrument of Ukraine. During the Romantic movement in the Ukraine during the 19th century which produced a strong sense of nationalism, intellectuals, such as the poet, Hnat Khotkevych (1877-1938) took a strong interest in the bandura, both in learning how to play it and forming kobzari ensembles. Composers would often include this folk instrument into symphonic compositions that were influenced by folk tunes. The father of Modern Ukrainian

music and staunch supporter of Ukrainian national culture, Mykola Lysenko (1842-1912) was the first to teach the bandura formally in Kiev. Since then, bandura ensembles have managed to survive the cultural upsets by the Russian and Nazi occupations, and with the Ukraine's newfound political independence, bandura ensembles have been the voice of Ukrainian national culture.

Important Ukrainian composers other than Lysenko include; liturgical composer, Dmitri Bortniansky (1751-1825); Semyon Stepanovich Gulak-Artemovsky (1813 – 1873), who composed the opera Cossacks on the Danube; and Mykola Leontovich (1877-1921) who is best known for composing “Shchedryk”, also known as “The Carol of the Bells”, based on an old Ukrainian folk song.

The Cossack culture is still maintained in folk dances that are very popular to this day. Dances such as the energetic and acrobatic Hopak and Kozachok dances are quite popular with international audiences. Dancer and choreographer Pavlo Virsky (1905-1975) founded the renowned Ukrainian National Dance Company in 1937, which has maintained the unique folk dance culture of the Ukraine. There are numerous Ukrainian folk dance troupes in many parts of the world. In the United States, Australia and especially Canada, professional and amateur Ukrainian folk dance troops take part in local and national cultural festivals throughout the year.

Ballet in Kyiv has an excellent reputation. World-renowned ballet dancers such as, Maxim Belotserkovsky and Irina Dvoroenko with the American Ballet Theater in New York, studied with dance schools in Kyiv. The Shevchenko Opera and Ballet Theatre in Kyiv is a beautiful and prestigious venue for opera and ballet in Ukraine. Elsewhere in Ukraine, The Odessa State Academical Opera and Ballet Theater; also produces noteworthy performances and the building itself rivals the opera houses in Vienna for its architectural beauty.

SDinsider.com: House of Ukraine:

<http://www.sdinsider.com/community/groups/ukraine/>

Brama; Arts and Culture; Music; Ukrainian Minstrels:

<http://www.bandura.org/kobzari.html>

The Carpatho-Rusyn Knowledge Base; Carpatho-Rusyn Folk Dance:

<http://www.carpatho-rusyn.org/jerry.htm>

The Embassy of the Ukraine Washington D.C.:

<http://ukremb.com/>

The National Philharmonic of Ukraine;

<http://www.filarmonia.com.ua/eng/historical.shtml>

Odessa State Academical Opera and Ballet Theater:

[http://www.opera-ballet.tm.odessa.ua/main/index\\_en.html](http://www.opera-ballet.tm.odessa.ua/main/index_en.html)

Ukraine-Today.com:

<http://ukraine-today.com/>

UKROP: Project My Ukraine:

<http://www.ukrop.com/av/index.html?lang=1>

Welcome to The Ukraine:

<http://iprinet.kiev.ua/wumag/archiv/>

ArtUkraine.com; Kozbar's Lirhniki and Banduristy:

<http://www.artukraine.com/kobzars/kobzars01.htm>

## **Art**

For centuries in Ukraine, folk arts have functioned as a way to create everyday useful items express personal creativity and maintain traditional culture often in the face of cultural oppression by foreign invaders.

Many of the Ukrainians folk art traditions predate their conversion to Christianity. Perhaps the most well known of these traditions are the beautifully dyed spring eggs that Christians have adopted as the Easter egg which commemorates Christ's resurrection. While many cultures have this tradition, the Ukrainians have mastered the art of Easter eggs, or pysanky. The process of egg dying is quite elaborate. The artist paints the egg with beeswax then dips the egg in the desired color of dye, then reapplies wax to a new area and removes the old wax to dye the egg again. This process is repeated over and over again until an intricate and colorful design has been achieved.

Other folk arts that Ukrainians excel at are weaving embroidery, woodcarving and ceramics. As with the pysanky, all the folk arts of the Ukraine are characterized by elaborate designs and ornamentation that vary from region to region. The ancient pagan symbolism is still maintained in these designs.

With the Kyiv Rus conversion to Christianity in the 10th century, Kyiv became the spiritual center of old Rus. It was in Kyiv that a number of Greek monks taught the newly converted Ukrainian monks the art of iconography, fresco and mural painting, and other such arts with which the depiction of sacred images are conveyed. As the great majority of the Kyiv Rus were illiterate, icons as well as church murals and frescoes were important teaching aids of the Church. Icon paintings focused on the representation of sacred Christian images; Christ, the Virgin, the saints of the Christian Church as well as holy scenes from the Bible. Typically, icons were painted with tempura on lime or wooden panels and as the centuries wore on icons were painted in gold leaf and adorned with precious metals and stones. From Kyiv these religious artists, who were always

monks, developed sacred art schools in other parts of Russia. Historically, sacred art was the primary genre that Ukrainian artists and artisans would work with between the 10th century, and the 18th century.

Christianity became the driving force that united the Kyiv princes and their lands. In the Ukraine, hundreds of religious structures were built in the Byzantine style which reflect both the Ukrainians commitment to Christianity as well as the wealth of the Kyiv princes. In the 13th century Kyiv was destroyed with the invasion of the Golden Horde, also known as the Mongol Yoke. Kyiv lost its seat as an Orthodox spiritual center to Moscow. However, some of the earliest Slavic Orthodox cathedrals still remain in Kyiv; the 13 domed, St. Sophia Cathedral built 11th century; St. Cyril's Church which was built in the second half of the 12th century; St. Michael of the Golden Domes, built in the 12th century, it is currently under renovation as it has been badly damaged throughout Ukraine's turbulent history; and Kyiv Pecherska Lavra Monastery (or Monastery of the Caves) founded in the 11th century.

While under the political control of the Russian Czars, at this time Ukraine was referred to as "Little Russia", a major artist movement began in the 19th century during a strong Ukrainian nationalist movement. The primary artist of that time was Taras Shevchenko (1814-1891) a leading poet, novelist and painter who often made use of Ukrainian history as a source of subject matter. Apollon Mokrysty (1818-1870) and Serhii Vasylykivsky (1854-1917) were other important artists of this time.

Often regarded as the great Russian realist painter, the Ukrainian born Elias (Ilya) Repin (1844-1930) was a member of a group of Russian artists known as the Wanderers. This group of young men dissatisfied by the stuffy rules of Neo-Classicism taught at the St. Petersburg Academy, left the Academy in 1863 and traveled throughout Russia, painting religious themes, peasants, other artists and scenes from history that focused on the human condition rather than the glory of the Motherland and her elite. Considered to be the greatest artist of this group, Repin's painting of a political prisoner's unexpected return to his family, *They Did Not Expect Him*, has been hailed as the crowning achievement of this time. Other important works include *Zaporozhian Cossacks Writing a Letter to the Turkish Sultan*, *Ivan the Terrible with the Body of his Son*, *Tolstoy in the Forest* and his portrait of Taras Shevchenko. Repin's realistic style was also the precursor of a trend in art that the Soviets would adopt as their major means of expression, socialist realism; Repin himself would rejected the Soviet government and left Russia for Finland.

Many Ukrainian artists made significant contributions to the world of avant-garde. A number of these artists are also associated with Russian art as during many of their innovative years were spent as members of St. Petersburg art circles. These artists include; the Father of Russian Futurism, David Burliuk (1882-1967); Kazimir Malevich (1878-1935), who developed Suprematism; Viktor Palmov (1888-1929), an artist who worked in the Neoprimitivism and Futurism schools; and Constructivism originator, Vladimir Tatlin (1885-1953).

In the 1930s, Socialist Realism became the official style of Soviet Ukraine. Artistic innovations as well as the traditions of sacred art were lost to an art style whose sole purpose was for the glorification of the State and political propaganda. What traditions that did survive, such as iconography, did so within Ukrainian immigrant communities outside the Soviet Union. However, since the collapse of the Soviet Union in 1991, artists are no longer bound by the constraining rules of political censorship and are free once more to forge new paths in creative expression.

Other important Ukrainian artists include the sculptor Alexander Archipenko (1887-1964); three generations of artists in the Cholodny family, Petro Cholodny the Elder (1876-1930), his son, Petro Cholodny the Younger (1902-1990) and the grandson of Cholodny the Younger, Andrew Charyna (b. 1951); Ilya Kabakov (b. 1933), and the artist Alla Horska (1929-1970)

Prominent filmmakers include the master of Soviet silent films, Oleksander Dovzhenko (1894 - 1956) and Oles Yanchuk (b. 1958).

Brama: Gateway Ukraine:

<http://www.brama.com/>

SDinsider.com: House of Ukraine:

<http://www.sdinsider.com/community/groups/ukraine/>

InfoUkes; Elias Repin, Master Painter from Ukraine:

<http://www.infoukes.com/culture/paintings/repin/>

The Carpatho-Rusyn Knowledge Base; Folk Arts of the Carpatho Ukraine;

<http://www.carpatho-rusyn.org/hutsul/index.html>

The Ukrainian Greek Catholic Church; Icon Gallery:

<http://www.ugkc.lviv.ua/Gallery/Gallery.Entrance.html>

Kiev Virtual Art Museum;

<http://www.art-gallery.kiev.ua/st.michael/>

The Carpatho-Rusyn Knowledge Base; Icon Painting in the Lemko Region:

<http://www.carpatho-rusyn.org/lemkos/icons.htm>

The Russian Art Gallery; Spirit of the Ukraine:

<http://www.russianartgallery.com/ukrainianart.shtml>

## Literature

The Ukraine has a notable body of ancient heroic legends and poems that had been preserved over the centuries in the oral tradition. These epic poems, or *byliny*, are quite unique to the Slavic culture, each recitation of the poem is sung in a monotone voice and the singer slightly modifies the *byliny* with each performance. The heroes of the *byliny* lived a placed during the time of Valdimir the Great who ruled from 980 until 1015. These heroes, who include; the dragon slayer, Dobrynya Nikitich; the trickster, Alyosha Popovich; and Old Rus' greatest defender, the noble Cossack, Ilya Muromets, are knights who possess super human strength, enormous courage and keen intelligence through witch they rid the land of invaders, evildoers, pagans and monsters.

The most famous epic of old Ukrainian literature is *The Tale of the Campaign of Igor*, a poem based on the true events of an ill-fated raid lead by Prince Igor Sviatoslavich and his Kyiv Rus warriors on the Turkic Polovtsy in 1185. There is an interesting mystery that surrounds this medieval epic and it is centered on the question of the actual date of composition. Some believe it was written shortly after the event that the poem speaks of, others believe the poem was composed in the 15th century, still other's believe the poem was written in the 18th century. The original itself was not discovered until the 18th century and that same copy was burned in a St. Petersburg fire in 1812, so there is no way of knowing for certain the time in which it was written. Fortunately, by the time of the fire, only a single copy had been made of the poem, through which the words of the anonymous poet have survived. Irregardless of the date of composition, *The Tale of the Campaign of Igor*, is a beautifully written tale that is beloved by both Ukrainians and other nations of Slavic descent.

After the Mongol yoke, histories and religious tracts were the primary literary subjects. During the fifteenth through the seventeenth centuries, the Orthodox Church, in an attempt to sever all ties with their non-Christian past, condemned the old Kyiv Rus songs and legends that harkened back to pagan times. Those who publicly recited these poems were persecuted. Even with *The Tale of Igor*, whose hero was a Christian Prince, there are elements of nature deities and the supernatural that were considered heresy by Orthodox Church. Thus, the possibility of it being hidden from the world for so many centuries is plausible. Many of the old tales and legends did not survive the centuries when the Orthodox Church was the dominant force in daily life. What poems and songs that have survived, did so in isolate villages away from the strong arm of the Church and were rediscovered in the 19th century by scholars who began exploring their country's folk life.

Gregory Skovoroda (1722-1794), often referred to as the Ukrainian Socrates, was an important wanderer poet-philosopher. His writings dealt with spiritual problems and human truths. The first major literary work to be published in the Ukrainian vernacular was the satirical epic poem, *Eneida*, written by Ivan Kotliarevsky (1769-1838). Basing the plot on Virgil's *Aeneid*, *Eneida* is the story of the Cossack, Enei and his adventures with Ukrainians from all walks of life. With Kotliarevsky utilizing the Ukrainian language in his literary works, he elevated the native tongue of his fellow countrymen to a literary language.

Although most often associated with Russian literature, the Ukrainian born and raised, Nikolay Gogol (1809-1852) is known today as one of the greats in world literature. It was his collection of short stories, *Evenings on a Farm Near Dikanka*, written about rural Ukrainian life that established his reputation with Russian readers. With most of his writings, Gogol displayed a keen satirical wit in his depiction of the absurdities of life. Gogol's characters were often underprivileged, misguided, socially abused or abusive persons coming to terms with life's little and sometimes, great ironies. His masterpieces include the short story, "The Overcoat", the play, *The Inspector General*, and his unfinished three-volume mock epic, *Dead Souls*.

The quintessential poet of the Ukrainian nationalism movement in the 19th century was Taras Shevchenko (1814-1861). Shevchenko's poetry emphasized Ukrainian freedom from foreign dominion, glorification of the Cossacks and Ukrainian history. It was during this movement of national awakening that a great number of writers wrote in the Romantic style that was common across the European continent. The later decades of the 19th century were dominated by a number of writers who wrote within the realm of Realism. The most exceptional writer of this time was Ivan Franco (1856-1916) a dramatist, short story writer and novelist whose major works also had strong nationalist overtones. Other important writers of the national revival include Panteleimon Kulish (1819-1897), Lesia Ukrainka (1871-1913) and Mykhaylo Kotsiubynskyi (1864-1913).

By the early Twentieth century, Ukrainian writers were experimenting with literary styles and theories that were quite prominent in the major literary circles in the European cultural centers.

Pavlo Tychyna (1891-1967) was a leading Symbolist poet; and Mykhaylo Semenko and Mykola Bazhan showed futurist influence.

In 1932, the Writers' Union of the Soviet government, officially mandated Socialist Realism as the sole means of artistic expression for the Soviet Union. Socialist Realism in literature required, as in art, that literature of any type must be written to glorify the proletariat revolution, the new state of communism, the working hero and party leaders. All literature was to be propaganda for the State. Any publication, book of poetry, fiction, or history that failed to support the ideals of Socialist Realism was banned and removed from libraries. Religious writings were banned altogether. Writers had to conform to government standards or risk being their works to remain unpublished. If writings were critical of the government or Marxist doctrines the risk was greater. During the Great Terror many writers were silenced by censorship, imprisonment, rehabilitation, or execution between the decades of the 1930s and 1950s in an effort to purge the country of ideological dissent.

Of the most creative voices silenced by Soviet censorship was Mikhail Bulgakov (1891-1940) a novelist, playwright and short storywriter. For the majority of his life, Bulgakov was not allowed to publish his writings. His plays that had been published before 1929 were banned from being

performed at theaters and he was refused to reprint his works. He spent the rest of his life fighting, unsuccessfully, to publish his work written after 1929. His most highly acclaimed novel, *The Master and Margarita*, a humorous and dark satire about Moscow intellectuals and censorship, was not published until 1967.

Journalist, playwright and master of the short story, Isaak Babel (1894-1941) was another important literary voice that was lost during the Stalinist purges. One of the first Jewish writers to write in the Russian language, Babel's witty, humorous, dynamic and brutally honest writings brought him success during his own lifetime. However, Soviet authorities found that Babel did not conform to socialist realism. Consequentially he was arrested in 1939, during his arrest many of his manuscripts were confiscated never to be seen again, and executed in a Russian gulag in 1941 for "espionage". Babel has since become known as one of the greatest writers of the 20th century. His writings include, *Odessa Stories* and the novel, *The Cavalry Army*.

In the 1960s, an intellectual and creative resistance movement developed in Ukraine. The literary members of this movement known as the "Writers of the 60s" refused the doctrine of Socialist Realism. Poets Lina Kostenko, Vasyl Symonenko, and Vasyl Stus (1938-1985) were important literary voices of this movement. By the 70s the Soviet government once again tightened its grip on creative expression and censored these poets and writers, punishing those who refused to remain silent. The poet, Stus, who consistently fought for creative freedom and human rights, died in a labor camp in 1985, the same year his candidacy for the 1986 Nobel Prize in Literature was announced.

Today's writers in the Ukraine are once again given creative freedom with their words.

Brama: Gateway Ukraine:

<http://www.brama.com/>

SDinsider.com: House of Ukraine:

<http://www.sdinsider.com/community/groups/ukraine/>

University of Chicago; Arts Russia: Nikolai Gogol:

<http://home.uchicago.edu/~choffman/artsrussia/gogol/>

University of Chicago; Arts Russia: Mikhail Bulgakov:

<http://home.uchicago.edu/~choffman/artsrussia/>

InfoUkes; Taras Hryhorovich Shevchenko; A Short Biography of the Bard of Ukraine:

[http://www.infoukes.com/shevchenkomuseum/biography/short\\_biography/](http://www.infoukes.com/shevchenkomuseum/biography/short_biography/)

University of Calgary; Ukrainian education Language Centre; Vasyl Stus:

<http://www.ualberta.ca/~ulec/stus/>

SovLit.com:

<http://www.sovlit.com/bios.html>

## **Cuisine**

With rich black soil that covers Ukraine's southern fertile plains, Ukraine has been called "The Breadbasket of Europe". Wheat, buckwheat, maize, and corn are key crops. The Ukraine is one of the world's leading producers of sugar. Ukraine's bounty extends to: fruit orchards and a variety of vegetables; wild game and livestock; and the Black Sea, lakes and a multitude of rivers from which fish and other seafood may be caught to be served on tables across the region.

Traditionally, bread holds an honored place in the realm of foodstuffs. Today, as in the past, a host welcomes respected friends and family to his or her house with a gift of bread and salt. Special breads and pastries are made for specific occasions: the sweet korovai is prepared for weddings; kolach, a braided bread in the shape of a ring, for Christmas and funerals; paska, which is baked in the shape of a cross, as well as the sweet baka, is eaten at Easter. Varenyky, also called perogies, are popular and tasty pastries filled with cheese, meat or fruit and have been celebrated in folk songs. Nalysnyky, or crepes, filled with cheese or fruits, are also favorites.

Ukraine is known for such creating such delicious dishes as borshch, a beetroot soup; holubtsi, a cabbage leaves stuffed with ground beef and simmered in a tomato sauce; kovbasa, a smoked sausage; and Chicken Kyiv.

Brama: Gateway Ukraine:

<http://www.brama.com/>

Relcom Ukraine; Welcome to Kiev; Dining Out in Kiev; National Dishes:

<http://koiwww.relcom.com/kyiv/food/efood1.htm>

SDinsider.com: House of Ukraine:

<http://www.sdinsider.com/community/groups/ukraine/>

## Etiquette

### Cultural Dos and Taboos

1. Note that Ukraine is home to several ethnic groups, notably Ukrainians, ethnic Russians, Belarussians, and Poles, each with its own cultural traditions. Sensitivity to this diverse - yet related - collection of cultures is advised.
2. Shake hands, firmly but briefly, with everyone (including children) when introduced. It is also customary to shake hands once again upon your departure. Men should wait to see if women extend their hands in inter-gender meetings. In formal settings, local men may kiss the hands of women in greeting, but the replication of this practice by foreigners may not be well received. Note that it is impolite to reach over someone else's handshake. Also, avoid keeping your left hand in your pocket while shaking hands with your right.
3. Note that Ukrainians and Russians often greet a stranger by shaking hands and stating their last name, rather than uttering the polite phrase (i.e. "how do you do?"). It is advisable that you greet and respond in the same way.
4. The decision to address each other by first names may be decided by mutual consent, although the best practice is to err on the side of formality and use titles and surnames when first meeting someone.
5. Politics and other complicated issues, such as religion and culture, are acceptable topics of discussion in most European countries. The Ukrainians, like other Europeans, tend to be well informed about politics and to have their own opinions. While conversation on such issues is not discouraged, visitors should not expect Eastern Europeans to be entirely approving of Western concepts, ideas and political viewpoints. Also, while Ukrainians may be deprecating about their own culture and nation, foreigners should not interpret their commentary as an invitation to criticize Ukraine. Suggested topics of conversation include sports, music, travel, and local culture.
6. The American "O.K." sign (thumb and forefinger touching in a circle) and any shaken-fist gesture will probably be interpreted as vulgar and thus should be avoided. One should also avoid placing one's feet on any furniture other than a footstool and avoid sitting with one's legs spread apart.
7. Western business practices are quickly becoming the norm across Europe, including such things as business lunches. One should not, however, enter into business discussions without some light

introductory conversation, politesse and other such niceties. In this regard, it is acceptable to ask about your counterpart's family. If the lunch or dinner meeting is your idea, you should insist on payment being your responsibility.

