

## THE FIRST YEARS OF INDEPENDENCE

*Domestic politics: a promising start falters*

Although the rapidity of the disintegration of the Soviet Union, accelerated by the failed coup attempt in Moscow in August 1991, took everyone by surprise, it seemed that Ukraine had managed to capitalize on the situation and launch a twofold revolution: national, in the sense of emancipation from Moscow's rule, and democratic, in the sense of the de-Sovietization of the political system and the economy, and democratic state-building. The achievement of independence and international recognition crowned the first stage of Ukraine's resurgence; the continuation with democratic and economic reforms appeared to augur well for the successful progression of the second stage.

On the eve of the presidential elections, Kravchuk had acknowledged the desirability of holding new parliamentary elections to give a boost to democratic reform. He had pledged that if he won he would urge the Ukrainian parliament to adopt a new law on multi-party elections and a new constitution and then dissolve itself so that new elections could be held. The newly elected president kept his word: on 27 December 1991 he submitted a draft law on elections to the parliament and called on it to publish the proposed draft of Ukraine's new constitution.<sup>1</sup> The parliament, however, demonstrated that it was in no hurry to cut short its existence and ignored Kravchuk's call for new elections. This was an important missed chance for the fledgling state to clear the political decks and start off on a genuinely democratic footing.

Political parties in the full Western sense had not yet appeared and a functioning multi-party system still remained a future prospect. Kravchuk seems to have hoped that after the referendum he would be able to harness the support of Rukh and its allies and make them

<sup>1</sup> Radio Kyiv, 27 December 1991.

part of a broader social base. But as always, he seemed to want to have it both ways and to continue relying on his old team as well. During the presidential election campaign he had stressed that he was against 'purges' and drastic changes of personnel; he had argued that the old system was at fault and not individual officials. He continued, therefore, to support Fokin even though after the referendum the democratic opposition in the parliament began to press for his replacement by a bolder economic reformer.

Early in 1992, new political realignments within the democratic camp began to undermine its loose unity. First, the People's Council disintegrated as a new bloc emerged — the 'New Ukraine' group formed by some fifty liberals and moderate leftists committed to radical economic reform, including Yemets, Hrynov, Filenko and Shcherbak. This group broke new ground by announcing that it would form a shadow cabinet and the mere threat seems to have had an effect. In March, in what appeared to be an attempt to deflect growing criticism of his reluctance to ditch Fokin, Kravchuk appointed the candidate of New Ukraine, Volodymyr Lanovy, as minister for economics and deputy prime minister.

Outside the parliament, the democratic forces split over the issue of whether or not to give their political support to the president — he had, after all, only recently been their ideological adversary and many still distrusted him. Chornovil led the opposition within Rukh to the national democrats becoming too closely identified with the presidential administration and advocated adopting a position of 'constructive opposition' to it. Like many other democrats, he believed that independent Ukraine was being ruled and run by a 'party of power' made up of representatives of the old Communist *nomenklatura*, or partocracy, who had simply made an opportunistic switch in their allegiance from Moscow to Kyiv. At the beginning of March 1992, he argued at the third Rukh Congress that most of the map of Ukraine should still be coloured red because the old Communist structures and personnel were still largely in place and would not be removed if the democrats did not actively oppose them.

On the other hand, Drach, Pavlychko, the Horyns (Mykhailo and Bohdan) and various other democratic leaders considered that, during this formative period when the country's independence needed to be firmly consolidated and friction with Russia remained a source of serious concern, Kravchuk, as the embodiment of