8. It is a great honor to be invited to a Ukrainian home. It is a good idea to bring flowers, liquor, or a food item that is scarce as a gift to the host and hostess. Note that red roses are reserved for romantic situations in many cultures, while lilies are often associated with funerals. During meals, the host may invite you to eat additional portions. It is traditional in many European cultures to turn down the first invitation.

9. When eating, always use utensils. Note that very few items are eaten with the hands. Also, adhere to the European standard of the fork in the left hand and the knife in the right hand. Avoid the Americanized "cross over" where one uses the knife only to cut meat, while using the fork in the right hand otherwise. Place your utensils together on one side of the plate when you have finished eating. The best practice is to place your knife and fork together in the 4 o'clock position on your plate. Meanwhile, if you wish to pause between courses, cross your utensils on the plate.

10. Generally, Ukrainians dress in a casual but conservative manner, except at dinners or other more formal engagements. Conservative suits (dark in color with ties and white shirts) are usually worn by businessmen, while women's business attire consists of dark skirts and dresses. Discretion is advised in the realm of business, while trendy fashions may be more acceptable in other less formal domains of life.

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## Travel Information

### **Please Note:**

**This is a generalized travel guide and it is intended to coalesce several resources, which a traveler might find useful, regardless of a particular destination. As such, it does not include travel warnings for specific "hot spot" destinations.**

**For travel alerts and warnings, please see the United States Department of State's listings available at URL:**

**<http://travel.state.gov/content/passports/english/alertswarnings.html>**

**Please note that travel to the following countries, based on these warnings, is ill-advised, or should be undertaken with the utmost precaution:**

**Afghanistan, Algeria, Burundi, Cameroon, Central African Republic, Chad, Colombia, Democratic Republic of Congo, Djibouti, El Salvador, Eritrea, Ethiopia, Guinea, Honduras, Iraq, Iran, Lebanon, Liberia, Libya, Mali, Mauritania, Mexico, Nepal, Niger, Nigeria, North Korea, Pakistan, Palestinian Territories of West Bank and Gaza, Philippines areas of Sulu Archipelago, Mindanao, and southern Sulu Sea, Saudi Arabia, Sierra Leone, Somalia, South Sudan, Sudan, Syria, Ukraine, Venezuela, and Yemen.**

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**Please Note:**

**The Department of State warns U.S. citizens of the risks of travel to eastern Ukraine. Despite the signing of a ceasefire agreement, violent clashes between Russia-backed separatists and Ukrainian forces continue in parts of the eastern regions of Donetsk and Luhansk, resulting in thousands of injuries and deaths. In addition, Russian military forces continue to occupy the Crimean Peninsula and are present on the eastern border of Ukraine.**

**The Department of State warns U.S. citizens to defer all travel to the eastern regions of Donetsk and Luhansk. Russia-backed separatists continue to control areas in the Donetsk and Luhansk Oblasts. The ceasefire agreement signed by Ukrainian, Russian and separatist leaders established a de facto dividing line between Ukrainian government-controlled and separatist-held areas of Ukraine, with numerous checkpoints controlled by government and separatist forces. Individuals, including U.S. citizens, have been threatened, detained or kidnapped for hours or days after being stopped at separatist checkpoints. The Government of Ukraine has stated that foreigners, including U.S. citizens who enter Ukraine through separatist-controlled checkpoints, will not be allowed to pass through government checkpoints.**

**The Government of Ukraine has been unable to provide some government services. Shortages of water, power and food supplies have also been reported in separatist-controlled areas of the Donetsk and Luhansk Oblasts, and widespread disorder and looting has been confirmed in these areas.**

**Russia-backed separatist groups have taken on an increasingly strident anti-American tone. U.S. citizens who choose to enter or remain in conflict areas should maintain a low profile and avoid large crowds and gatherings.**

**U.S. citizens should exercise caution in the regions of Odesa, Kharkiv, Zaporizhzhia and**

**Kherson. In addition, due to a recent increase in low level terrorism incidents, travelers in the cities of Odesa and Kharkiv should exercise extreme vigilance in public places after dark.**

**The Department of State also warns U.S. citizens to defer all travel to the Crimean Peninsula, which is unlawfully occupied by Russia. The Russian Federation is likely to take further actions in Crimea in 2015 consistent with their attempted unlawful annexation and occupation of this part of Ukraine. The international community, including the United States and Ukraine, does not recognize this purported annexation. The Russian Federation maintains an extensive military presence in Crimea and along the border of eastern Ukraine. In addition, there are continuing reports of abuses against the local population by de facto authorities in Crimea, particularly against those who are seen as challenging their authority on the peninsula. The Government of Ukraine prevents foreigners, including U.S. citizens, who enter Crimea directly from any country other than Ukraine, from entering mainland Ukraine.**

**The situation in Ukraine is unpredictable and could change quickly. U.S. citizens throughout Ukraine should avoid large crowds and be prepared to remain indoors should protests or demonstrations escalate. Problems with energy supplies have led to blackouts throughout Ukraine, which will likely continue through the winter.**

**U.S. Embassy Kyiv's Consular Section is open for all public services; however, in light of the ongoing unrest, the Embassy has severely restricted the travel of U.S. Government personnel to areas in eastern Ukraine and the Crimean Peninsula, and occasionally limits travel to other adjacent regions. As a result, the Embassy's ability to provide consular services, including responding to emergencies, to U.S. citizens in eastern Ukraine and Ukraine's Crimean region is extremely limited.**

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## **International Travel Guide**

### **Checklist for Travelers**

- 1. Take out travel insurance to cover hospital treatment or medical evacuation. Overseas medical costs are expensive to most international travelers, where one's domestic, nationalized or even private health insurance plans will not provide coverage outside one's home country. Learn about "reciprocal insurance plans" that some international health care companies might offer.**
- 2. Make sure that one's travel insurance is appropriate. If one intends to indulge in adventurous**

activities, such as parasailing, one should be sure that one is fully insured in such cases. Many traditional insurance policies do not provide coverage in cases of extreme circumstances.

**3.** Take time to learn about one's destination country and culture. Read and learn about the place one is traveling. Also check political, economic and socio-cultural developments at the destination by reading country-specific travel reports and fact sheets noted below.

**4.** Get the necessary visas for the country (or countries) one intends to visit - but be aware that a visa does not guarantee entry. A number of useful sites regarding visa and other entry requirements are noted below.

**5.** Keep in regular contact with friends and relatives back at home by phone or email, and be sure to leave a travel itinerary.

**6.** Protect one's personal information by making copies of one's passport details, insurance policy, travelers checks and credit card numbers. Taking copies of such documents with you, while leaving another collection copies with someone at home is also good practice for travelers. Taking copies of one's passport photograph is also recommended.

**7.** Stay healthy by taking all possible precautions against illness. Also, be sure to take extra supplies of prescription drugs along for the trip, while also taking time to pack general pharmaceutical supplies, such as aspirin and other such painkillers, bandages, stomach ailment medication, anti-inflammatory medication and anti-bacterial medication.

**8.** Do not carry illicit drugs. Understand that the punishment for possession or use of illegal drugs in some countries may be capital punishment. Make sure your prescription drugs are legal in the countries you plan to visit.

**9.** Know the laws of one's destination country and culture; be sure to understand the repercussions of breaking those laws and regulations. Often the transparency and freedoms of the juridical system at home is not consistent with that of one's destination country. Become aware of these complexities and subtleties before you travel.

**10.** For longer stays in a country, or where the security situation is volatile, one should register one's self and traveling companions at the local embassy or consulate of one's country of citizenship.

**11.** Women should take care to be prepared both culturally and practically for traveling in a different country and culture. One should be sure to take sufficient supplies of personal feminine products and prescription drugs. One should also learn about local cultural standards for women, including norms of dressing. Be aware that it is simply inappropriate and unsafe for women to travel alone in some countries, and take the necessary precautions to avoid risk-filled situations.

**12.** If one is traveling with small children, one should pack extra supplies, make arrangements with the travel carrier for proper seating that would adequately accommodate children, infants or toddlers. Note also that whether one is male or female, traveling with children means that one's hands are thus not free to carry luggage and bags. Be especially aware that this makes one vulnerable to pickpockets, thieves and other sorts of crime.

**13.** Make proper arrangements for accommodations, well in advance of one's arrival at a destination. Some countries have limited accommodation, while others may have culturally distinctive facilities. Learning about these practicalities before one travels will greatly aid the

enjoyment of one's trip.

**14.** Travel with different forms of currency and money (cash, traveler's checks and credit cards) in anticipation that venues may not accept one or another form of money. Also, ensuring that one's financial resources are not contained in one location, or by one person (if one is traveling with others) can be a useful measure, in the event that one loses a wallet or purse.

**15.** Find out about transportation in the destination country. In some places, it might be advisable to hire a local driver or taxi guide for safety reasons, while in other countries, enjoying one's travel experience may well be enhanced by renting a vehicle and seeing the local sights and culture independently. Costs may also be prohibitive for either of these choices, so again, prior planning is suggested.

### **Tips for Travelers**

- Ensure that you have a valid travel visa.
  
- Update your inoculations/vaccinations.
  
- Register your presence in Ukraine with the authorities if you are visiting Ukraine for longer than three days.
  
- Complete a customs declaration form on arrival in Ukraine. Cash and any valuable electronic equipment should be declared. Retain it as it is required on exit.
  
- Ensure that all personal documents are readily available, current and valid. Keep photocopies of these documents in separate storage from the originals. Enter next of kin details into the back of your passport.
  
- Follow common sense guidelines such as:
  - keep your apartment or hotel doors and windows locked and verify visitors;
  - carry bags, wallets and other items in a secure manner;
  - avoid conspicuous behavior;
  - avoid shortcuts through deserted parks and alleys.
  
- Exchange currency only at official exchange points. Don't flash cash or jewelry.
  
- Beware of pickpockets and confidence tricksters.
  
- Be careful about taking photographs in the vicinity of government or military establishment.
  
- Check with your embassy, consulate, or appropriate government institution related to travel before traveling.

- Don't travel without adequate travel and medical insurance. Ensure that you are fully covered for all unexpected expenses.
- Don't allow your visa to expire during your visit to Ukraine otherwise you will have trouble leaving the country and fines may be levied.
- Don't get involved with drugs. Penalties are severe.
- Don't use unmarked taxis or those carrying strangers.
- Don't drink tap water without boiling it. Bottled water is readily available.

Note: This information is directly quoted from the United Kingdom Foreign and Commonwealth Office.

Sources: *United Kingdom Foreign and Commonwealth Office*

### **Business Culture: Information for Business Travelers**

Given the fact that "business" in a Western sense is something new to the current generation of Ukrainians, it is difficult to generalize about proper protocol and customs for doing business in Ukraine. The legacy of centralized authority extending back for centuries, bureaucracy, red tape, and an unwillingness to take initiative have been imprinted on the developing Ukrainian business psyche. Signatures, proper letterhead, stamps of authenticity, and forms (in triplicate) are very important to "getting the job done" in Ukraine - a process which can exercise the most experienced international businessperson. For example, a letter authorizing Mr. X to do Y will sometimes be rejected because it does not have "the proper stamp." Foreign companies will often stamp a document in English with an "official" seal, show the stamp to a customs officer or other bureaucrat (who likely cannot read English anyway), finding that this strategy is often successful.

Due to the general lack of knowledge about international business practices and terminology exhibited by most Ukrainians, it is important to take an educating role in business negotiations. Ukrainians can be shrewd and tough negotiators. It is important to be very responsive to one's negotiating partner, even regarding seemingly mindless issues. Visits to factories or other places of business activity in your country of business can literally be "the picture worth a thousand words."

The form of business in Ukraine often takes precedence over the substance, making a potential partner's approach all the more important. As noted above, given the absence of a strong, transparent legal infrastructure, your deal may in the end depend on the trust you have

painstakingly built over many months or years.

As Ukrainians are deeply personal, an extraordinary emphasis is placed on cementing personal relationships before doing business. Face-to-face meetings are the norm, with little business conducted over the phone. Business cards, printed in English and Ukrainian or Russian, are de rigueur, with a firm handshake to open and close a meeting. Long evenings of vodka toasts (moderation is advised) and several-course meals are important in building trust with your Ukrainian partner; wishing good health, happiness, and success on your partner's immediate family will be certain to bring a smile and a hearty "thank you." Remembering your Ukrainian partner's birthday, child's birthday, and keeping Ukrainian holidays in mind will be gestures not soon forgotten.

Sources: *United States Department of State Commercial Guides*

### **Online Resources Regarding Entry Requirements and Visas**

Foreign Entry Requirements for Americans from the United States Department of State

[http://travel.state.gov/travel/cis\\_pa\\_tw/cis/cis\\_1765.html](http://travel.state.gov/travel/cis_pa_tw/cis/cis_1765.html)

Visa Services for Non-Americans from the United States Department of State

[http://travel.state.gov/visa/visa\\_1750.html](http://travel.state.gov/visa/visa_1750.html)

Visa Bulletins from the United States Department of State

[http://travel.state.gov/visa/frvi/bulletin/bulletin\\_1360.html](http://travel.state.gov/visa/frvi/bulletin/bulletin_1360.html)

Visa Waivers from the United States Department of State

[http://travel.state.gov/visa/temp/without/without\\_1990.html](http://travel.state.gov/visa/temp/without/without_1990.html) - new

Passport and Visa Information from the Government of the United Kingdom

<http://www.bia.homeoffice.gov.uk/>

Visa Information from the Government of Australia

<http://www.dfat.gov.au/visas/index.html>

Passport Information from the Government of Australia

<https://www.passports.gov.au/Web/index.aspx>

Passport Information from the Government of Canada

[http://www.voyage.gc.ca/preparation\\_information/passport\\_passeport-eng.asp](http://www.voyage.gc.ca/preparation_information/passport_passeport-eng.asp)

Visa Information from the Government of Canada

[http://www.voyage.gc.ca/preparation\\_information/visas-eng.asp](http://www.voyage.gc.ca/preparation_information/visas-eng.asp)

Online Visa Processing by Immigration Experts by VisaPro

<http://www.visapro.com>

Sources: United States Department of State, United Kingdom Foreign and Commonwealth Office, Government of Australia: Department of Foreign Affairs and Trade, Government of Canada Department of Foreign Affairs and International Trade

Useful Online Resources for Travelers

Country-Specific Travel Information from United States

[http://travel.state.gov/travel/cis\\_pa\\_tw/cis/cis\\_1765.html](http://travel.state.gov/travel/cis_pa_tw/cis/cis_1765.html)

Travel Advice by Country from Government of United Kingdom

<http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/>

General Travel Advice from Government of Australia

<http://www.smartraveller.gov.au/zw-cgi/view/Advice/General>

Travel Bulletins from the Government of Australia

<http://www.smartraveller.gov.au/zw-cgi/view/TravelBulletins/>

Travel Tips from Government of Australia

<http://www.smartraveller.gov.au/tips/index.html>

Travel Checklist by Government of Canada

[http://www.voyage.gc.ca/preparation\\_information/checklist\\_sommaire-eng.asp](http://www.voyage.gc.ca/preparation_information/checklist_sommaire-eng.asp)

Travel Checklist from Government of United Kingdom

<http://www.fco.gov.uk/en/travelling-and-living-overseas/staying-safe/checklist>

Your trip abroad from United States Department of State

[http://travel.state.gov/travel/tips/brochures/brochures\\_1225.html](http://travel.state.gov/travel/tips/brochures/brochures_1225.html)

A safe trip abroad from United States Department of State

[http://travel.state.gov/travel/tips/safety/safety\\_1747.html](http://travel.state.gov/travel/tips/safety/safety_1747.html)

Tips for expatriates abroad from United States Department of State

[http://travel.state.gov/travel/living/residing/residing\\_1235.html](http://travel.state.gov/travel/living/residing/residing_1235.html)

Tips for students from United States Department of State

[http://travel.state.gov/travel/living/studying/studying\\_1238.html](http://travel.state.gov/travel/living/studying/studying_1238.html) <http://travel.state.gov/travel/tips/brocl>

Medical information for travelers from United States Department of State

[http://travel.state.gov/travel/tips/health/health\\_1185.html](http://travel.state.gov/travel/tips/health/health_1185.html)

US Customs Travel information

<http://www.customs.gov/xp/cgov/travel/>

Sources: United States Department of State; United States Customs Department, United Kingdom Foreign and Commonwealth Office, Foreign and Commonwealth Office, Government of Australia; Government of Canada: Department of Foreign Affairs and International Trade

Other Practical Online Resources for Travelers

Foreign Language Phrases for Travelers

<http://www.travlang.com/languages/>

<http://www.omniglot.com/language/phrases/index.htm>

World Weather Forecasts

<http://www.intellicast.com/>

<http://www.wunderground.com/>

<http://www.worldweather.org/>

Worldwide Time Zones, Map, World Clock

<http://www.timeanddate.com/>

<http://www.worldtimezone.com/>

International Airport Codes

<http://www.world-airport-codes.com/>

International Dialing Codes

<http://www.kropla.com/dialcode.htm>

<http://www.countrycallingcodes.com/>

International Phone Guide

<http://www.kropla.com/phones.htm>

International Mobile Phone Guide

<http://www.kropla.com/mobilephones.htm>

International Internet Café Search Engine

<http://cybercaptive.com/>

Global Internet Roaming

<http://www.kropla.com/roaming.htm>

World Electric Power Guide

<http://www.kropla.com/electric.htm>

<http://www.kropla.com/electric2.htm>

World Television Standards and Codes

<http://www.kropla.com/tv.htm>

International Currency Exchange Rates

<http://www.xe.com/ucc/>

Banking and Financial Institutions Across the World

<http://www.123world.com/banks/index.html>

International Credit Card or Automated Teller Machine (ATM) Locator

<http://visa.via.infonow.net/locator/global/>

<http://www.mastercard.com/us/personal/en/cardholderservices/atmlocations/index.html>

International Chambers of Commerce

<http://www.123world.com/chambers/index.html>

World Tourism Websites

<http://123world.com/tourism/>

Diplomatic and Consular Information

United States Diplomatic Posts Around the World

<http://www.usembassy.gov/>

United Kingdom Diplomatic Posts Around the World

<http://www.fco.gov.uk/en/about-the-fco/embassies-and-posts/find-an-embassy-overseas/>

Australia's Diplomatic Posts Around the World

<http://www.dfat.gov.au/missions/>

<http://www.dfat.gov.au/embassies.html>

Canada's Embassies and High Commissions

<http://www.international.gc.ca/ciw-cdm/embassies-ambassades.aspx>

Resources for Finding Embassies and other Diplomatic Posts Across the World

<http://www.escapeartist.com/embassy1/embassy1.htm>

Safety and Security

Travel Warnings by Country from Government of Australia

<http://www.smarttraveller.gov.au/zw-cgi/view/Advice/>

Travel Warnings and Alerts from United States Department of State

[http://travel.state.gov/travel/cis\\_pa\\_tw/tw/tw\\_1764.html](http://travel.state.gov/travel/cis_pa_tw/tw/tw_1764.html)

[http://travel.state.gov/travel/cis\\_pa\\_tw/pa/pa\\_1766.html](http://travel.state.gov/travel/cis_pa_tw/pa/pa_1766.html)

Travel Reports and Warnings by Government of Canada

[http://www.voyage.gc.ca/countries\\_pays/menu-eng.asp](http://www.voyage.gc.ca/countries_pays/menu-eng.asp)

[http://www.voyage.gc.ca/countries\\_pays/updates\\_mise-a-jour-eng.asp](http://www.voyage.gc.ca/countries_pays/updates_mise-a-jour-eng.asp)

Travel Warnings from Government of United Kingdom

<http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/>

<http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/?action=noTravelAll#noTravelAll>

Sources: United Kingdom Foreign and Commonwealth Office, the United States Department of State, the Government of Canada: Department of Foreign Affairs and International Trade, Government of Australia: Department of Foreign Affairs and Trade

Other Safety and Security Online Resources for Travelers

United States Department of State Information on Terrorism

<http://www.state.gov/s/ct/>

Government of the United Kingdom Resource on the Risk of Terrorism

<http://www.fco.gov.uk/servlet/Front?>

[pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1044011304926](#)

Government of Canada Terrorism Guide

<http://www.international.gc.ca/crime/terrorism-terrorisme.aspx?lang=eng>

Information on Terrorism by Government of Australia

<http://www.dfat.gov.au/icat/index.html>

FAA Resource on Aviation Safety

<http://www.faasafety.gov/>

In-Flight Safety Information for Air Travel (by British Airways crew trainer, Anna Warman)

<http://www.warman.demon.co.uk/anna/inflight.html>

Hot Spots: Travel Safety and Risk Information

<http://www.airsecurity.com/hotspots/HotSpots.asp>

Information on Human Rights

<http://www.state.gov/g/drl/hr/>

Sources: The United States Department of State, the United States Customs Department, the Government of Canada, the Government of United Kingdom, the Government of Australia, the Federal Aviation Authority, Anna Warman's In-flight Website, Hot Spots Travel and Risk Information

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## Diseases/Health Data

**Please Note: Most of the entry below constitutes a generalized health advisory, which a traveler might find useful, regardless of a particular destination.**

**As a supplement, however, the reader will also find below a list of countries flagged with current health notices and alerts issued by the Centers for Disease Control and Prevention (CDC). Please note that travel to the following countries, based on these 3 levels of warnings, is ill-advised, or should be undertaken with the utmost precaution:**

**Level 3 (highest level of concern; avoid non-essential travel) --**

**Guinea - Ebola  
Liberia - Ebola  
Nepal - Earthquake zone  
Sierra Leone - Ebola**

**Level 2 (intermediate level of concern; use utmost caution during travel) --**

**Cameroon - Polio  
Somalia - Polio  
Vanuatu - Tropical Cyclone zone  
Throughout Middle East and Arabia Peninsula - MERS ((Middle East Respiratory Syndrome)**

**Level 1 (standard level of concern; use practical caution during travel) -**

**Australia - Ross River disease  
Bosnia-Herzegovina - Measles  
Brazil - Dengue Fever  
Brazil - Malaria  
Brazil - Zika  
China - H7N9 Avian flu  
Cuba - Cholera  
Egypt - H5N1 Bird flu  
Ethiopia - Measles  
Germany - Measles  
Japan - Hand, foot, and mouth disease (HFMD)  
Kyrgyzstan - Measles  
Malaysia -Dengue Fever  
Mexico - Chikungunya  
Mexico - Hepatitis A  
Nigeria - Meningitis  
Philippines - Measles  
Scotland - Mumps  
Singapore - Hand, foot, and mouth disease (HFMD)**

**South Korea - MERS ((Middle East Respiratory Syndrome)**

**Throughout Caribbean - Chikungunya**

**Throughout Central America - Chikungunya**

**Throughout South America - Chikungunya**

**Throughout Pacific Islands - Chikungunya**

**For specific information related to these health notices and alerts please see the CDC's listing available at URL:**

**<http://wwwnc.cdc.gov/travel/notices>**

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**Health Advisory for Ukraine**

Food and waterborne diseases are the number one cause of illness in travelers. Travelers' diarrhea can be caused by viruses, bacteria, or parasites, which are found throughout Eastern Europe and can contaminate food or water. Infections may cause diarrhea and vomiting (*E. coli*, *Salmonella*, cholera, and parasites), fever (typhoid fever and toxoplasmosis), or liver damage (hepatitis). Make sure your food and drinking water are safe. (See below.)

Malaria is a preventable infection that can be fatal if left untreated. Prevent infection by taking prescription antimalarial drugs and protecting yourself against mosquito bites (see below). Risk for malaria exists only in small southern border areas of Azerbaijan and Tajikistan. Travelers to these areas should take chloroquine to prevent malaria. For more detailed information about malaria in this region, see Malaria Risk and Prevention in Eastern Europe and the Newly Independent States (<http://www.cdc.gov/travel/regionalmalaria/easteurp.htm>).

A certificate of yellow fever vaccination may be required for entry into certain of these countries if you are coming from a tropical South American or sub-Saharan African country. (There is no risk for yellow fever in Eastern European and NIS countries.) For detailed information, see Comprehensive Yellow Fever Vaccination Requirements (<http://www.cdc.gov/travel/yelfever.htm>). An outbreak of diphtheria is occurring in all the states of the former Soviet Union. Travelers to these areas should be sure that their diphtheria immunization is up to date.

Tickborne encephalitis, a viral infection of the central nervous system occurs chiefly in Central and Western Europe. Travelers are at risk who visit or work in forested areas during the summer months and who consume unpasteurized dairy products. Vaccine for this disease is not available in the United States at this time. To prevent tickborne encephalitis, as well as Lyme disease, travelers should take precautions to prevent tick bites (see below).

Because motor vehicle crashes are a leading cause of injury among travelers, walk and drive defensively. Avoid nighttime travel if possible and always use seat belts.

**CDC Recommends the Following Vaccines (as Appropriate for Age):**

See your doctor at least 4-6 weeks before your trip to allow time for shots to take effect.

- Hepatitis A or immune globulin (IG).
- Hepatitis B, if you might be exposed to blood (for example, health-care workers), have sexual contact with the local population, stay longer than 6 months, or be exposed through medical treatment.
- Rabies, if you might be exposed to wild or domestic animals through your work or recreation.
- Typhoid, particularly if you are visiting developing countries in this region.
- As needed, booster doses for tetanus-diphtheria, measles, and a one-time dose of polio vaccine for adults. Hepatitis B vaccine is now recommended for all infants and for 11- to 12-year-olds who did not receive the series as infants.

**To Stay Healthy, Do:**

- Wash hands often with soap and water.
- Drink only bottled or boiled water, or carbonated (bubbly) drinks in cans or bottles. Avoid tap water, fountain drinks, and ice cubes. If this is not possible, make water safer by BOTH filtering through an "absolute 1-micron or less" filter AND adding iodine tablets to the filtered water. "Absolute 1-micron filters" are found in camping/outdoor supply stores.
- Eat only thoroughly cooked food or fruits and vegetables you have peeled yourself. Remember: boil it, cook it, peel it, or forget it.
- If you are going to visit risk areas for malaria, take your malaria prevention medication before, during, and after travel, as directed. (See your doctor for a prescription.)
- Protect yourself from insects by remaining in well-screened areas, using repellents (applied sparingly at 4-hour intervals), and wearing long-sleeved shirts and long pants tucked into boots or socks as a deterrent to ticks.
- To prevent fungal and parasitic infections, keep feet clean and dry, and do not go barefoot.
- Always use latex condoms to reduce the risk of HIV and other sexually transmitted diseases.

**To Avoid Getting Sick:**

- Don't eat food purchased from street vendors.
- Don't drink beverages with ice.
- Don't eat dairy products unless you know they have been pasteurized.
- Don't share needles with anyone.
- Don't handle animals (especially monkeys, dogs, and cats), to avoid bites and serious diseases (including rabies and plague).

**What You Need To Bring with You:**

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- Long-sleeved shirt and long pants to wear while outside whenever possible, to prevent illnesses carried by insects.
- Insect repellent containing DEET (diethylmethylnolamide), in 30%-35% strength for adults and 6%-10% for children. The insecticide permethrin applied to clothing is an effective deterrent to ticks.
- Over-the-counter antidiarrheal medicine to take if you have diarrhea.
- Iodine tablets and water filters to purify water if bottled water is not available. See above for more information about water filters.
- Sunblock, sunglasses, hat.
- Prescription medications: make sure you have enough to last during your trip, as well as a copy of the prescription(s).

**After You Return Home:**

If you have visited an area where there is risk for malaria, continue taking your malaria medication weekly for 4 weeks after you leave the area. If you become ill after your trip-even as long as a year after you return-tell your doctor where you have traveled.

**For More Information:**

Ask your doctor or check the CDC web sites for more information about how to protect yourself against diseases that occur in Eastern Europe and the Newly Independent States (NIS).

**For information about diseases-**

Carried by Insects

Lyme disease, Malaria

Carried in Food or Water

Bovine spongiform encephalopathy ("mad cow disease"), Cholera, *Escherichia coli*, diarrhea, Hepatitis A, Typhoid Fever

Person-to-Person Contact

Hepatitis B, HIV/AIDS

For more information about these and other diseases, also check the Diseases (<http://www.cdc.gov/travel/diseases.htm>) section and the Health Topics A - Z (<http://www.cdc.gov/health/diseases.htm>).

*Note:*

*Ukraine is located in the Eastern Europe and Newly Independent States (NIS) health region.*

*Sources:*

*The Center for Disease Control Destinations Website:*

<http://www.cdc.gov/travel/destinat.htm>

# **Chapter 6**

## **Environmental Overview**

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## Environmental Issues

### General Overview:

Former President Leonid Kuchma said the sooner the Chornobyl nuclear power plant is shut down and all related problems resolved, the better. He ultimately closed the facility on Dec. 15, 2000. Earlier, at a meeting with students of the International Relations College, Kuchma said of the station that stands 80 kilometers outside Kyiv: "He who built it had no common sense."

Referring to claims that Ukraine will face serious energy problems after the closure of the third power unit in Chornobyl, Kuchma said this should not be made into a problem. "There are more than enough capacities in Ukraine 's energy sector to satisfy domestic demand," he said. The only problem is funds for purchasing fuel, he said.

Closing down the Chornobyl nuclear power plant is a project Ukraine cannot cope with without massive Western assistance, Oleh Holoskokov, aide to the plant's director-general said a month before its slated closure. Servicing the plant and paying welfare to its personnel under a closure program spanning the period from 2001 to 2015 would cost \$1.5 billion, Holoskokov said.

Holoskokov said \$322 million was needed to maintain the plant for five years and between \$517-590 million for the 15-year-long operation to put it out of service. Another \$634 million would have to be spent on welfare for the personnel and social programs for the town of Slavutych. Holoskokov predicted. The West committed itself to an input of less than \$200 million.

### Current Issues:

- inadequate supplies of potable water
- air and water pollution
- deforestation
- radiation contamination in the northeast from the 1986 Chornobyl nuclear power plant disaster

### Total Greenhouse Gas Emissions (Mtc):

141.0

**Country Rank (GHG output):**

13th

**Natural Hazards:**

N/A

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## **Environmental Policy**

**Regulation and Jurisdiction:**

The regulation and protection of the environment in Ukraine is under the jurisdiction of the following:

- Ministry of Ecology and Natural Resources

**Major Non-Governmental Organizations:**

- Citizen Group "Green Ukraine "
- Council of Teams for Nature Conservation
- Dovkillia Information Center
- Ecoforest
- Ecological Center - Green Movement
- Emergency Rescue Service - Kharkiv Branch
- EPAC - Ecopravo-Lviv
- EcoPravo - Kharkiv Branch
- EUCC Office Ukraine
- Green World - Kharkiv Branch
- "Interecocentre"
- Ukrainian Kessler Ornithological Society - North-East Branch
- Ukrainian Union for Bird Conservation

## **International Environmental Accords:**

### *Party to:*

- Air Pollution
- Air Pollution-Nitrogen Oxides
- Air Pollution-Sulfur 85
- Antarctic-Environmental Protocol
- Antarctic-Marine Living Resources
- Antarctic Treaty
- Biodiversity
- Climate Change
- Climate Change-Kyoto Protocol
- Endangered Species
- Environmental Modification
- Hazardous Wastes
- Law of the Sea
- Marine Dumping
- Ozone Layer Protection
- Ship Pollution
- Wetlands

### *Signed but not ratified:*

- Air Pollution-Persistent Organic Pollutants
- Air Pollution-Sulfur 94
- Air Pollution-Volatile Organic Compounds

### *Kyoto Protocol Status (year ratified):*

2004

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## Greenhouse Gas Ranking

### Greenhouse Gas Ranking

### GHG Emissions Rankings

<b>Country Rank</b>	<b>Country</b>
1	United States
2	China
4	Russia
5	Japan
6	India
7	Germany
8	United Kingdom
9	Canada
10	Korea, South
11	Italy
12	Mexico
13	France

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14	South Africa
15	Iran
16	Indonesia
17	Australia
18	Spain
19	Brazil
20	Saudi Arabia
21	Ukraine
22	Poland
23	Taiwan
24	Turkey
25	Thailand
26	Netherlands
27	Kazakhstan
28	Malaysia
29	Egypt
30	Venezuela
31	Argentina

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32	Uzbekistan
33	Czech Republic
34	Belgium
35	Pakistan
36	Romania
37	Greece
38	United Arab Emirates
39	Algeria
40	Nigeria
41	Austria
42	Iraq
43	Finland
44	Philippines
45	Vietnam
46	Korea, North
47	Israel
48	Portugal
49	Colombia

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50	Belarus
51	Kuwait
52	Hungary
53	Chile
54	Denmark
55	Serbia & Montenegro
56	Sweden
57	Syria
58	Libya
59	Bulgaria
60	Singapore
61	Switzerland
62	Ireland
63	Turkmenistan
64	Slovakia
65	Bangladesh
66	Morocco
67	New Zealand

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68	Oman
69	Qatar
70	Azerbaijan
71	Norway
72	Peru
73	Cuba
74	Ecuador
75	Trinidad & Tobago
76	Croatia
77	Tunisia
78	Dominican Republic
79	Lebanon
80	Estonia
81	Yemen
82	Jordan
83	Slovenia
84	Bahrain
85	Angola

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86	Bosnia & Herzegovina
87	Lithuania
88	Sri Lanka
89	Zimbabwe
90	Bolivia
91	Jamaica
92	Guatemala
93	Luxembourg
94	Myanmar
95	Sudan
96	Kenya
97	Macedonia
98	Mongolia
99	Ghana
100	Cyprus
101	Moldova
102	Latvia
103	El Salvador

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104	Brunei
105	Honduras
106	Cameroon
107	Panama
108	Costa Rica
109	Cote d'Ivoire
110	Kyrgyzstan
111	Tajikistan
112	Ethiopia
113	Senegal
114	Uruguay
115	Gabon
116	Albania
117	Nicaragua
118	Botswana
119	Paraguay
120	Tanzania
121	Georgia

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122	Armenia
123	Congo, RC
124	Mauritius
125	Nepal
126	Mauritius
127	Nepal
128	Mauritania
129	Malta
130	Papua New Guinea
131	Zambia
132	Suriname
133	Iceland
134	Togo
135	Benin
136	Uganda
137	Bahamas
138	Haiti
139	Congo, DRC

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140	Guyana
141	Mozambique
142	Guinea
143	Equatorial Guinea
144	Laos
145	Barbados
146	Niger
147	Fiji
148	Burkina Faso
149	Malawi
150	Swaziland
151	Belize
152	Afghanistan
153	Sierra Leone
154	Eritrea
155	Rwanda
156	Mali
157	Seychelles

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158	Cambodia
159	Liberia
160	Bhutan
161	Maldives
162	Antigua & Barbuda
163	Djibouti
164	Saint Lucia
165	Gambia
166	Guinea-Bissau
167	Central African Republic
168	Palau
169	Burundi
170	Grenada
171	Lesotho
172	Saint Vincent & the Grenadines
173	Solomon Islands
174	Samoa
175	Cape Verde

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176	Nauru
177	Dominica
178	Saint Kitts & Nevis
179	Chad
180	Tonga
181	Sao Tome & Principe
182	Comoros
183	Vanuatu
185	Kiribati
Not Ranked	Andorra
Not Ranked	East Timor
Not Ranked	Holy See
Not Ranked	Hong Kong
Not Ranked	Liechtenstein
Not Ranked	Marshall Islands
Not Ranked	Micronesia
Not Ranked	Monaco
Not Ranked	San Marino

Not Ranked	Somalia
Not Ranked	Tuvalu

\* European Union is ranked 3rd

Cook Islands are ranked 184th

Niue is ranked 186th

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## Global Environmental Snapshot

### Introduction

The countries of the world face many environmental challenges in common. Nevertheless, the nature and intensity of problem vary from region to region, as do various countries' respective capacities, in terms of affluence and infrastructure, to remediate threats to environmental quality.

Consciousness of perils affecting the global environment came to the fore in the last third or so of the 20<sup>th</sup> century has continued to intensify well into the new millennium. According to the United Nations Environment Programme, considerable environmental progress has been made at the level of institutional developments, international cooperation accords, and public participation. Approximately two-dozen international environmental protection accords with global implications have been promulgated since the late 1970s under auspices of the United Nations and other international organizations, together with many additional regional agreements. Attempts to address and rectify environmental problems take the form of legal frameworks, economic instruments, environmentally sound technologies and cleaner production processes as well as conservation efforts. Environmental impact assessments have increasingly been applied across the globe.

Environmental degradation affects the quality, or aesthetics, of human life, but it also displays potential to undermine conditions necessary for the sustainability of human life. Attitudes toward the importance of environmental protection measures reflect ambivalence derived from this bifurcation. On one hand, steps such as cleaning up pollution, dedicating parkland, and suchlike, are seen as embellishments undertaken by wealthy societies already assured they can successfully perform those functions deemed, ostensibly, more essential-for instance, public health and education, employment and economic development. On the other hand, in poorer countries, activities causing environmental damage-for instance the land degradation effects of unregulated logging, slash-and-burn agriculture, overgrazing, and mining-can seem justified insofar as such

activities provide incomes and livelihoods.

Rapid rates of resource depletion are associated with poverty and high population growth, themselves correlated, whereas consumption per capita is much higher in the most developed countries, despite these nations' recent progress in energy efficiency and conservation. It is impossible to sequester the global environmental challenge from related economic, social and political challenges.

First-tier industrialized countries have recently achieved measurable decreases in environmental pollution and the rate of resource depletion, a success not matched in middle income and developing countries. It is believed that the discrepancy is due to the fact that industrialized countries have more developed infrastructures to accommodate changes in environmental policy, to apply environmental technologies, and to invest in public education. The advanced industrialized countries incur relatively lower costs in alleviating environmental problems, in comparison to developing countries, since in the former even extensive environmental programs represent a rather minuscule percentage of total expenditures. Conversely, budget constraints, lagged provision of basic services to the population, and other factors such as debt service and militarization may preclude institution of minimal environmental protection measures in the poorest countries.

A synopsis for the current situation facing each region of the world follows:

### **Regional Synopsis: Africa**

The African continent, the world's second-largest landmass, encompasses many of the world's least developed countries. By global standards, urbanization is comparatively low but rising at a rapid rate. More heavily industrialized areas at the northern and southern ends of the continent experience the major share of industrial pollution. In other regions the most serious environmental problems typically stem from inefficient subsistence farming methods and other forms of land degradation, which have affected an increasingly extensive area under pressure of a widely impoverished, fast-growing population. Africa's distribution of natural resources is very uneven. It is the continent at greatest risk of desertification, especially in the Sahel region at the edge of the Sahara but also in other dry-range areas. Yet at the same time, Africa also harbors some of the earth's richest and most diverse biological zones.

#### **Key Points:**

Up to half a billion hectares of African land are moderately to severely degraded, an occurrence reflecting short-fallow shifting cultivation and overgrazing as well as a climatic pattern of recurrent droughts.

Soil degradation is severe along the expanse directly south of the Sahara, from the west to the east coasts. Parts of southern Africa, central-eastern Africa, and the neighboring island of Madagascar suffer from serious soil degradation as well.

Africa contains about 17 percent of the world's forest cover, concentrated in the tropical belt of the continent. Many of the forests, however, are severely depleted, with an estimated 70 percent showing some degree of degradation.

Population growth has resulted in continuing loss of arable land, as inefficient subsistence farming techniques affect increasingly extensive areas. Efforts to implement settled, sustainable agriculture have met with some recent success, but much further progress in this direction is needed. Especially in previously uninhabited forestlands, concern over deforestation is intensifying.

By contrast, the African savanna remains the richest grassland in the world, supporting a substantial concentration of animal and plant life. Wildlife parks are sub-Saharan Africa's greatest tourist attraction, and with proper management-giving local people a stake in conservation and controlling the pace of development-could greatly enhance African economies.

Significant numbers of mammal species in parts of northern, southern and eastern Africa are currently threatened, while the biological diversity in Mauritania and Madagascar is even further compromised with over 20 percent of the mammal species in these two countries currently under threat.

With marine catch trends increasing from 500,000 metric tons in the 1950s to over 3,000,000 metric tons by 2000, there was increasing concern about the reduction in fisheries and marine life, should this trend continue unabated.

Water resource vulnerability is a major concern in northeastern Africa, and a moderate concern across the rest of the continent. An exception is central Africa, which has plentiful water supplies.

Many Africans lack adequate access to resources, not just (if at all) because the resources are unevenly distributed geographically, but also through institutional failures such as faulty land tenure systems or political upheaval. The quality of Africa's natural resources, despite their spotty distribution, is in fact extraordinarily rich. The infrastructure needed to protect and benefit from this natural legacy, however, is largely lacking.

### **Regional Synopsis: Asia and the Pacific**

Asia-earth's largest landmass-and the many large and nearly innumerable small islands lying off its Pacific shore display extraordinarily contrasting landscapes, levels of development, and degrees of

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environmental stress. In the classification used here, the world's smallest continent, Australia, is also included in the Asia-Pacific region.

The Asia-Pacific region is home to 9 of the world's 14 largest urban areas, and as energy use for utilities, industry and transport increases in developing economies, urban centers are subject to worsening air quality. Intense population density in places such as Bangladesh or Hong Kong is the quintessential image many people have of Asia, yet vast desert areas such as the Gobi and the world's highest mountain range, the Himalayas, span the continent as well. Forested areas in Southeast Asia and the islands of Indonesia and the Philippines were historically prized for their tropical hardwood, but in many places this resource is now severely depleted. Low-lying small island states are extremely vulnerable to the effects of global warming, both rising sea levels and an anticipated increase in cyclones.

Key Points:

Asian timber reserves are forecast to be depleted in the next 40 years. Loss of natural forest is irreversible in some areas, but plantation programs to restore tree cover may ameliorate a portion of the resulting land degradation.

Increased usage of fossil fuels in China and other parts of southern Asia is projected to result in a marked increase in emissions, especially in regard to carbon dioxide. The increased usage of energy has led to a marked upsurge in air pollution across the region.

Acidification is an emerging problem regionally, with sulfur dioxide emissions expected to triple by 2010 if the current growth rate is sustained. China, Thailand, India, and Korea seem to be suffering from particularly high rates of acid deposition. By contrast, Asia's most highly developed economy, Japan, has effected substantial improvements in its environmental indicators.

Water pollution in the Pacific is an urgent concern since up to 70 percent of the water discharged into the region's waters receives no treatment. Additionally, the disposal of solid wastes, in like manner, poses a major threat in a region with many areas of high population density.

The Asia-Pacific region is the largest expanse of the world's land that is adversely affected by soil degradation.

The region around Australia reportedly suffers the largest degree of ozone depletion.

The microstates of the Pacific suffer land loss due to global warming, and the consequent rise in the levels of ocean waters. A high-emissions scenario and anthropogenic climate impact at the upper end of the currently predicted range would probably force complete evacuation of the lowest-elevation islands sometime in this century.

The species-rich reefs surrounding Southeast Asia are highly vulnerable to the deleterious effects of coastal development, land-based pollution, over-fishing and exploitative fishing methods, as well as marine pollution from oil spills and other activities.

With marine catch trends increasing from 5,000,000 metric tons in the 1950s to over 20,000,000 metric tons by 2000, there was increasing concern about the reduction in fisheries and marine life, should this trend continue unabated.

Significant numbers of mammal species in parts of China and south-east Asia are currently threatened, while the biological diversity in India, Japan, Australia, the Philippines, Indonesia and parts of Malaysia is even further compromised with over 20 percent of the mammal species in these countries currently under threat.

Water resource vulnerability is a serious concern in areas surrounding the Indian subcontinent.

### **Regional Synopsis: Central Asia**

The Central Asian republics, formerly in the Soviet Union, experience a range of environmental problems as the result of poorly executed agricultural, industrial, and nuclear programs during the Soviet era. Relatively low population densities are the norm, especially since upon the breakup of the U.S.S.R. many ethnic Russians migrated back to European Russia. In this largely semi-arid region, drought, water shortages, and soil salinization pose major challenges.

#### **Key Points:**

The use of agricultural pesticides, such as DDT and other chemicals, has contributed to the contamination of soil and groundwater throughout the region.

Land and soil degradation, and in particular, increased salinization, is mostly attributable to faulty irrigation practices.

Significant desertification is also a problem in the region.

Air pollution is prevalent, mostly due to use of low octane automobile fuel.

Industrial pollution of the Caspian Sea and the Aral Sea, as a result of industrial effluents as well as mining and metal production, presents a challenge to the countries bordering these bodies of water.

One of the most severe environmental problems in the region is attributable to the several billion

tons of hazardous materials stored in landfills across Central Asia.

Uzbekistan's particular problem involves the contraction of the Aral Sea, which has decreased in size by a third, as a consequence of river diversions and poor irrigation practices. The effect has been the near-total biological destruction of that body of water.

Kazakhstan, as a consequence of being the heartland of the former Soviet Union's nuclear program, has incurred a high of cancerous malignancies, biogenetic abnormalities and radioactive contamination.

While part of the Soviet Union, the republics in the region experienced very high levels of greenhouse gas emissions, as a consequence of rapid industrialization using cheap but dirty energy sources, especially coal.

By contrast, however, there have recently been substantial reductions in the level of greenhouse gas emissions, especially those attributable to coal burning, with further decreases anticipated over the next decade. These changes are partially due to the use of cleaner energy technologies, such as natural gas, augmented by governmental commitment to improving environmental standards.

### **Regional Synopsis: Europe**

Western Europe underwent dramatic transformation of its landscape, virtually eliminating large-scale natural areas, during an era of rapid industrialization, which intensified upon its recovery from World War II. In Eastern Europe and European Russia, intensive land development has been less prevalent, so that some native forests and other natural areas remain. Air and water pollution from use of dirty fuels and industrial effluents, however, are more serious environmental problems in Eastern than in Western Europe, though recent trends show improvement in many indicators. Acid rain has inflicted heavy environmental damage across much of Europe, particularly on forests. Europe and North America are the only regions in which water usage for industry exceeds that for agriculture, although in Mediterranean nations agriculture is the largest water consumer.

### **Key Points:**

Europe contributes 36 percent of the world's chlorofluorocarbon emissions, 30 percent of carbon dioxide emissions, and 25 percent of sulfur dioxide emissions.

Sulfur and nitrogen oxide emissions are the cause of 30 to 50 percent of Central and Eastern Europe's deforestation.

Acid rain has been an environmental concern for decades and continues to be a challenge in parts

of Western Europe.

Overexploitation of up to 60 percent of Europe's groundwater presents a problem in industrial and urban areas.

With marine catch trends increasing from 5,000,000 metric tons in the 1950s to over 20,000,000 metric tons by 2000, there was increasing concern about the reduction in fisheries and marine life, should this trend continue unabated.

Significant numbers of mammal species in parts of western Europe, Eastern Europe and Russia are currently threatened, while the biological diversity on the Iberian Peninsula is even further compromised with over 40 percent of the mammal species in this region currently under threat. As a result, there has been a 10 percent increase in protected areas of Europe.

A major environmental issue for Europe involves the depletion of various already endangered or threatened species, and most significantly, the decline of fish stocks. Some estimates suggest that up to 50 percent of the continent's fish species may be considered endangered species. Coastal fisheries have been over-harvested, resulting in catch limits or moratoriums on many commercially important fish species.

Fortunately, in the last few years, these policies have started to yield measurable results with decreasing trends in marine fish catch.

Recently, most European countries have adopted cleaner production technologies, and alternative methods of waste disposal, including recycling.

The countries of Eastern Europe have made air quality a major environmental priority. This is exemplified by the Russian Federation's addition to the 1995 "Berlin Mandate" (transnational legislation based on resolutions of the Rio Earth Summit) compelling nations to promote "carbon sinks" to absorb greenhouse gases.

On a relative basis, when compared with the degree of industrial emissions emitted by many Eastern European countries until the late 1980s, there has been some marked increase in air quality in the region, as obsolete plants are closed and a transition to cleaner fuels and more efficient energy use takes place.

### **Regional Synopsis: The Middle and Near East**

Quite possibly, the Middle East will exemplify the adage that, as the 20<sup>th</sup> century was a century

fixated on oil, the 21<sup>st</sup> century will be devoted to critical decisions about water. Many (though far from all) nations in the Middle East rank among those countries with the largest oil and gas reserves, but water resources are relatively scarce throughout this predominantly dry region. Effects of global warming may cause moderately high elevation areas that now typically receive winter "snowpack" to experience mainly rain instead, which would further constrain dry-season water availability. The antiquities and religious shrines of the region render it a great magnet for tourism, which entails considerable economic growth potential but also intensifies stresses on the environment.

### Key Points:

Water resource vulnerability is a serious concern across the entire region. The increased usage of, and further demand for water, has exacerbated long-standing water scarcity in the region. For instance, river diversions and industrial salt works have caused the Dead Sea to shrink by one-third from its original surface area, with further declines expected.

The oil industry in the region contributes to water pollution in the Persian Gulf, as a result of oil spills, which have averaged 1.2 million barrels of oil spilt per year (some sources suggest that this figure is understated). The consequences are severe because even after oil spills have been cleaned up, environmental damage to the food webs and ecosystems of marine life will persist for a prolonged period.

The region's coastal zone is considered one of the most fragile and endangered ecosystems of the world. Land reclamation, shoreline construction, discharge of industrial effluents, and tourism (such as diving in the Red Sea) contribute to widespread coastal damage.

Significant numbers of mammal species in parts of the Middle East are currently threatened.

Since the 1980s, 11 percent of the region's natural forest has been depleted.

### **Regional Synopsis: Latin America and the Caribbean**

The Latin American and Caribbean region is characterized by exceedingly diverse landforms that have generally seen high rates of population growth and economic development in recent decades. The percentage of inhabitants residing in urban areas is quite high at 73.4 percent; the region includes the megacities of Mexico City, Sao Paulo, and Rio de Janeiro. The region also includes the world's second-highest mountain range, the Andes; significant expanses of desert and grassland; the coral reefs of the Caribbean Sea; and the world's largest contiguous tropical forest in the Amazon basin. Threats to the latter from subsistence and commercial farming, mineral exploitation and timbering are well publicized. Nevertheless, of eight countries worldwide that still retain at least 70

percent of their original forest cover, six are in Latin America. The region accounts for nearly half (48.3 percent) of the world's greenhouse gas emissions derived from land clearing, but as yet a comparatively minuscule share (4.3 percent) of such gases from industrial sources.

Key Points:

Although Latin America is one of the most biologically diverse regions of the world, this biodiversity is highly threatened, as exemplified by the projected extinction of up to 100,000 species in the next few decades. Much of this loss will be concentrated in the Amazon area, although the western coastline of South America will also suffer significant depletion of biological diversity. The inventory of rainforest species with potentially useful commercial or medical applications is incomplete, but presumed to include significant numbers of such species that may become extinct before they are discovered and identified.

Up to 50 percent of the region's grazing land has lost its soil fertility as a result of soil erosion, salinization, alkalinization and overgrazing.

The Caribbean Sea, the Atlantic Ocean, and the Pacific Ocean have all been contaminated by agricultural wastes, which are discharged into streams that flow into these major waters. Water pollution derived from phosphorous, nitrates and pesticides adversely affects fish stocks, contributes to oxygen depletion and fosters overgrowth of aquatic vegetation. Marine life will continue to be severely compromised as a result of these conditions.

Due to industrial development in the region, many beaches of eastern Latin America and the Caribbean suffer from tar deposits.

Most cities in the region lack adequate sewage treatment facilities, and rapid migration of the rural poor into the cities is widening the gap between current infrastructure capacity and the much greater level needed to provide satisfactory basic services.

The rainforest region of the Amazon Basin suffers from dangerously high levels of deforestation, which may be a significant contributory factor to global warming or "the greenhouse effect." In the late 1990s and into the new millennium, the rate of deforestation was around 20 million acres of rainforest being destroyed annually.

Deforestation on the steep rainforest slopes of Caribbean islands contributes to soil erosion and landslides, both of which then result in heavy sedimentation of nearby river systems. When these sedimented rivers drain into the sea and coral reefs, they poison the coral tissues, which are vital to the maintenance of the reef ecosystem. The result is marine degradation and nutrient depletion. Jamaica's coral reefs have never quite recovered from the effects of marine degradation.

The Southern Cone of Latin America (Argentina, Brazil, Chile, Paraguay, and Uruguay) suffers the effects of greatly increased ultraviolet-B radiation, as a consequence of more intense ozone depletion in the southern hemisphere.

Water resource vulnerability is an increasingly major concern in the northwestern portion of South America.

### **Regional Synopsis: North America**

North American nations, in particular the United States and Canada, rank among the world's most highly developed industrial economies—a fact which has generated significant pollution problems, but also financial resources and skills that have enabled many problems to be corrected. Although efforts to promote energy efficiency, recycling, and suchlike have helped ease strains on the environment in a part of the world where per capita consumption levels are high, sprawling land development patterns and recent preferences many households have demonstrated for larger vehicles have offset these advances.

Meanwhile, a large portion of North America's original forest cover has been lost, though in many cases replaced by productive second-growth woodland. In recent years, attitudes toward best use of the region's remaining natural or scenic areas seem to be shifting toward recreation and preservation and away from resource extraction. With increasing attention on the energy scarcity in the United States, however, there is speculation that this shift may be short-lived. Indeed, the energy shortage on the west coast of the United States and associated calls for energy exploration, indicate a possible retrenchment toward resource extraction. At the same time, however, it has also served to highlight the need for energy conservation as well as alternative energy sources.

Despite generally successful anti-pollution efforts, various parts of the region continue to suffer significant air, water and land degradation from industrial, vehicular, and agricultural emissions and runoff. Mexico, as a middle-income country, displays environmental problems characteristic of a developing economy, including forest depletion, pollution from inefficient industrial processes and dirty fuels, and lack of sufficient waste-treatment infrastructure.

#### **Key Points:**

Because of significantly greater motor vehicle usage in the United States (U.S.) than in the rest of the world, the U.S. contribution of urban air pollution and greenhouse gas emissions, especially carbon dioxide, is disproportionately high in relation to its population.

Acid rain is an enduring issue of contention in the northeastern part of the United States, on the border with Canada.

Mexico's urban areas suffer extreme air pollution from carbon monoxide, nitrogen oxides, sulfur dioxide, and other toxic air pollutants. Emissions controls on vehicles are in their infancy, compared to analogous regulations in the U.S.

The cities of Mexico, including those on the U.S. border, also discharge large quantities of untreated or poorly treated sewage, though officials are currently planning infrastructure upgrades.

Deforestation is noteworthy in various regions of the U.S., especially along the northwest coastline. Old growth forests have been largely removed, but in the northeastern and upper midwestern sections of the United States, evidence suggests that the current extent of tree cover probably surpasses the figure for the beginning of the 20<sup>th</sup> century.

Extreme weather conditions in the last few years have resulted in a high level of soil erosion along the north coast of California; in addition, the coastline itself has shifted substantially due to soil erosion and concomitant landslides.

Agricultural pollution-including nitrate contamination of well water, nutrient runoff to waterways, and pesticide exposure-is significant in various areas. Noteworthy among affected places are California's Central Valley, extensive stretches of the Midwest, and land in the Chesapeake Bay watershed.

Inland waterways, especially around the Great Lakes, have substantially improved their water quality, due to concentrated efforts at reducing water pollution by governmental, commercial and community representatives. Strict curbs on industrial effluents and near-universal implementation of sewage treatment are the chief factors responsible for this improvement.

A major environmental issue for Canada and the United States involves the depletion of various already endangered or threatened species, and most significantly, the decline of fish stocks. Coastal fisheries have been over-harvested, resulting in catch limits or moratoriums on many commercially important fish species. In the last few years, these policies have started to yield measurable results with decreasing trends in marine fish catch.

Due to the decay of neighboring ecosystems in Central America and the Caribbean, the sea surrounding Florida has become increasingly sedimented, contributing to marine degradation, nutrient depletion of the ecosystem, depletion of fish stocks, and diseases to coral species in particular.

## **Polar Regions**

### Key Points:

The significant rise in sea level, amounting 10 to 25 centimeters in the last 100 years, is due to the melting of the Arctic ice sheets, and is attributed to global warming.

The Antarctic suffers from a significant ozone hole, first detected in 1976. By 1985, a British scientific team reported a 40 percent decrease in usual regeneration rates of the ozone. Because a sustained increase in the amount of ultraviolet-B radiation would have adverse consequences upon all planetary life, recent environmental measures have been put into effect, aimed at reversing ozone depletion. These measures are projected to garner significant results by 2050.

Due to air and ocean currents, the Arctic is a sink for toxic releases originally discharged thousands of miles away. Arctic wildlife and Canada's Inuit population have higher bodily levels of contaminants such as PCB and dioxin than those found in people and animals in much of the rest of the world.

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## **Global Environmental Concepts**

### **1. Global Warming and Greenhouse Gases**

#### **The Greenhouse Effect:**

In the early 19<sup>th</sup> century, the French physicist, Jean Fourier, contended that the earth's atmosphere functions in much the same way as the glass of a greenhouse, thus describing what is now understood as the "greenhouse effect." Put simply, the "greenhouse effect" confines some of the sun's energy to the earth, preserving some of the planet's warmth, rather than allowing it to flow back into space. In so doing, all kinds of life forms can flourish on earth. Thus, the "greenhouse effect" is necessary to sustain and preserve life forms and ecosystems on earth.

In the late 19<sup>th</sup> century, a Swedish chemist, Svante Arrhenius, noticed that human activities, such as the burning of coal and other fossil fuels for heat, and the removal of forested lands for urban development, led to higher concentrations of greenhouse gases, like carbon dioxide and methane, in the atmosphere. This increase in the levels of greenhouse gases was believed to advance the "greenhouse effect" exponentially, and might be related to the trend in global warming.

In the wake of the Industrial Revolution, after industrial development took place on a large scale and the total human population burgeoned simultaneously with industrialization, the resulting increase in greenhouse gas emissions could, many scientists believe, be significant enough to have some bearing on climate. Indeed, many studies in recent years support the idea that there is a linkage between human activities and global warming, although there is less consensus on the extent to which this linkage may be relevant to environmental concerns.

That said, some scientists have argued that temperature fluctuations have existed throughout the evolution of the planet. Indeed, Dr. S. Fred Singer, the president of the Science and Environment Policy Project has noted that 3,000-year-old geological records of ocean sediment reveal changes in the surface temperature of the ocean. Hence, it is possible that climate variability is merely a normal fact of the planet's evolution. Yet even skeptics as to anthropogenic factors concur that any substantial changes in global temperatures would likely have an effect upon the earth's ecosystems, as well as the life forms that inhabit them.

### **The Relationship Between Global Warming and Greenhouse Gases:**

A large number of climatologists believe that the increase in atmospheric concentrations of "greenhouse gas emissions," mostly a consequence of human activities such as the burning of fossil fuels, are contributing to global warming. The cause notwithstanding, the planet has reportedly warmed 0.3°C to 0.6°C over the last century. Indeed, each year during the 1990s was one of the very warmest in the 20<sup>th</sup> century, with the mean surface temperature for 1999 being the fifth warmest on record since 1880.

In early 2000, a panel of atmospheric scientists for the National Research Council concluded in a report that global warming was, indeed, a reality. While the panel, headed by Chairman John Wallace, a professor of atmospheric sciences at the University of Washington, stated that it remained unclear whether human activities have contributed to the earth's increasing temperatures, it was apparent that global warming exists.

In 2001, following a request for further study by the incoming Bush administration in the [United States](#), the National Academy of Sciences again confirmed that global warming had been in existence for the last 20 years. The study also projected an increase in temperature between 2.5 degrees and 10.4 degrees Fahrenheit by the year 2100. Furthermore, the study found the leading cause of global warming to be emissions of carbon dioxide from the burning of fossil fuels, and it noted that greenhouse gas accumulations in the earth's atmosphere was a result of human activities.

Within the scientific community, the controversy regarding has centered on the difference between surface air and upper air temperatures. Information collected since 1979 suggests that while the earth's surface temperature has increased by about a degree in the past century, the atmospheric temperature five miles above the earth's surface has indicated very little increase. Nevertheless, the

panel stated that this discrepancy in temperature between surface and upper air does not invalidate the conclusion that global warming is taking place. Further, the panel noted that natural events, such as volcanic eruptions, can decrease the temperature in the upper atmosphere.

The major consequences of global warming potentially include the melting of the polar ice caps, which, in turn, contribute to the rise in sea levels. Many islands across the globe have already experienced a measurable loss of land as a result. Because global warming may increase the rate of evaporation, increased precipitation, in the form of stronger and more frequent storm systems, is another potential outcome. Other consequences of global warming may include the introduction and proliferation of new infectious diseases, loss of arable land (referred to as "desertification"), destructive changes to existing ecosystems, loss of biodiversity and the isolation of species, and concomitant adverse changes in the quality of human life.

### **International Policy Development in Regard to Global Warming:**

Regardless of what the precise nature of the relationship between greenhouse gas emissions and global warming may be, it seems that there is some degree of a connection between the phenomena. Any substantial reductions in greenhouse gas emissions and global warming trends will likely involve systematic changes in industrial operations, the use of advanced energy sources and technologies, as well as global cooperation in implementing and regulating these transformations.

In this regard, the United Nations Framework Convention on Climate Change (UNFCCC) stipulated the following objectives:

1. To stabilize "greenhouse gas" concentrations within the atmosphere, in such a manner that would preclude hazardous anthropogenic intervention into the existing biosphere and ecosystems of the world. This stabilization process would facilitate the natural adaptation of ecosystems to changes in climate.
2. To ensure and enable sustainable development and food production on a global scale.

\*\*\* See section on "International Environmental Agreements and Associations" for information related to international policies related to limiting greenhouse gases and controlling climate change emanating from historic summits at Kyoto, Copenhagen, Doha, and Paris. \*\*\*

## **2. Air Pollution**

Long before global warming reared its head as a significant issue, those concerned about the

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environment and public health noted the deleterious effects of human-initiated combustion upon the atmosphere. Killer smogs from coal burning triggered acute health emergencies in London and other places. At a lower level of intensity motor vehicle, power plant, and industrial emissions impaired long-range visibility and probably had some chronic adverse consequences on the respiratory systems of persons breathing such air.

In time, scientists began associating the sulfur dioxide and nitrogen oxides released from coal burning with significant acid deposition in the atmosphere, eventually falling as "acid rain." This phenomenon has severely degraded forestlands, especially in Europe and a few parts of the [United States](#). It has also impaired some aquatic ecosystems and eaten away the surface of some human artifacts, such as marble monuments. Scrubber technology and conversion to cleaner fuels have enabled the level of industrial production to remain at least constant while significantly reducing acid deposition. Technologies aimed at cleaning the air and curtailing acid rain, soot, and smog may, nonetheless, boomerang as the perils of global warming become increasingly serious. In brief, these particulates act as sort of a sun shade -- comparable to the effect of volcanic eruptions on the upper atmosphere whereby periods of active volcanism correlate with temporarily cooler weather conditions. Thus, while the carbon dioxide releases that are an inevitable byproduct of combustion continue, by scrubbing the atmosphere of pollutants, an industrial society opens itself to greater insolation (penetration of the sun's rays and consequent heating), and consequently, it is likely to experience a correspondingly greater rise in ambient temperatures.

The health benefits of removing the sources of acid rain and smog are indisputable, and no one would recommend a return to previous conditions. Nevertheless, the problematic climatic effects of continually increasing emissions of carbon dioxide and other greenhouse gases pose a major global environmental challenge, not as yet addressed adequately.

### **3. Ozone Depletion**

The stratospheric ozone layer functions to prevent ultraviolet radiation from reaching the earth. Normally, stratospheric ozone is systematically disintegrated and regenerated through natural photochemical processes. The stratospheric ozone layer, however, has been depleted unnaturally as a result of anthropogenic (man-made) chemicals, most especially chlorine and bromide compounds such as chlorofluorocarbons (CFCs), halons, and various industrial chemicals in the form of solvents, refrigerants, foaming agents, aerosol propellants, fire retardants, and fumigants. Ozone depletion is of concern because it permits a greater degree of ultraviolet-B radiation to reach the earth, which then increases the incidences of cancerous malignancies, cataracts, and human immune deficiencies. In addition, even in small doses, ozone depletion affects the ecosystem by disturbing food chains, agriculture, fisheries and other forms of biological diversity.

Transnational policies enacted to respond to the dangers of ozone depletion include the 1985

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Vienna Convention on the Protection of the Ozone Layer and the 1987 Montreal Protocol on Substances that Deplete the Ozone Layer. The Montreal Protocol was subsequently amended in London in 1990, Copenhagen in 1992 and Vienna in 1995. By 1996, 155 countries had ratified the Montreal Protocol, which sets out a time schedule for the reduction (and eventual elimination) of ozone depleting substances (OPS), and bans exports and imports of ODS from and to non-participant countries.

In general, the Protocol stipulates that developed countries must eliminate halon consumption by 1994 and CFC consumption by 1996, while developing countries must eliminate these substances by 2010. Consumption of methyl bromide, which is used as a fumigant, was to be frozen at the 1995 in developed countries, and fully eliminated in 2010, while developing countries are to freeze consumption by 2002, based on average 1995-1998 consumption levels. Methyl chloroform is to be phased out by 2005. Under the Montreal Protocol, most ODS will be completely eliminated from use by 2010.

#### **4. Land Degradation**

In recent decades, land degradation in more arid regions of the world has become a serious concern. The problem, manifest as both "desertification" and "devegetation," is caused primarily by climate variability and human activities, such as "deforestation," excessive cultivation, overgrazing, and other forms of land resource exploitation. It is also exacerbated by inadequate irrigation practices. Although the effects of droughts on drylands have been temporary in the past, today, the productivity and sustainability of these lands have been severely compromised for the long term. Indeed, in every region of the world, land degradation has become an acute issue.

#### **Desertification and Devegetation:**

"Desertification" is a process of land degradation causing the soil to deteriorate, thus losing its nutrients and fertility, and eventually resulting in the loss of vegetation, known as "devegetation." As aforementioned, "desertification" and "devegetation" are caused by human activities, yet human beings are also the greatest casualties. Because these forms of land degradation affect the ability of the soil to produce crops, they concomitantly contribute to poverty. As population increases and demographic concentrations shift, the extent of land subject to stresses by those seeking to wrest subsistence from it has inexorably risen.

In response, the United Nations has formed the Convention to Combat Desertification-aimed at implementing programs to address the underlying causes of desertification, as well as measures to prevent and minimize its effects. Of particular significance is the formulation of policies on transboundary resources, such as areas around lakes and rivers. At a broader level, the Convention

has established a Conference of Parties (COP), which includes all ratifying governments, for directing and advancing international action.

To ensure more efficacious use of funding, the Convention intends to reconfigure international aid to utilize a consultative and coordinated approach in the disbursement and expenditure of donor funds. In this way, local communities that are affected by desertification will be active participants in the solution-generation process. In-depth community education projects are envisioned as part of this new international aid program, and private donor financing is encouraged. Meanwhile, as new technologies are developed to deal with the problem of desertification, they need to be distributed for application across the world. Hence, the Convention calls for international cooperation in scientific research in this regard.

Desertification is a problem of sustainable development. It is directly connected to human challenges such as poverty, social and economic well-being and environmental protection as well. Broader environmental issues, such as climate change, biological diversity, and freshwater supplies, are indirectly related, so any effort to resolve this environmental challenge must entail coordinated research efforts and joint action.

### **Deforestation:**

Deforestation is not a recent phenomenon. For centuries, human beings have cut down trees to clear space for land cultivation, or in order to use the wood for fuel. Over the last 200 years, and most especially after World War II, deforestation increased because the logging industry became a globally profitable endeavor, and so the clearing of forested areas was accelerated for the purposes of industrial development. In the long term, this intensified level of deforestation is considered problematic because the forest is unable to regenerate itself quickly. The deforestation that has occurred in tropical rainforests is seen as an especially serious concern, due to the perceived adverse effects of this process upon the entire global ecosystem.

The most immediate consequence of deforestation is soil degradation. Soil, which is necessary for the growth of vegetation, can be a fragile and vital property. Organically, an extensive evolution process must take place before soil can produce vegetation, yet at the same time, the effects of natural elements, such as wind and rain, can easily and quickly degrade this resource. This phenomenon is known as soil erosion. In addition, natural elements like wind and rain reduce the amount of fertile soil on the ground, making soil scarcity a genuine problem. When fertile topsoil that already exists is removed from the landscape in the process of deforestation, soil scarcity is further exacerbated. Equally significant is the fact that once land has been cleared so that the topsoil can be cultivated for crop production, not only are the nutrient reserves in the soil depleted, thus producing crops of inferior quality, but the soil structure itself becomes stressed and deteriorates further.

Another direct result of deforestation is flooding. When forests are cleared, removing the cover of vegetation, and rainfall occurs, the flow of water increases across the surface of land. When extensive water runoff takes place, the frequency and intensity of flooding increases. Other adverse effects of deforestation include the loss of wildlife and biodiversity within the ecosystem that supports such life forms.

At a broader level, tropical rainforests play a vital role in maintaining the global environmental system. Specifically, destruction of tropical rainforests affects the carbon dioxide cycle. When forests are destroyed by burning (or rotting), carbon dioxide is released into the air, thus contributing to an intensified "greenhouse effect." The increase in greenhouse gas emissions like carbon dioxide is a major contributor to global warming, according to many environmental scientists. Indeed, trees themselves absorb carbon dioxide in the process of photosynthesis, so their loss also reduces the absorption of greenhouse gases.

Tropical rainforest destruction also adversely affects the nitrogen cycle. Nitrogen is a key nutrient for both plants and animals. Plants derive nitrogen from soil, while animals obtain it via nitrogen-enriched vegetation. This element is essential for the formation of amino acids, and thereby for proteins and biochemicals that all living things need for metabolism and growth. In the nitrogen cycle, vegetation acquires these essential proteins and biochemicals, and then cyclically returns them to the atmosphere and global ecosystem. Accordingly, when tropical rainforest ecosystems are compromised, not only is vegetation removed; the atmosphere is also affected and climates are altered. At a more immediate level, the biodiversity within tropical rainforests, including wildlife and insect species and a wealth of plant varieties, is depleted. Loss of rare plants is of particular concern because certain species as yet unknown and unused could likely yield many practical benefits, for instance as medicines.

As a result of the many challenges associated with deforestation, many environmental groups and agencies have argued for government policies on the sustainable development of forests by governments across the globe. While many countries have instituted national policies and programs aimed at reducing deforestation, and substantial research has been advanced in regard to sustainable and regenerative forestry development, there has been very little progress on an international level. Generally speaking, most tropical rainforests are located in developing and less developed countries, where economic growth is often dependent upon the exploitation of tropical rainforests. Timber resources as well as wildlife hunting tend to be particularly lucrative arenas.

In places such as the Amazon, where deforestation takes place for the construction of energy plants aimed at industrialization and economic development, there is an exacerbated effect on the environment. After forests are cleared in order to construct such projects, massive flooding usually ensues. The remaining trees then rot and decay in the wake of the flooding. As the trees deteriorate, their biochemical makeup becomes more acidic, producing poisonous substances such

as hydrogen sulphide and methane gases. Acidified water subsequently corrodes the mechanical equipment and operations of the plants, which are already clogged by rotting wood after the floodwaters rise.

Deforestation generally arises from an economically plausible short-term motivation, but nonetheless poses a serious global concern because the effects go beyond national boundaries. The United Nations has established the World Commission on Forest and Sustainable Development. This body's task is to determine the optimal means of dealing with the issue of deforestation, without unduly affecting normal economic development, while emphasizing the global significance of protecting tropical forest ecosystems.

## **5. Water Resources**

For all terrestrial fauna, including humans, water is the most immediate necessity to sustain life. As the population has increased and altered an ever-greater portion of the landscape from its natural condition, demand on water resources has intensified, especially with the development of industrialization and large-scale irrigation. The supply of freshwater is inherently limited, and moreover distributed unevenly across the earth's landmasses. Moreover, not just demand for freshwater but activities certain to degrade it are becoming more pervasive. By contrast, the oceans form a sort of "last wilderness," still little explored and in large part not seriously affected by human activity. However, coastal environments - the biologically richest part of the marine ecosystem-are experiencing major depletion due to human encroachment and over-exploitation.

### **Freshwater:**

In various regions, for instance the Colorado River in the western [United States](#), current withdrawals of river water for irrigation, domestic, and industrial use consume the entire streamflow so that almost no water flows into the sea at the river's mouth. Yet development is ongoing in many such places, implying continually rising demand for water. In some areas reliant on groundwater, aquifers are being depleted at a markedly faster rate than they are being replenished. An example is the San Joaquin Valley in California, where decades of high water withdrawals for agriculture have caused land subsidence of ten meters or more in some spots. Naturally, the uncertainty of future water supplies is particularly acute in arid and semi-arid regions. Speculation that the phenomenon of global warming will alter geographic and seasonal rainfall patterns adds further uncertainty.

Water conservation measures have great potential to alleviate supply shortages. Some city water systems are so old and beset with leaking pipes that they lose as much water as they meter. Broad-scale irrigation could be replaced by drip-type irrigation, actually enhancing the sustainability of

agriculture. In many areas where heavy irrigation has been used for decades, the result is deposition of salts and other chemicals in the soil such that the land becomes unproductive for farming and must be abandoned.

Farming is a major source of water pollution. Whereas restrictions on industrial effluents and other "point sources" are relatively easy to implement, comparable measures to reform hydraulic practices at farms and other "nonpoint sources" pose a significantly knottier challenge. Farm-caused water pollution takes the following main forms:

- Nitrate pollution found in wells in intensive farming areas as a consequence of heavy fertilizer use is a threat to human health. The most serious danger is to infants, who by ingesting high-nitrate water can contract methemoglobinemia, sometimes called "blue baby syndrome," a potentially fatal condition.
- Fertilizer runoff into rivers and lakes imparts unwanted nutrients that cause algae growth and eventual loss of oxygen in the body of water, degrading its ability to support fish and other desirable aquatic life.
- Toxic agricultural chemicals - insecticides, herbicides, and fungicides - are detectable in some aquifers and waterways.

In general, it is much easier to get a pollutant into water than to retrieve it out. Gasoline additives, dry cleaning chemicals, other industrial toxins, and in a few areas radionuclides have all been found in water sources intended for human use. The complexity and long time scale of subterranean hydrological movements essentially assures that pollutants already deposited in aquifers will continue to turn up for decades to come. Sophisticated water treatment processes are available, albeit expensive, to reclaim degraded water and render it fit for human consumption. Yet source protection is unquestionably a more desirable alternative.

In much of the developing world, and even some low-income rural enclaves of the developed world, the population lacks ready access to safe water. Surface water and shallow groundwater supplies are susceptible to contamination from untreated wastewater and failing septic tanks, as well as chemical hazards. The occurrence of waterborne disease is almost certainly greatly underreported.

### **Marine Resources:**

Coastal areas have always been desirable places for human habitation, and population pressure on them continues to increase. Many types of water degradation that affect lakes and rivers also affect coastal zones: industrial effluents, untreated or partially treated sewage, nutrient load from

agriculture figure prominently in both cases. Prospects for more extreme storms as a result of global warming, as well as the pervasiveness of poorly planned development in many coastal areas, forebode that catastrophic hurricanes and landslides may increase in frequency in the future. Ongoing rise in sea levels will force remedial measures and in some cases abandonment of currently valuable coastal property.

Fisheries over much of the globe have been overharvested, and immediate conservation measures are required to preserve stocks of many species. Many governments subsidized factory-scale fishing fleets in the 1970s and 1980s, and the resultant catch increase evidently surpassed a sustainable level. It is uncertain how much of the current decline in fish stocks stems from overharvesting and how much from environmental pollution. The deep ocean remains relatively unaffected by human activity, but continental shelves near coastlines are frequently seriously polluted, and these close-to-shore areas are the major biological nurseries for food fish and the smaller organisms they feed on.

## **6. Environmental Toxins**

Toxic chemical pollution exploded on the public consciousness with disclosure of spectacularly polluted industrial areas such as Love Canal near Buffalo, New York. There is no question that pollutants such as organophosphates or radionucleides can be highly deleterious to health, but evidence to date suggests that seriously affected areas are a localized rather than universal problem.

While some explore the possibilities for a lifestyle that fully eschews use of modern industrial chemicals, the most prevalent remediative approach is to focus on more judicious use. The most efficient chemical plants are now able to contain nearly all toxic byproducts of their production processes within the premises, minimizing the release of such substances into the environment. Techniques such as Integrated Pest Management (IPM) dictate limited rather than broadcast use of pesticides: application only when needed using the safest available chemical, supplemented as much as possible with nontoxic controls.

While heightened public awareness and growing technical sophistication suggest a hopeful outlook on limiting the damage from manmade environmental toxins, one must grant that previous incidents of their misuse and mishandling have already caused environmental damage that will have to be dealt with for many years to come. In the case of the most hazardous radioactive substances, the time scale for successful remediation actually extends beyond that of the recorded history of civilization. Moreover, in this era of high population density and rapid economic growth, quotidian activities such as the transport of chemicals will occasionally, seemingly inevitably result in accidents with adverse environmental consequences.

## **7. "Islandization" and Biodiversity**

With increased awareness regarding the adverse effects of unregulated hunting and habitat depletion upon wildlife species and other aspects of biodiversity, large-scale efforts across the globe have been initiated to reduce and even reverse this trend.

In every region of the world, many species of wildlife and areas of biodiversity have been saved from extinction. Nationally, many countries have adopted policies aimed at preservation and conservation of species, and one of the most tangible measures has been the proliferation of protected habitats. Such habitats exist in the form of wildlife reserves, marine life reserves, and other such areas where biodiversity can be protected from external encroachment and exploitation.

Despite these advances in wildlife and biodiversity protection, further and perhaps more intractable challenges linger. Designated reserves, while intended to prevent further species decline, exist as closed territories, fragmented from other such enclaves and disconnected from the larger ecosystem. This environmental scenario is referred to as "islandization." Habitat reserves often serve as oversized zoos or game farms, with landscapes and wildlife that have effectively been "tamed" to suit. Meanwhile, the larger surrounding ecosystem continues to be seriously degraded and transformed, while within the islandized habitat, species that are the focus of conservation efforts may not have sufficient range and may not be able to maintain healthy genetic variability.

As a consequence, many conservationists and preservationists have demanded that substantially larger portions of land be withheld as habitat reserves, and a network of biological corridors to connect continental reserves be established. While such efforts to combat islandization have considerable support in the [United States](#), how precisely such a program would be instituted, especially across national boundaries, remains a matter of debate. International conservationists and preservationists say without a network of reserves a massive loss of biodiversity will result.

The concept of islandization illustrates why conservation and preservation of wildlife and biodiversity must consider and adopt new, broader strategies. In the past, conservation and preservation efforts have been aimed at specific species, such as the spotted owl and grizzly bear in North America, the Bengal tiger in Southeast Asia, the panda in [China](#), elephants in Africa. Instead, the new approach is to simultaneously protect many and varied species that inhabit the same ecosystem. This method, referred to as "bio-regional conservation," may more efficaciously generate longer-term and more far-reaching results precisely because it is aimed at preserving entire ecosystems, and all the living things within.

### **More About Biodiversity Issues:**

This section is directly taken from the United Nations Environmental Program: "[Biodiversity](#)"

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## Assessment"

The Global Biodiversity Assessment, completed by 1500 scientists under the auspices of United Nations Environmental Program in 1995, updated what is known (or unknown) about global biological diversity at the ecosystem, species and genetic levels. The assessment was uncertain of the total number of species on Earth within an order of magnitude. Of its working figure of 13 million species, only 13 percent are scientifically described. Ecological community diversity is also poorly known, as is its relationship to biological diversity, and genetic diversity has been studied for only a small number of species. The effects of human activities on biodiversity have increased so greatly that the rate of species extinctions is rising to hundreds or thousands of times the background level. These losses are driven by increasing demands on species and their habitats, and by the failure of current market systems to value biodiversity adequately. The Assessment calls for urgent action to reverse these trends.

There has been a new recognition of the importance of protecting marine and aquatic biodiversity. The first quantitative estimates of species losses due to growing coral reef destruction predict that almost 200,000 species, or one in five presently contributing to coral reef biodiversity, could die out in the next 40 years if human pressures on reefs continue to increase.

Since Rio, many countries have improved their understanding of the status and importance of their biodiversity, particularly through biodiversity country studies such as those prepared under the auspices of UNEP/GEF. The [United Kingdom](#) identified 1250 species needing monitoring, of which 400 require action plans to ensure their survival. Protective measures for biodiversity, such as legislation to protect species, can prove effective. In the USA, almost 40 percent of the plants and animals protected under the Endangered Species Act are now stable or improving as a direct result of recovery efforts. Some African countries have joined efforts to protect threatened species through the 1994 Lusaka Agreement, and more highly migratory species are being protected by specialized cooperative agreements among range states under the Bonn Agreement.

There is an emerging realization that a major part of conservation of biological diversity must take place outside of protected areas and involve local communities. The extensive agricultural areas occupied by small farmers contain much biodiversity that is important for sustainable food production. Indigenous agricultural practices have been and continue to be important elements in the maintenance of biodiversity, but these are being displaced and lost. There is a new focus on the interrelationship between agrodiversity conservation and sustainable use and development practices in smallholder agriculture, with emphasis on use of farmers' knowledge and skills as a source of information for sustainable farming.

Perhaps even more important than the loss of biodiversity is the transformation of global biogeochemical cycles, the reduction in the total world biomass, and the decrease in the biological productivity of the planet. While quantitative measurements are not available, the eventual

economic and social consequences may be so significant that the issue requires further attention.

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1994.

Online resources used generally in the Environmental Overview:

Environmental Protection Agency Global Warming Site. URL: <http://www.epa.gov/globalwarming>

Food and Agriculture Organization of United Nations: Forestry. URL: <http://www.fao.org/forestry/site/sofo/en/>

Global Warming Information Page. URL: <http://globalwarming.org>

U n i t e d N a t i o n s E n v i r o n m e n t a l P r o g r a m . U R L : [http://www.unep.org/GEO/GEO\\_Products/Assessment\\_Reports/](http://www.unep.org/GEO/GEO_Products/Assessment_Reports/)

United Nations Global Environmental Outlook. URL: <http://www.unep.org/geo/geo4/media/>

Note on Edition Dates:

The edition dates for textual resources are noted above because they were used to formulate the original content. We also have used online resources (cited above) to update coverage as needed.

Information Resources

For more information about environmental concepts, CountryWatch recommends the following resources:

The United Nations Environmental Program Network (with country profiles)

[<http://www.unep.net/>](http://www.unep.net)

The United Nations Environment Program on Climate Change

[<http://climatechange.unep.net/>](http://climatechange.unep.net)

The United Nations Environmental Program on Waters and Oceans

<http://www.unep.ch/earthw/Pdepwat.htm>

The United Nations Environmental Program on Forestry: "Forests in Flux"

<http://www.unep-wcmc.org/forest/flux/homepage.htm>

FAO "State of the World's Forests"

<http://www.fao.org/forestry/FO/SOFO/SOFO99/sofo99-e.stm>

World Resources Institute.

<http://www.wri.org/>

Harvard University Center for Health and the Global Environment

<http://www.med.harvard.edu/chge/the-review.html>

The University of Wisconsin Center for Sustainability and the Global Environment

<http://sage.aos.wisc.edu/>

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## International Environmental Agreements and Associations

### **International Policy Development in Regard to Global Warming:**

#### **Introduction**

Regardless of what the precise nature of the relationship between greenhouse gas emissions and global warming may be, it seems that there is some degree of a connection between the phenomena. Any substantial reductions in greenhouse gas emissions and global warming trends will likely involve systematic changes in industrial operations, the use of advanced energy sources and technologies, as well as global cooperation in implementing and regulating these transformations.

In this regard, the United Nations Framework Convention on Climate Change (UNFCCC) stipulated the following objectives:

1. To stabilize "greenhouse gas" concentrations within the atmosphere, in such a manner that would preclude hazardous anthropogenic intervention into the existing biosphere and ecosystems of the world. This stabilization process would facilitate the natural adaptation of ecosystems to changes in climate.
2. To ensure and enable sustainable development and food production on a global scale.

Following are two discussions regarding international policies on the environment, followed by listings of international accords.

### ***Special Entry: The Kyoto Protocol***

The UNFCCC was adopted at the Rio Earth Summit in 1992, and entered into force in 1994. Over 175 parties were official participants.

Meanwhile, however, many of the larger, more industrialized nations failed to reach the emissions' reduction targets, and many UNFCCC members agreed that the voluntary approach to reducing emissions had not been successful. As such, UNFCCC members reached a consensus that legally binding limits were necessitated, and agreed to discuss such a legal paradigm at a meeting in Kyoto, [Japan](#) in 1997. At that meeting, the UNFCCC forged the Kyoto Protocol. This concord is the first legally binding international agreement that places limits on emissions from industrialized countries. The major greenhouse gas emissions addressed in the Kyoto Protocol include carbon dioxide, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and methane.

The provisions of the Kyoto Protocol stipulate that economically advanced nations must reduce their combined emissions of greenhouse gases, by approximately five percent from their 1990 levels, before the 2008-2010 deadline. Countries with the highest carbon dioxide emissions, such as the [United States](#) (U.S.), many of the European Union (EU) countries, and [Japan](#), are to reduce emissions by a scale of 6 to 8 percent. All economically advanced nations must show "demonstrable progress" by 2005. In contrast, no binding limits or timetable have been set on developing countries. Presumably, this distinction is due to the fact that most developing countries - - with the obvious exceptions of [India](#) and [China](#) -- simply do not emit as many greenhouse gases as do more industrially advanced countries. Meanwhile, these countries are entrenched in the process of economic development.

Regardless of the aforementioned reasoning, there has been strong opposition against the asymmetrical treatment assigned to emissions limits among developed and developing countries. Although this distinction might be regarded as unfair in principle, associations such as the Alliance of Small Island States have been vocal in expressing how global warming -- a result of greenhouse gas emissions - has contributed to the rise in sea level, and thus deleteriously affected their very

existence as island nation states. For this reason, some parties have suggested that economically advanced nations, upon returning to their 1990 levels, should be required to further reduce their greenhouse gas emissions by a deadline of 2005. In response, interested parties have observed that even if such reductions were undertaken by economically advanced nations, they would not be enough to completely control global warming. Indeed, a reduction in the rate of fossil fuel usage by developing nations would also be necessary to have substantial ameliorative effect on global warming. Indeed, a reduction in the rate of fossil fuel usage by developing nations would also be necessary to have substantial ameliorative effect on global warming.

As such, the Protocol established a "Clean Development Mechanism" which permits developed countries to invest in projects aimed at reducing emissions within developing countries in return for credit for the reductions. Ostensibly, the objective of this mechanism is to curtail emissions in developing countries without unduly penalizing them for their economic development. Under this model, the countries with more potential emissions credits could sell them to other signatories of the Kyoto Protocol, whose emissions are forecast to significantly rise in the next few years. Should this trading of emissions credits take place, it is estimated that the Kyoto Protocol's emissions targets could still be met.

In 1999, the International Energy Outlook projected that Eastern Europe, the former Soviet Union and Newly Independent States, as well as parts of Asia, are all expected to show a marked decrease in their level of energy-related carbon emissions in 2010. Nations with the highest emissions, specifically, the U.S., the EU and [Japan](#), are anticipated to reduce their emissions by up to 8 percent by 2012. By 2000, however, the emissions targets were not on schedule for achievement. Indeed, the U.S. Department of Energy estimates forecast that by 2010, there will be a 34 percent increase in carbon emissions from the 1990 levels, in the absence of major shifts in policy, economic growth, energy prices, and consumer trends. Despite this assessment in the U.S., international support for the Kyoto Protocol remained strong, especially among European countries and island states, who view the pact as one step in the direction away from reliance on fossil fuels and other sources of greenhouse gases.

In 2001, U.S. President, George W. Bush, rejected his country's participation in the Kyoto Protocol, saying that the costs imposed on the global economic system, and especially, on the US, overshadowed the benefits of the Protocol. He also cited the unfair burden on developed nations to reduce emissions, as another primary reasons for withdrawal from the international pact, as well as insufficient evidence regarding the science of global warming. Faced with impassioned international disapproval for his position, the U.S. president stated that his administration remained interested in dealing with the matter of global warming, but would endorse alternative measures to combat the problem, such as voluntary initiatives limiting emissions. Critics of Bush's position, however, have noted that it was the failure of voluntary initiatives to reduce emissions following the Rio Summit that led to the establishment of the Kyoto Protocol in the first place.

In the wake of the Bush administration's decision, many participant countries resigned themselves to the reality that the goals of the Kyoto Protocol might not be achieved without U.S. involvement. Nevertheless, in Bonn, [Germany](#), in July 2001, the remaining participant countries struck a political compromise on some of the key issues and sticking points, and planned to move forward with the Protocol, irrespective of the absence of the U.S. The key compromise points included the provision for countries to offset their targets with carbon sinks (these are areas of forest and farmland which can absorb carbon through the process of photosynthesis). Another compromise point within the broader Bonn Agreement was the reduction of emissions cuts of six gases from over 5 percent to a more achievable 2 percent. A third key change was the provision of funding for less wealthy countries to adopt more progressive technologies.

In late October and early November 2001, the UNFCCC's 7<sup>th</sup> Conference of the Parties met in Marrakesh, [Morocco](#), to finalize the measures needed to make the Kyoto Protocol operational. Although the UNFCCC projected that ratification of the Protocol would make it legally binding within a year, many critics noted that the process had fallen short of implementing significant changes in policy that would be necessary to actually stop or even slow climate change. They also maintained that the absence of U.S. participation effectively rendered the Protocol into being a political exercise without any substance, either in terms of transnational policy or in terms of environmental concerns.

The adoption of the compromises ensconced within the Bonn Agreement had been intended to make the provisions of the Kyoto Protocol more palatable to the U.S. In this regard, it failed to achieve its objective as the Bush administration continued to eschew participation in the international accord. Still, however, the Bonn Agreement did manage to render a number of other positive outcomes. Specifically, in 2002, key countries, such as [Russia](#), [Japan](#) and [Canada](#) agreed to ratify the protocol, bringing the number of signatories to 178. The decision by key countries to ratify the protocol was regarded as "the kiss of life" by observers.

By 2005, on the eve of a climate change conference in London, British Prime Minister Tony Blair was hoping to deal with the problems of climate change beyond the provisions set forth in the Kyoto Protocol. Acknowledging that the Kyoto Protocol could not work in its current form, Blair wanted to open the discussion for a new climate change plan.

Blair said that although most of the world had signed on to Kyoto, the protocol could not meet any of its practical goals of cutting greenhouse gas emissions without the participation of the United States, the world's largest polluter. He also noted that any new agreement would have to include India and China -- significant producers of greenhouse gas emissions, but exempt from Kyoto because they have been classified as developing countries. Still, he said that progress on dealing with climate change had been stymied by "a reluctance to face up to reality and the practical action needed to tackle problem."

Blair also touted the "huge opportunities" in technology and pointed toward the possibilities offered by wind, solar and nuclear power, along with fuel cell technology, eco-friendly biofuels, and carbon capture and storage which could generate low carbon power. Blair also asserted that his government was committed to achieving its domestic goal of reducing carbon dioxide emissions by 20 percent by 2010.

In the United States, President George W. Bush has said that global warming remained a debatable issue and despite conclusions reached by his own Environmental Protection Agency, he has not agreed with the conclusion that global warming and climate change are linked with human activities. Bush has also refused to ratify Kyoto on the basis of its economic costs.

Australia, an ally of the United States, has taken a similarly dim view of the Kyoto Protocol. Ahead of the November 2005 climate change meeting in Canada in which new goals for the protocol were to be discussed, Australia's Environment Minister, Ian Campbell, said that negotiating new greenhouse gas emission levels for the Kyoto Protocol would be a waste of time. Campbell said, "There is a consensus that the caps, targets and timetables approach is flawed. If we spend the next five years arguing about that, we'll be fiddling and negotiating while Rome burns." Campbell, like the Bush administration, has also advocated a system of voluntary action in which industry takes up new technologies rather than as a result of compelling the reduction of emissions. But the Australian Conservation Foundation (ACF) has called on its government to ratify the Kyoto Protocol, to establish a system of emissions trading, and to set binding limits on emissions. Interestingly, although it did not sign on to Kyoto, Australia was expected to meet its emissions target by 2012 (an 8 percent increase in 1990 levels in keeping with the country's reliance on coal). But this success has nothing to do with new technologies and is due to state-based regulations on land clearing.

Note: The Kyoto Protocol calls for developed nations to cut greenhouse emissions by 5.2 percent of 1990 levels by 2012.

### ***Special Entry: Climate Change Summit in Copenhagen (2009) --***

In December 2009, the United Nations Climate Change Summit opened in the Danish capital of Copenhagen. The summit was scheduled to last from Dec. 7-18, 2009. Delegates from more than 190 countries were in attendance, and approximately 100 world leaders, including British Prime Minister Gordon Brown and [United States](#) President Barack Obama, were expected to participate. At issue was the matter of new reductions targets on greenhouse gas emissions by 2020.

Despite earlier fears that little concurrence would come from the conference, effectively pushing significant actions forward to a 2010 conference in [Mexico](#) City, negotiators were now reporting that the talks were productive and several key countries, such as [South Africa](#), had pledged to

reduce greenhouse gas emissions. The two main issues that could still lead to cleavages were questions of agreement between the industrialized countries and the developing countries of the world, as well as the overall effectiveness of proposals in seriously addressing the perils of climate change.

On Dec. 9, 2009, four countries -- the [United Kingdom](#), [Australia](#), [Mexico](#) and [Norway](#) -- presented a document outlining ideas for raising and managing billions of dollars, which would be intended to help vulnerable countries dealing with the perils of climate change. Described as a "green fund," the concept could potentially help small island states at risk because of the rise in sea level. [Bangladesh](#) identified itself as a potential recipient of an assistance fund, noting that as a country plagued by devastating floods, it was particularly hard-hit by climate change. The "green fund" would fall under the rubric of the United Nations Framework Convention on Climate Change, for which developed countries have been committed to quantifying their emission reduction targets, and also to providing financial and technical support to developing countries.

The [United Kingdom](#), [Australia](#), [Mexico](#) and [Norway](#) also called for the creation of a new legal treaty that would replace the Kyoto Protocol. This new treaty, which could go into force in 2012, would focus largely on the reduction of greenhouse gas emissions by 2020. But [Australia](#) went even further in saying that the successor treaty to the Kyoto Protocol, should be one with provisions covering all countries. Such a move would be a departure from the structure of the Kyoto Protocol, which contained emissions targets for industrialized countries due to the prevailing view that developed countries had a particular historic responsibility to be accountable for climate change. More recently, it has become apparent that substantial reductions in greenhouse gas emissions demanded by scientists would only come to pass with the participation also of significant developing nation states, such as [China](#) and [India](#). Indeed, one of the most pressing critiques of the Kyoto Protocol was that it was a "paper tiger" that failed to address the impact of the actions of emerging economies like [China](#) and [India](#), with its focus on the developed economies.

Now, in 2009, [China](#) -- as the world's biggest greenhouse gas emitter -- was responding this dubious distinction by vocalizing its criticism of the current scenario and foregrounding its new commitments. Ahead of the Copenhagen summit, [China](#) had announced it would reduce the intensity of its carbon emissions per unit of its GDP in 2020 by 40 to 45 percent against 2005 levels. With that new commitment at hand, [China](#) was now accusing the [United States](#) and the European Union of shirking their own responsibilities by setting weak targets for greenhouse gas emissions cuts. Senior Chinese negotiator, Su Wei, characterized the goals of the world's second largest greenhouse gas emitter -- the [United States](#) -- as "not notable," and the European Union's target as "not enough." Su Wei also took issue with [Japan](#) for setting implausible preconditions.

On Dec. 11, 2009, [China](#) demanded that developed and wealthy countries in Copenhagen should help deliver a real agreement on climate change by delivering on their promises to reduce carbon emissions and provide financial support for developing countries to adapt to global warming. In so doing, China's Vice Foreign Minister He Yafei said his country was hoping that a "balanced

outcome" would emerge from the discussions at the summit. Echoing the position of the Australian government, He Yafei spoke of a draft agreement as follows: "The final document we're going to adopt needs to be taking into account the needs and aspirations of all countries, particularly the most vulnerable ones."

China's Vice Foreign Minister emphasized the fact that climate change was "a matter of survival" for developing countries, and accordingly, such countries need wealthier and more developed countries to accentuate not only their pledges of emissions reduction targets, but also their financial commitments under the aforementioned United Nations Framework Convention on Climate Change. To that end, scientists and leaders of small island states in the Indian Ocean, the Pacific Ocean and the Caribbean Sea, have highlighted the existential threat posed by global warming and the concomitant rise in sea level.

China aside, attention was also on [India](#) -- another major player in the developing world and a country with an industrializing economy that was impacting the environment. At issue was the Indian government's decision to set a carbon intensity target, which would slow emissions growth by up to 25 percent by the 2020 deadline. This strong position was resisted by some elements in [India](#), who argued that their country should not be taking such a strong position when developed wealthy countries were yet to show accountability for their previous commitments to reduce greenhouse gas emissions. The matter grew so heated that the members of the opposition stormed out of the parliament in protest as Indian Environment Minister Jairam Ramesh defended the policy. But the political pressure at home in [India](#) was leaving the Indian delegation in Copenhagen in a state of chaos as well. In fact, India's top environmental negotiator refused to travel to Copenhagen in protest of the government's newly-announced stance.

China and [India](#) were joined by [Brazil](#) and [South Africa](#) in the crafting of a draft document calling for a new global climate treaty to be completed by June 2010. Of concern has been the realization that there was insufficient time to find concurrence on a full legal treaty, which would leave countries only with a politically-binding text by the time the summit at Copenhagen closed. But Guyana's leader, President Bharrat Jagdeo, warned that the summit in [Denmark](#) would be classified as a failure unless a binding document was agreed upon instead of just political consensus. He urged his cohorts to act with purpose saying, "Never before have science, economics, geo-strategic self-interest and politics intersected in such a way on an issue that impacts everyone on the planet."

Likewise, [Tuvalu](#) demanded that legally binding agreements emerge from Copenhagen. Its proposal was supported by many of the vulnerable countries, from small island states and sub-Saharan Africa, all of whom warned of the catastrophic impact of climate change on their citizens. [Tuvalu](#) also called for more aggressive action, such as an amendment to the 1992 agreement, which would focus on sharp greenhouse gas emissions and the accepted rise in temperatures, due to the impact the rise in seas. The delegation from [Kiribati](#) joined the call by

drawing attention to the fact that one village had to be abandoned due to waist-high water, and more such effects were likely to follow. Kiribati's Foreign Secretary, Tessie Lambourne, warned that the people of [Kiribati](#) could well be faced with no homeland in the future saying, "Nobody in this room would want to leave their homeland." But despite such impassioned pleas and irrespective of warnings from the Intergovernmental Panel on Climate Change that the rise in sea level from melting polar ice caps would deleteriously affect low-lying atolls such as such as [Tuvalu](#) and [Kiribati](#) in the Pacific, and the [Maldives](#) in the Indian Ocean, the oil-giant [Saudi Arabia](#) was able to block this move.

Meanwhile, within the developed countries, yet another power struggle was brewing. The European Union warned it would only agree to raise its target of 20 percent greenhouse gas emissions reductions to 30 percent if the [United States](#) demonstrated that it would do more to reduce its own emissions. It was unknown if such pressure would yield results. [United States](#) President Barack Obama offered a "provisional" 2020 target of 17 percent reductions, noting that he could not offer greater concessions at Copenhagen due to resistance within the [United States](#) Congress, which was already trying to pass a highly controversial "cap and trade" emissions legislation. However, should that emissions trading bill fail in the Senate, the [United States](#) Environment Protection Agency's declaration that greenhouse gases pose a danger to human health and the environment was expected to facilitate further regulations and limits on power plants and factories at the national level. These moves could potentially strengthen the Obama administration's offering at Copenhagen. As well, President Obama also signaled that he would be willing to consider the inclusion of international forestry credits.

Such moves indicated willingness by the Obama administration to play a more constructive role on the international environmental scene than its predecessor, the Bush administration. Indeed, ahead of his arrival at the Copenhagen summit, President Barack Obama's top environmental advisors promised to work on a substantial climate change agreement. To that end, [United States](#) Environmental Protection Agency Administrator Lisa Jackson said at a press conference, "We are seeking robust engagement with all of our partners around the world." But would this pro-engagement assertion yield actual results?

By Dec. 12, 2009, details related to a draft document prepared by Michael Zammit Cutajar, the head of the Ad-hoc Working Group on Long-Term Cooperative Action, were released at the Copenhagen climate conference. Included in the document were calls for countries to make major reductions in carbon emissions over the course of the next decade. According to the Washington Post, industrialized countries were called on to make cuts of between 25 percent and 40 percent below 1990 levels -- reductions that were far more draconian than the [United States](#) was likely to accept. As discussed above, President Obama had offered a provisional reduction target of 17 percent. The wide gap between the released draft and the United States' actual stated position suggested there was much more negotiating in the offing if a binding agreement could be forged, despite the Obama administration's claims that it was seeking greater engagement on this issue.

In other developments, the aforementioned call for financial support of developing countries to deal with the perils of climate change was partly answered by the European Union on Dec. 11, 2009. The European bloc pledged an amount of 2.4 billion euros (US\$3.5 billion) annually from 2010 to 2012. Environment Minister Andreas Carlgren of [Sweden](#) -- the country that holds the rotating presidency of the European Union at the time of the summit -- put his weight behind the notion of a "legally binding deal." Meanwhile, Yvo de Boer, a top United Nations climate change official, focused less on the essence of the agreement and more on tangible action and effects saying, "Copenhagen will only be a success if it delivers significant and immediate action that begins the day the conference ends."

The division between developed and developing countries in Copenhagen reached new heights on Dec. 14, 2009, when some of the poor and less developed countries launched a boycott at the summit. The move, which was spurred by African countries but backed by [China](#) and [India](#), appeared to be geared toward redirecting attention and primary responsibility to the wealthier and more industrialized countries. The impasse was resolved after the wealthier and more industrialized countries offered assurances that they did not intend on shirking from their commitments to reducing greenhouse gases. As a result, the participating countries ceased the boycott.

Outside the actual summit, thousands of protestors had gathered to demand crucial global warming, leading to clashes between police and demonstrators elsewhere in the Danish capital city. There were reports of scattered violence across Copenhagen and more than 1,000 people were arrested.

Nevertheless, by the second week of the climate change summit, hopes of forging a strong deal were eroding as developed and developing nations remained deadlocked on sharing cuts in greenhouse gases, and particularly on the matters of financing and temperature goals. In a bid to shore up support for a new climate change, [United States](#) President Barack Obama joined other world leaders in Copenhagen. On Dec. 14, 2009, there was a standoff brewing between the [United States](#) and [China](#). At issue was China's refusal to accept international monitoring of its expressed targets for reducing greenhouse gas emissions. The [United States](#) argued that China's opposition to verification could be a deal-breaker.

By the close of the summit, the difficult process eventually resulted in some consensus being cultivated. A draft text called for \$100 billion a year by 2020 to assist poor nations cope with climate change, while aiming to limit global warming to two degrees Celsius compared with pre-industrial levels. The deal also included specific targets for developed countries to reduce greenhouse gas emissions, and called for reductions by developing countries as a share of their economies. Also included in the agreement was a mechanism to verify compliance. The details of the agreement were supported by President Barack Obama, Chinese Premier Wen Jiabao, Indian Prime Minister Manmohan Singh and Brazilian President Luiz Inacio Lula da Silva.

This draft would stand as an interim agreement, with a legally-binding international pact unlikely to materialize until 2010. In this way, the summit in Copenhagen failed to achieve its central objective, which was to negotiate a successor to the Kyoto Protocol on greenhouse gas emissions.

#### Editor's Note

In the background of these developments was the growing global consciousness related to global warming and climate change. Indeed, as the Copenhagen summit was ongoing, it was clear there was enormous concurrence on the significance of the stakes with an editorial on the matter of climate change being published in 56 newspapers in 45 countries. That editorial warned that without global action, climate change would "ravage our planet." Meanwhile, a global survey taken by Globescan showed that concern over global warming had exponentially increased from 1998 -- when only 20 percent of respondents believed it to be a serious problem -- to 64 percent in 2009. Such survey data, however, was generated ahead of the accusations by climate change skeptics that some climate scientists may have overstated the case for global warming, based on emails derived in an illicit manner from a British University.

#### ***Special Entry: Climate change talks in Doha in [Qatar](#) extend life of Kyoto Protocol (2012)***

December 2012 saw climate talks ensue in the Qatari city of Doha as representatives from countries across the world gathered to discuss the fate of the Kyoto Protocol, which seeks to minimize greenhouse gas emissions. The summit yielded results with decisions made (1) to extend the Kyoto Protocol until 2020, and (2) for wealthier countries to compensate poorer countries for the losses and damage incurred as a result of climate change.

In regards to the second matter, Malia Talakai of [Nauru](#), a leading negotiator for the Alliance of Small Island States, explained the necessity of the compensation package as follows: "We are trying to say that if you pollute you must help us."

This measure was being dubbed the "Loss and Damage" mechanism, and was being linked with [United States](#) President Barack Obama's request for \$60 billion from Congress to deal with the devastation caused by Hurricane Sandy months before. The sight of a hurricane bearing down on the northern Atlantic seaboard, along with the reality of the scope of reconstruction, appeared to have illustrated the economic costs of climate change -- not so much as a distant environmental issue -- but as a danger to the quotidian lives of people. Still, there was blame to be placed on the [United States](#) and European countries -- some of world's largest emitters -- for failing to do more to reduce emissions.

To that latter end, there was in fact little progress made on the central issue of reducing greenhouse

gas emissions. Had those emissions been reduced, there would have been less of a need to financially deal with the devastation caused by climate change. One interpretation was that the global community was accepting the fact that industrialization was contributing to global warming, which had deleterious effects on the polar ice caps and concomitantly on the rise of sea level, with devastating effects for small island nations. Thus, wealthier countries were willing to pay around \$10 billion a year through 2020, effectively in "damages," to the poor countries that could be viewed as the "collateral damage" of industrial progress. But damages today could potentially be destruction tomorrow, leaving in place the existential challenges and burdens to be born by some of the world's smallest and least wealthy island countries.

Perhaps not surprisingly, the representative for the small island nation states at the Doha summit responded with ire, characterizing the lack of progress on reducing emissions as follows: "We see the package before us as deeply deficient in mitigation (carbon cuts) and finance. It's likely to lock us on the trajectory to a 3,4,5C rise in global temperatures, even though we agreed to keep the global average temperature rise of 1.5C to ensure survival of all islands. There is no new finance (for adapting to climate change and getting clean energy) -- only promises that something might materialize in the future. Those who are obstructive need to talk not about how their people will live, but whether our people will live."

Indeed, in most small island countries not just in the Pacific, but also the Caribbean and Indian Ocean, ecological concerns and the climate crisis have been dominant themes with dire life and death consequences looming in the background for their people. Small island nations in these region are already at risk from the rise of sea-level, tropical cyclones, floods. But their very livelihoods of fishing and subsistence farming were also at risk as a result of ecological and environmental changes. Increasingly high storm surges can wipe out entire villages and contaminate water supplies. Accordingly, the very existence of island nations, such as [Kiribati](#) and [Tuvalu](#), are at severe risk of being obliterated from the map. Yet even with the existential threat of being wiped off the map in the offing, the international community has been either slow or restrictive in its efforts to deal with global warming, climate change, economic and ecological damage, as well as the emerging global challenge of environmental refugees.

A 2012 report from the United Nations Environment Program (UNEP) and the Pacific Regional Environment Program underlined the concerns of small island nations and their people as it concluded that the livelihoods of approximately 10 million people in Pacific island communities were increasingly vulnerable to climate change. In fact, low-lying islands in that region would likely confront losses of up to 18 percent of gross domestic product due to climate change, according to the report. The report covers 21 countries and territories, including [Fiji](#), [Kiribati](#), [Samoa](#) and [Tonga](#), and recommended environmental legislation intended to deal with the climate crisis facing the small island countries particularly. As noted by David Sheppard, the director general of the Pacific Regional Environment Program that co-sponsored this study: "The findings... emphasize the need more than ever to raise the bar through collective actions that address the

region's environmental needs at all levels."

Regardless of the failures of the summit in [Qatar](#) (discussed above), the meeting did facilitate a process starting in 2015, which would bind both wealthy and poor countries together in the mission of forging a new binding treaty that would replace the Kyoto Protocol and tackle the central causes of climate change.

For more information on the threats faced in small island nations by climate change and the measures being undertaken to lobby for international action, please see the Alliance for Small Island States available online at the URL: <http://aosis.org/>

### ***Special Report***

#### ***COP 21 summit in Paris ends with historic agreement to tackle climate change; rare international consensus formed on environmental crisis facing the planet (2015) --***

In mid-December 2015, the highly-anticipated United Nations climate conference of parties (COP) in Paris, [France](#), ended with a historic agreement. In fact, it would very likely be understood as the most significant international agreement signed by all the recognized countries of the world since the Cold War. Accordingly, the Paris Agreement was being distinguished as the first multilateral pact that would compel all countries across the world to cut its carbon emissions -- one of the major causes of increasing greenhouse gas emissions, which contribute to global warming, and its deleterious effects ranging from the dangerous rise in sea level to catastrophic climate change.

The accord, which was dubbed to be the "Paris Agreement," was the work of rigorous diplomacy and fervent environmental advocacy, and it aimed to address the climate change crisis facing the planet. As many as 195 countries were represented in the negotiations that led to the landmark climate deal. Indeed, it was only after weeks of passionate debate that international concurrence was reached in addressing the environmental challenges confronting the world, with particular attention to moving beyond fossil fuels and reducing greenhouse gas emissions.

The success of the COP 21 summit in Paris and the emergence of the landmark Paris Agreement was, to some extent, attributed to the efforts of France's Foreign Minister Laurent Fabius who presided over the negotiations. The French foreign minister's experience and credentials as a seasoned diplomat and respected statesman paid dividends. He skillfully guided the delegates from almost 200 countries and interest groups along the negotiations process, with ostensibly productive results and a reasonably robust deal to show for it.

On Dec. 12, 2015, French Foreign Minister Fabius officially adopted the agreement, declaring: "I

now invite the COP to adopt the decision entitled Paris Agreement outlined in the document. Looking out to the room I see that the reaction is positive, I see no objections. The Paris agreement is adopted." Once Foreign Minister Fabius' gavel was struck, symbolically inaugurating the Paris Agreement into force, the COP delegate rushed to their feet with loud and bouyant cheers as well as thunderous applause.

In general, the Paris Agreement was being hailed as a victory for enviromental activists and a triumph for international diplomats, while at the same time being understood as simply an initial -- and imperfect -- move in the direction of a sustainable future. China's chief negotiator, Xie Zhenhua, issued this message, saying that while the accord was not ideal, it should "not prevent us from marching historical steps forward."

United States President Barack Obama lauded the deal as both "ambitious" and "historic," and the work of strenuous multilateral negotiations as he declared, "Together, we've shown what's possible when the world stands as one." The [United States](#) leader acknowledged that the accord was not "perfect," but he reminded the critics that it was "the best chance to save the one planet we have. "

Former [United States](#) Vice President Al Gore, one of the world's most well known environmental advocates, issued a lengthy statement on the accomplishments ensconced in the Paris Agreement. He highlighted the fact that the Paris Agreement was a first step towards a future with a reduced carbon footprint on Planet Earth as he said, "The components of this agreement -- including a strong review mechanism to enhance existing commitments and a long-term goal to eliminate global-warming pollution this century -- are essential to unlocking the necessary investments in our future. No agreement is perfect, and this one must be strengthened over time, but groups across every sector of society will now begin to reduce dangerous carbon pollution through the framework of this agreement."

The central provisions of the Paris Agreement included the following items:

- Greenhouse gas emissions should peak as quickly as possible, with a move towards balancing energy sources, and ultimately the decrease of greenhouse gases in the second half of this century
- Global temperature increase would be limited to 1.5 degrees Centigrade above pre-industrial levels and would be held "well below" the two degrees Centigrade threshold
- Progress on these goals would be reviewed every five years beginning in 2020 with new greenhouse gas reduction targets issued every five years
- \$100 billion would be expended each year in climate finance for developing countries to move forward with green technologies, with further climate financing to be advanced in the years beyond

It should be noted that there both legally binding and voluntary elements contained within the Paris Agreement. Specifically, the submission of an emissions reduction target and the regular review of that goal would be legally mandatory for all countries. Stated differently, there would be

a system in place by which experts would be able to track the carbon-cutting progress of each country. At the same time, the specific targets to be set by countries would be determined at the discretion of the countries, and would not be binding. While there was some criticism over this non-binding element, the fact of the matter was that the imposition of emissions targets was believed to be a major factor in the failure of climate change talks in Copenhagen, [Denmark](#), in 2009.

In 2015, the talks faced challenges as several countries, such as [China](#) and [India](#), objected to conditions that would stymie economic and development. In order to avoid that kind of landmine, a system Intended Nationally Determined Contributions (INDCs) was developed and formed the basis of the accord. As such, the Paris Agreement would, in fact, facilitate economic growth and development, as well as technological progress, but with the goal of long-term ecological sustainability based on low carbon sources. In fact, the agreement heralded as "the beginning of the end of the fossil fuel era." As noted by Nick Mabey, the head of the climate diplomacy organization E3G, said, "Paris means governments will go further and faster to tackle climate change than ever before. The transition to a low carbon economy is now unstoppable, ensuring the end of the fossil fuel age."

A particular sticking point in the agreement was the \$100 billion earmarked for climate financing for developing countries to transition from traditional fossil fuels to green energy technologies and a low carbon future. In 2014, a report by the International Energy Agency indicated that the cost of that transition would actually be around \$44 trillion by the mid-century -- an amount that would render the \$100 billion being promised to be a drop in the proverbial bucket. However, the general expectation was that the Republican-controlled Senate in the [United States](#), which would have to ratify the deal in that country, was not interested in contributing significant funds for the cause of climate change.

A key strength of the Paris Agreement was the ubiquitous application of measures to all countries. Of note was the frequently utilized concept of "flexibility" with regard to the Paris Agreement. Specifically, the varying capacities of the various countries in meeting their obligations would be anticipated and accorded flexibility. This aspect presented something of a departure from the 1997 Kyoto Protocol, which drew a sharp distinction between developed and developing countries, and mandated a different set of obligations for those categories of countries. Thus, under Kyoto, [China](#) and [India](#) were not held to the same standards as the [United States](#) and European countries. In the Paris Agreement, there would be commitments from all countries across the globe.

Another notable strength of the Paris Agreement was the fact that the countries of the world were finally able to reach consensus on the vital necessity to limit global temperature increases to 1.5 degrees Centigrade. Ahead of the global consensus on the deal, and as controversy continued to surface over the targeted global temperature limits, the leaders of island countries were sounding

the alarm about the melting of the Polar ice caps and the associated rise in sea level. Prime Minister Enele Sopoaga of [Tuvalu](#) issued this dismal reminder: “Tuvalu’s future ... is already bleak and any further temperature increase will spell the total demise of [Tuvalu](#). No leader in this room carries such a level of worry and responsibility. Just imagine you are in my shoes, what would you do?” It was thus something of a victory for environmental advocates that the countries of the world could find consensus on the lower number -- 1.5 degrees rather than 2 degrees.

A significant weak point with regard to the Paris deal was a "loss and damage" provision, which anticipates that even with all the new undertakings intended to reduce greenhouse gas emissions and move to a low carbon future, there would nonetheless be unavoidable climate change consequences. Those consequences ranged from the loss of arable land for farmers as well as soil erosion and contamination of potable water by sea water, to the decimation of territory in coastal zones and on small islands, due to the rise in sea level, with entire small island countries being rendered entirely uninhabitable. The reality was that peoples' homes across the world would be destroyed along with their way of life.

With that latter catastrophic effect being a clear and present danger for small island countries, the Association of Small Island States (AOSIS) demanded that the developed world acknowledge its responsibility for this irreversible damage.. Despite the fact that greenhouse gas emissions and the ensuing plague of global warming was, indeed, the consequence of development in the West (the [United States](#) and Europe) and the large power house countries, such as [Russia](#), [China](#) and [India](#), there was no appetite by those countries to sign on to unlimited liability. Under the Paris Agreement, there was a call for research on insurance mechanisms that would address loss and damage issues, with recommendations to come in the future.

The call for research was being regarded as an evasion of sorts and constituted the weakest aspect of the Paris Agreement. Not surprisingly, a coalition of small island nations demanded a "Marshall Plan" for the Pacific. Borrowing the term "Marshall Plan" from the post-World War II reconstruction effort, the coalition of Pacific island nation, which included [Kiribati](#), [Tuvalu](#), [Fiji](#), and the [Marshall Islands](#), called for an initiative that would include investment in renewable energy and shoreline protection, cultural preservation, economic assistance for economies in transition, and a plan for migration and resettlement for these countries as they confront the catastrophic effects of the melting of the Polar ice caps and the concomitant rise in sea level. The precise contours of the initiative remained unknown, unspecified, and a mere exercise in theory at the time of writing. Yet such an initiative would, at some point, have to be addressed, given the realities of climate change and the slow motion calamity unfolding each day for low-lying island nations across the world.

As noted by Vice President Greg Stone of Conservation International, who also functions as an adviser to the government of [Kiribati](#), “Imagine living in a place where you know it’s going to go away someday, but you don’t know what day that wave’s going to come over and wash your

home away." He added, "It's a disaster we know is going to happen." Meanwhile, the intervening years promised to be filled with hardship for small island nations, such as [Kiribati](#). Stone explained, "For every inch of sea-level rise, these islands lose 10 feet of their freshwater table to saltwater intrusion," Stone explained. "So it's not just about the day the water finally goes over the island; it's also about the day that there's just not enough water left and everyone has to move off the island." Presaging the future for island nations that could face submersion, Stone said, "If you look ahead 50 years, a country like [Kiribati](#) could become the first aqueous nation. possibility of migration. That is, they own this big patch of ocean, and they administer it from elsewhere."

Foreign Minister Minister Tony Debrum of the [Marshall Islands](#) emerged as the champion advocating on behalf of small island nation states and a loose coalition of concerned countries from the Pacific to the Caribbean, but with support from the [United States](#). He addressed the comprehensive concerns of small island nations regarding the weaknesses of the deal, while simultaneously making clear that the Paris Agreement signified hope for the countries most at risk. In a formal statement, Debrum declared: "We have made history today. Emissions targets are still way off track, but this agreement has the tools to ramp up ambition, and brings a spirit of hope that we can rise to this challenge. I can go back home to my people and say we now have a pathway to survival." Debrum highlighted the imperatives of Pacific island nations, saying, "Our High Ambition Coalition was the lightning rod we needed to lift our sights and expectations for a strong agreement here in Paris. We were joined by countries representing more than half the world. We said loud and clear that a bare-bones, minimalist agreement would not fly. We instead demanded an agreement to mark a turning point in history, and the beginning of our journey to the post-carbon era."

Debrum of the [Marshall Islands](#) espoused the quintessential synopsis of the accord and its effects for those most likely to be affected by climate change as he noted, "Climate change won't stop overnight, and my country is not out of the firing line just yet, but today we all feel a little safer."

Editor's Entry on [Environmental Policy](#):

The low-lying Pacific island nations of the world, including [Kiribati](#), [Tuvalu](#), the [Marshall Islands](#), [Fiji](#), among others, are vulnerable to the threats posed by global warming and climate change, derived from carbon emissions, and resulting in the rise in sea level. Other island nations in the Caribbean, as well as poor countries with coastal zones, were also at particular risk of suffering the deleterious effects of climate change.

Political policy in these countries are often connected to ecological issues, which have over time morphed into an existential crisis of sorts. Indeed, ecological concerns and the climate crisis have also been dominant themes with life and death consequences for the people of island nations in the Pacific. Indeed, the very livelihoods of fishing and subsistence farming remain at risk as a result of

ecological and environmental changes. Yet even so, these countries are threatened by increasingly high storm surges, which could wipe out entire villages and contaminate water supplies. Moreover, because these are low lying island nations, the sustained rise in sea level can potentially lead to the terrain of these countries being uninhabitable at best, and submerged at worst. Stated in plain terms, these countries are at severe risk of being obliterated from the map and their plight illuminates the emerging global challenge of environmental refugees. In these manifold senses, climate change is the existential crisis of the contemporary era.

Since the time of the 1997 Kyoto Protocol, there have been efforts aimed at extending the life of that agreement, with an eye on minimizing greenhouse gas emissions, and thus minimizing the effects of climate change. Those endeavors have largely ended in failure, as exemplified by the unsuccessful Copenhagen talks in 2009 and the fruitless Doha talks in 2012 respectively. The success of the COP 21 talks in [France](#), with the adoption of the landmark Paris Agreement in 2015, was regarded as the first glimmer of hope. Not only did the Paris Agreement signify the triumph of international diplomacy and global consensus, but it also marked the start of the end of the fossil fuel era, with the path forward toward a low carbon future reliant on greener technologies. Most crucially, the Paris Agreement stood as the first significant response in recent times to the central challenge of climate change and its quotidian effects on the lives of real human beings across the world.

## **1. Major International Environmental Accords:**

### **General Environmental Concerns**

Convention on Environmental Impact Assessment in a Transboundary Context, Espoo, 1991.

### **Accords Regarding Atmosphere**

Annex 16, vol. II (Environmental Protection: Aircraft Engine Emissions) to the 1044 Chicago Convention on International Civil Aviation, Montreal, 1981

Convention on Long-Range Transboundary Air Pollution (LRTAP), Geneva, 1979

United Nations Framework Convention on Climate Change (UNFCCC), New York, 1992

Vienna Convention for the Protection of the Ozone Layer, Vienna, 1985 including the Montreal Protocol on Substances that Depleted the Ozone Layer, Montreal, 1987

## **Accords Regarding Hazardous Substances**

Convention on the Ban of the Import into Africa and the Control of Transboundary Movements and Management of Hazardous Wastes within Africa, Bamako, 1991

Convention on Civil Liability for Damage Caused during Carriage of Dangerous Goods by Road, Rail and Inland Navigation Vessels (CRTD), Geneva, 1989

Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (Basel Convention), Basel, 1989

Convention on the Transboundary Effects of Industrial Accidents, Helsinki, 1992

Convention to Ban the Importation into Forum Island Countries of Hazardous and Radioactive Wastes and to Control the Transboundary Movement and Management of Hazardous Wastes within the South Pacific Region (Waigani Convention), Waigani, 1995

European Agreement Concerning the International Carriage of Dangerous Goods by Road (ADR), Geneva 1957

FAO International Code of Conduct on the Distribution and Use of Pesticides, Rome, 1985

## **2. Major International Marine Accords:**

### **Global Conventions**

Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter (London Convention 1972), London, 1972

International Convention for the Prevention of Pollution from Ships, 1973, as modified by Protocol of 1978 relation thereto (MARPOL 73/78), London, 1973 and 1978

International Convention on Civil Liability for Oil Pollution Damage 1969 (1969 CLC), Brussels, 1969, 1976, and 1984

International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage 1971 (1971 Fund Convention), Brussels, 1971

Convention on Liability and Compensation for Damage in Connection with the Carriage of

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Hazardous and Noxious Substances by Sea (HNS), London 1996

International Convention on Oil Pollution Preparedness, Response, and Co-operation (OPRC), London, 1990

International Convention Relation to Intervention on the High Seas in Cases of Oil Pollution Casualties (Intervention Convention), Brussels, 1969

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### **Regional Conventions**

Convention for the Prevention of Marine Pollution by Dumping from Ships and Aircraft (Oslo Convention), Oslo, 1972

Convention for the Prevention of Marine Pollution from Land-based Sources (Paris Convention), Paris, 1974

Convention for the Protection of the Marine Environment of the North East Atlantic (OSPAR Convention), Paris, 1992

Convention for the Protection of the Marine Environment of the Baltic Sea Area (1974 Helsinki Convention), Helsinki 1974

Convention for the Protection of the Marine Environment of the Baltic Sea Area (1992 Helsinki Convention), Helsinki 1992

Conventions within the UNEP Regional Seas Programme

Convention on the Protection of the Black Sea against Pollution, Bucharest, 1992

Convention for the Protection and Development of the Marine Environment of the Wider Caribbean Region, Cartagena de Indias, 1983

Convention for the Protection, Management, and Development of the Marine and Coastal Environment of the Eastern African Region, Nairobi, 1985

Kuwait Regional Convention for Co-operation on the Protection of the Marine Environment from Pollution, [Kuwait](#), 1978

Convention for the Protection and Development of the Marine Environment and Coastal Region of the Mediterranean Sea (Barcelona Convention), Barcelona, 1976

Regional Convention for the Conservation of the Red Sea and Gulf of Aden Environment, Jeddah, 1982

Convention for the Protection of the Natural Resources and Environment of the South Pacific Region, Noumea, 1986

Convention for the Protection of the Marine Environment and Coastal Area of the South-East Pacific, Lima, 1981

Convention for Co-operation in the Protection and Development of the Marine and Coastal Environment of the West and Central African Region, Abidjan, 1981

### **3. Major Conventions Regarding Living Resources:**

#### **Marine Living Resources**

Convention on the Conservation of Antarctic Marine Living Resources (CCAMLR), Canberra, 1980

International Convention for the Conservation of Atlantic Tunas (ICCAT), Rio de Janeiro, 1966

International Convention for the Regulation of Whaling (ICRW), Washington, 1946

#### **Nature Conservation and Terrestrial Living Resources**

Antarctic Treaty, Washington, D.C., 1959

Convention Concerning the Protection of the World Cultural and Natural Heritage (World Heritage Convention), Paris, 1972

Convention on Biological Diversity (CBD), Nairobi, 1992

Convention on the Conservation of Migratory Species of Wild Animals (CMS), Bonn, 1979

Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), Washington, D.C., 1973

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Convention to Combat Desertification (CCD), Paris 1994

FAO International Undertaking on Plant Genetic Resources, Rome, 1983

International Tropical Timber Agreement, 1994 (ITTA, 1994), Geneva, 1994

### **Freshwater Resources**

Convention on the Protection and Use of Transboundary Watercourses and International Lakes, Helsinki, 1992

### **4. Major Conventions Regarding Nuclear Safety:**

Convention on Assistance in the Case of a Nuclear Accident or Radiological Emergency (Assistance Convention), Vienna, 1986

Convention on Early Notification of a Nuclear Accident (Notification Convention), Vienna, 1986

Convention on Nuclear Safety, Vienna, 1994

Vienna Convention on Civil Liability for Nuclear Damage, Vienna, 1963

### **5. Major Intergovernmental Organizations**

Commission on Sustainable Development (CSD)

European Union (EU): Environment

Food and Agriculture Organization (FAO)

Global Environment Facility (GEF)

International Atomic Energy Agency (IAEA)

International Council for the Exploration of the Sea (ICES)

International Fund for Agricultural Development (IFAD)

International Labour Organization (ILO)

International Maritime Organization (IMO)

International Monetary Fund (IMF)

International Oil Pollution Compensation Funds (IOPC Funds)

Organization for Economic Co-operation and Development (OECD), Environment Policy Committee (EPOC)

United Nations Children's Fund (UNICEF)

United Nations Development Programme (UNDP)

United Nations Educational, Scientific, and Cultural Organization (UNESCO)

United Nations Environment Programme (UNEP)

United Nations Industrial Development Organization (UNIDO)

United Nations Population Fund (UNFPA)

World Bank

World Food Programme (WFP)

World Health Organization (WHO)

World Meteorological Organization (WMO)

World Trade Organization (WTO)

## **6. Major Non-Governmental Organizations**

Atmosphere Action Network East Asia (AANE)

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Climate Action Network (CAN)

Consumers International (CI)

Earth Council

Earthwatch Institute

Environmental Liaison Centre International (ELCI)

European Environmental Bureau (EEB)

Forest Stewardship Council (FSC)

Friends of the Earth International (FoEI)

Greenpeace International

International Chamber of Commerce (ICC)

International Confederation of Free Trade Unions (ICFTU)

International Planned Parenthood Federation (IPPF)

International Solar Energy Society (ISES)

IUCN-The World Conservation Union

Pesticide Action Network (PAN)

Sierra Club

Society for International Development (SID)

Third World Network (TWN)

Water Environment Federation (WEF)

Women's Environment and Development Organization (WEDO)

World Business Council for Sustainable Development (WBCSD)

World Federalist Movement (WFM)

World Resources Institute (WRI)

World Wide Fund For Nature (WWF)

### **7. Other Networking Instruments**

Arab Network for Environment and Development (RAED)

Global Legislators for a Balanced Environment (GLOBE)

Regional Environmental Center for Central and Eastern Europe (REC)

United Nations Non-Governmental Liaison Service (UN-NGLS)

# Appendices

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The demographic information for language, ethnicity and religion listed in CountryWatch content is

derived from a mix of sources including the Altapedia, Central Intelligence Agency Factbook, Infoplease, and State Department Background Notes.

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United States Department of State, Country Commercial Guides. Washington, D.C. [United States](#) of America. URL:[http://www.state.gov/www/about\\_state/business/com\\_guides/index.html](http://www.state.gov/www/about_state/business/com_guides/index.html)

The World Bank, Global Development Finance, Country Tables. 1999 to present. Washington, D.C.: The World Bank.

The World Bank Group, World Development Indicators. 1999 to present. Washington, D.C.: The World Bank.

Yearbook of Tourism Statistics, World Tourism Organization. 1998 to present. Madrid: The World Tourism Organization.

#### Note on Edition Dates:

The earlier edition dates are noted above because they were used to formulate the original country reviews and serve as the baseline for some of the information covered. Later editions have been used in some cases, and are cited as such, while other more recent online resources (cited above) contain recent and ever-updated data sets used for research.

#### Methodology Notes for Economic Data:

Estimates by CountryWatch.com of GDP in dollars in most countries are made by converting local currency GDP data from the International Monetary Fund World Economic Outlook to US dollars by market exchange rates estimated from the International Monetary Fund International Financial Statistics and projected out by the CountryWatch Macroeconomic Forecast. Real GDP was estimated by deflating current dollar values by the US GDP Implicit Price Deflator.

Exceptions to this method were used for:

- Bosnia-Herzegovina
- Nauru
- Cuba
- Palau
- Holy See
- San Marino
- Korea, North
- [Serbia](#) & Montenegro
- Liberia
- Somalia
- Liechtenstein
- Tonga
- Monaco
- Tuvalu

In these cases, other data and/or estimates by CountryWatch.com were utilized.

#### **Investment Overview**

C o r r u p t i o n   a n d   T r a n s p a r e n c y   I n d e x .   U R L :  
<http://www.transparency.org/documents/cpi/2001/cpi2001.html#cpi>  
<<http://www.transparency.org/documents/>

Deloitte Tax Guides. URL: <http://www.deloittetaxguides.com>

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Trade Policy Reviews by the World Trade Organization . URL: [http://www.wto.org/english/tratop\\_e/tpr\\_e/tp\\_rep\\_e.htm#bycountry](http://www.wto.org/english/tratop_e/tpr_e/tp_rep_e.htm#bycountry)

United States Department of Energy, Country Analysis Briefs. URL: <http://www.eia.doe.gov/emeu/cabs/contents.html>

United States Department of State, Background Notes. URL: [http://www.state.gov/www/background\\_notes/index.html](http://www.state.gov/www/background_notes/index.html)

United States Department of State, Country Commercial Guides. 1996-2006. Washington, D.C. U n i t e d S t a t e s o f A m e r i c a . U R L : [http://www.state.gov/www/about\\_state/business/com\\_guides/index.html](http://www.state.gov/www/about_state/business/com_guides/index.html)

World Bank: Doing Business. URL: <http://www.doingbusiness.org>

World Bank: Governance Indicators. URL: <http://info.worldbank.org/governance>

### **Social Overview**

Borden, G.A., Conaway, W.A., Morrison, T. 1994. *Kiss, Bow, or Shake Hands: How to do Business in Sixty Countries*. Holbrook, Massachusetts, 1994.

Center for Disease Control. URL: <http://www.cdc.gov>

Eldis Country Profiles. URL: <http://www.eldis.org/country/index.htm>

Ethnologue. URL: <http://www.ethnologue.com/>

Government of Australia Department of Foreign Affairs and Trade. URL: <http://www.dfat.gov.au/geo>

Government of Canada Foreign Affairs and International Trade. URL: [http://www.voyage.gc.ca/consular\\_home-e.htm](http://www.voyage.gc.ca/consular_home-e.htm)

Library of Congress Country Studies. URL: <http://lcweb2.loc.gov/frd/cs/cshome.html>

Lonely Planet. URL: <http://www.lonelyplanet.com/worldguide/>

Steve Kropla's Online Help For World Travelers. URL: <http://www.kropla.com/>

[United Kingdom](http://www.fco.gov.uk/) Ministry of Foreign and Commonwealth Office. URL: <http://www.fco.gov.uk/>

United Nations Human Development Report. URL: <http://www.undp.org/hdro>

UNICEF Statistical Database Online. URL: <http://www.unicef.org/statis/atoz.html>

[United States](http://www.cia.gov/cia/publications/factbook/index.html) Central Intelligence Agency, World Factbook. 2001. Washington, D.C.: Printing and Photography Group. URL: <http://www.cia.gov/cia/publications/factbook/index.html>

United States Department of State, Background Notes. URL: [http://www.state.gov/www/background\\_notes/index.html](http://www.state.gov/www/background_notes/index.html)

United States Department of State, Commercial and Business Affairs: Travel Tips. URL: [http://www.state.gov/www/about\\_state/business/cba\\_travel.html](http://www.state.gov/www/about_state/business/cba_travel.html)

United States Department of State, Bureau of Consular Affairs. URL: <http://travel.state.gov/>

World Health Organization. URL: <http://www.who.int/home-page/>

World News Connection, National Technical Information Service. Springfield, Virginia, USA.

Internet News Service, Xinhua News Agency (U.S.) Inc. Woodside, New York. URL: <http://www.xinhuanet.com/english/>

#### Note on Edition Dates:

The earlier edition dates are noted above because they were used to formulate the original country reviews and serve as the baseline for some of the information covered. Later editions have been used in some cases, and are cited as such, while other more recent online resources (cited above) contain recent and ever-updated data sets used for research.

#### Methodology Notes for the HDI:

Since 1990, the United Nations Development Programme, in concert with organizations across the globe, has produced the [Human Development Index](#) (or HDI). According to the UNDP, the index measures average achievement in basic human development in one simple composite index, and produces from this index a ranking of countries. The HDI is a composite of three basic components of human development: longevity, knowledge and standard of living. Longevity is measured by life expectancy. Knowledge is measured by combination of adult literacy and mean

years of schooling. Standard of living is measured by purchasing power, based on real GDP per capita (in constant US\$) adjusted for differences in international living costs (or, purchasing power parity, PPP). While the index uses these social indicators to measure national performance with regard to human welfare and development, not all countries provide the same level of information for each component needed to compute the index; therefore, as in any composite indicator, the final index is predicated on projections, predictions and weighting schemes. The index is a static measure, and thus, an incomplete measure of human welfare. In fact, the UNDP says itself the concept of human development focuses on the ends rather than the means of development and progress, examining in this manner, the average condition of all people in a given country.

Specifically, the index is calculated by determining the maximum and minimum for each of the three components (as listed above) and then measuring where each country stands in relation to these scales-expressed as a value between 0 and 1. For example, the minimum adult literary rate is zero percent, the maximum is 100 percent, and the reading skills component of knowledge in the HDI for a country where the literacy rate is 75 percent would be 0.75. The scores of all indicators are then averaged into the overall index.

For a more extensive examination of human development, as well as the ranking tables for each participating country, please visit: <http://www.undp.org>

#### Note on [History](#) sections

In some CountryWatch Country Reviews, open source content from the State Department Background Notes and Country Guides have been used.

### **Environmental Overview**

Environmental Profiles: A Global Guide to Projects and People. 1993. Linda Sobel Katz, Sarah Orrick, and Robert Honig. New York: Garland Publishing.

The Environment Encyclopedia and Directory, 2nd Edition. 1998. London: Europa.

Environmental Protection Agency Global Warming Site. URL: <http://www.epa.gov/globalwarming>

Food and Agriculture Organization of United Nations: Forestry. URL: <http://www.fao.org/forestry/site/sofo/en/>

Global Warming Information Page. URL: <http://globalwarming.org>

Introduction to Global [Environmental Issues](#), 2nd Edition. 1997. Kevin Pickering and Lewis Owen.

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London: Routledge.

Trends: Compendium of Data on Global Change. URL: [http://cdiac.esd.ornl.gov/trends/emis/em\\_cont.htm](http://cdiac.esd.ornl.gov/trends/emis/em_cont.htm)

United Nations Environmental Program. URL: [http://www.unep.org/GEO/GEO\\_Products/Assessment\\_Reports/](http://www.unep.org/GEO/GEO_Products/Assessment_Reports/)

United Nations Global Environmental Outlook. URL: <http://www.unep.org/geo/geo4/media/>

United States Department of Energy, Country Analysis Briefs. URL: <http://www.eia.doe.gov/emeu/cabs/contents.html>

World Climate Data Online. URL: <http://www.worldclimate.com>

World Directory of Country Environmental Studies. 1996. The World Resource Institute.

World Factbook. US Central Intelligence Agency. Washington, D.C.: Printing and Photography Group.

1998-1999 World Resources Guide to the Global Environment by the World Resources Institute. May, 1998.

1998/1999 Yearbook of International Cooperation on Environment and Development. 1998. London: Earthscan Publications.

#### Note on Edition Dates:

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#### **Other Sources:**

General information has also been used in the compilation of this review, with the courtesy of governmental agencies from this country.

#### **News Services:**

CANA Daily Bulletin. Caribbean Media Agency Ltd., St. Michael, [Barbados](#).

Central and Eastern Africa Report, United Nations Office for the Coordination of Humanitarian Affairs - Integrated Regional Information Network for Central and Eastern Africa.

Daily News, Panafrican News Agency. Dakar, [Senegal](#).

PACNEWS, Pacific Islands Broadcasting Association. Suva, [Fiji](#).

Radio Free Europe/Radio Liberty. Washington D.C. USA.

Reuters News. Thomson Reuters. New York, New York. USA.

Southern Africa Report, United Nations Office for the Coordination of Humanitarian Affairs - Integrated Regional Information Network for Southern Africa.

Voice of America, English Service. Washington D.C.

West Africa Report, United Nations Office for the Coordination of Humanitarian Affairs - Integrated Regional Information Network for West Africa. 1998-1999

Note: Some or all these news services have been used to research various sections of this Country Review.

## **USING COUNTRYWATCH.COM AS AN ELECTRONIC SOURCE:**

### *MLA STYLE OF CITATION*

#### **Commentary**

For items in a "Works Cited" list, CountryWatch.com suggests that users follow recommended patterns for indentation given in the *MLA Handbook*, 4th edition.

#### **Individual Works**

**Basic form, using an Internet protocol:**

Author/editor. *Title of Print Version of Work*. Edition statement (if given). Publication information (Place of publication: publisher, date), if given. *Title of Electronic Work*. Medium. Available Protocol (if applicable):Site/Path/File. Access date.

**Examples:**

Youngblood-Coleman, Denise. *Country Review: France*. 2003. Houston, Texas: CountryWatch Publications, 2003. *Country Review:France*. Online. Available URL : [http://www.countrywatch.com/cw\\_country.asp?vCOUNTRY=61](http://www.countrywatch.com/cw_country.asp?vCOUNTRY=61) October, 12, 2003.

Note:

This is the citation format used when the print version is not used in the reference.

**Parts of Works**

**Basic form, using an Internet protocol:**

Author/editor. "Part title." *Title of Print Version of Work*. Edition statement (if given). Publication information (Place of publication: publisher, date), if given. *Title of Electronic Work*. Medium. AvailableProtocol (if applicable): Site/Path/File. Access date.

**Examples:**

Youngblood-Coleman, Denise. "People." *CountryWatch.com: France*. 2003. Houston, Texas: CountryWatch Publications, 2003. *CountryWatch.com: France*. Online. Available URL : [http://www.countrywatch.com/cw\\_topic.asp?vCOUNTRY=61&SECTION=SOCIAL&TOPIC=CLPEO&TYPE=TEXT](http://www.countrywatch.com/cw_topic.asp?vCOUNTRY=61&SECTION=SOCIAL&TOPIC=CLPEO&TYPE=TEXT). October 12, 2003.

Note:

This is the citation format used when the print version is not used in the reference.

***For further source citation information, please email:*** editor@countrywatch.com or education@countrywatch.com.

# CountryWatch

CountryWatch is an information provider for public and private sector organizations that operate globally. The management of CountryWatch has extensive international experience and has utilized this experience to provide a concise and useful set of political, economic, and business information for its clients in the form of Country Reviews, the Country Wire, CountryWatch Data, Elections Central, CountryWatch Videos and CountryWatch Forecast.

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