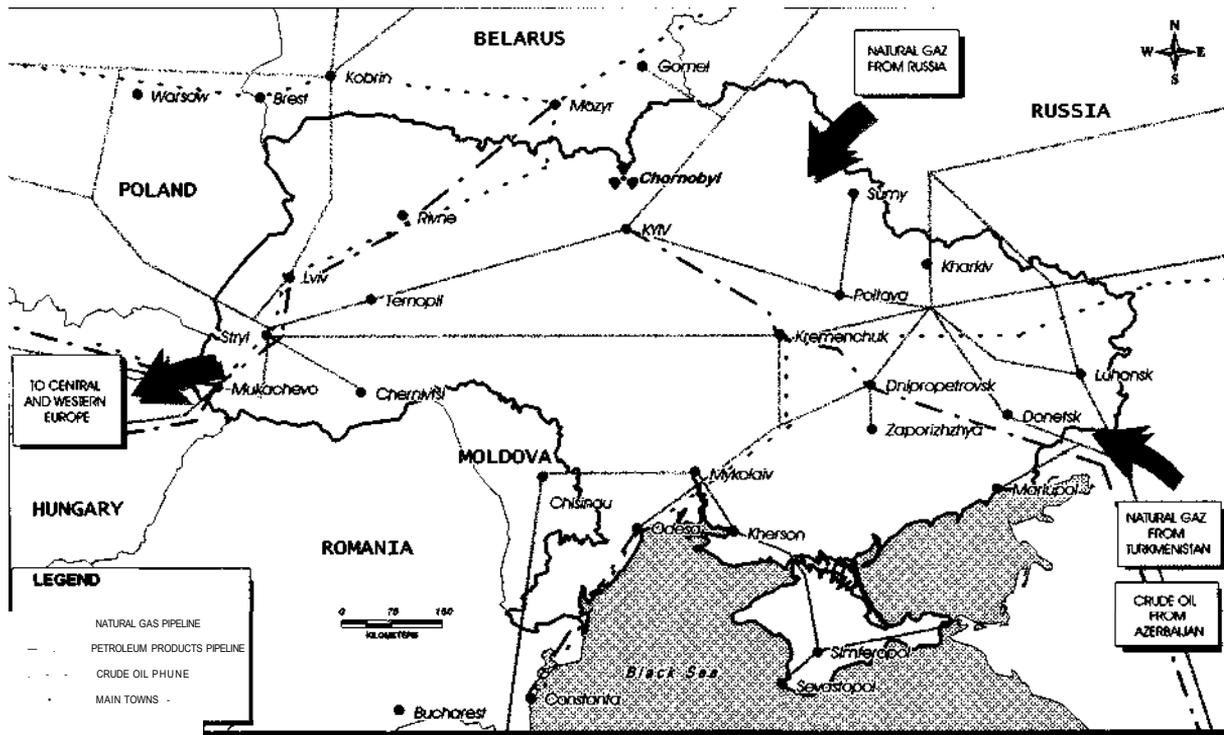
Ukraine's territory and therefore tariffs for the transit of the fuels were involved. Furthermore, the large-diameter pipes used by the Soviet fuel industry were produced in Ukraine and, like the former USSR's oil, their price was still much lower than similar pipes being produced outside of the CIS. In addition to this, Ukrainian technicians and workers played an important role in Russia's fuel industries; the 1989 census had registered 260,000 Ukrainians in the oil-producing Tyumen region in western Siberia (the majority of whom had moved there between 1979 and 1989 and over two-thirds of whom named Ukrainian as their mother tongue).<sup>3</sup> Nevertheless, before Kyiv and Ashgabat eventually worked out a deal, Ukraine experienced what being a hostage in an energy trap entailed. The Ukrainian leadership began to look around in earnest for new sources of fuel and turned hopefully to, among others, Iran and Kuwait. In March, Fokin also travelled to western Siberia to try and arrange direct deals with Russian oil and gas producing enterprises.<sup>4</sup>

Although by early March Kravchuk was proposing to the parliament that it declare a 'state of economic emergency' for the remainder of 1992, there were also some hopeful developments. During the spring the parliament adopted several economic laws which, at the time, were hailed as amounting to the burial of Soviet Socialism in Ukraine. They included laws on the privatization of large and small enterprises, on foreign investment, and a land code dealing with the privatization of land. Ukraine also agreed on terms to join the International Monetary Fund (IMF) and was also admitted to the World Bank. By the middle of the year, when the government finally won parliament's approval for the budget for 1992, Ukraine seemed poised to move out of the rouble zone and, if a stabilization fund was obtained from the IMF, to introduce a national currency — the hryvnya.

There was progress, too, in other spheres. In June 1992 the Constitutional Commission submitted the draft of a new constitution to the parliament which proposed a compromise between

F.D. Zastavny, *Skhidna Ukrainska Diaspora* [The Eastern Ukrainian Diaspora], (1992, Lviv), pp. 83-91.

See Oles M. Smolansky's illuminating study of this crucial aspect of independent Ukraine's economic and security predicament, 'Ukraine's Quest for Independence: The Fuel Factor', *Europe-Asia Studies*, vol. 47, no. 1 (1995), pp. 67-74.



MAIN OIL AND GAS PIPELINES

presidential and parliamentary forms of rule. This seemed to offer a timely opportunity to stave off looming problems over the absence of an up-to-date division of powers. That same month the parliament passed laws establishing a Constitutional Court and guaranteeing the rights of national minorities.

Abroad, too, independent Ukraine sought to demonstrate its commitment to the democratic rule of law. In February 1992 it gained admission to the CSCE process when President Kravchuk signed the Helsinki Final Act in the Finnish capital and by the summer was signalling its desire to become a member of the Council of Europe and to sign the European Human Rights Convention.

After this 'peak', however, the reform process in Ukraine — both in the political and economic spheres — began to peter out. Who or what blocked reform, whether there was a loss of political will to push forward in the spirit of the pledges that were made on the eve of the referendum, and whether domestic developments were influenced more by 'subjective' or 'objective' factors, are some of the key questions which historians of this period will need to address.

Some tentative answers can, however, be proposed. The onerous legacy of the past was of course a factor. After centuries of imperial and totalitarian rule, Ukraine was handicapped by the lack of democratic experience and of a developed democratic political culture, a shortage of cadres trained in the new democratic ways and Western economic know-how, provincialism, the survival of old structures staffed by former Communists intent on preserving their old privileges and influence, and widespread political cynicism and corruption. This, against the background of the crippling economic problems and tensions with Russia, made the building of a new democratic state a daunting task.<sup>5</sup>

As the economic difficulties mounted and the need for decisiveness in moving forward with market reforms increased, the fear of the restive Donbas and of explosions of social discontent seemed to have remained uppermost in the minds of many Ukrainian politicians. In fact, the need to provide some kind of social safety net, as well as the growing struggle for control over decision making between the parliament, which had got used to acting as a combined

For a perceptive and stimulating discussion of the problems and challenges facing the independent Ukrainian state, see Alexander J. Motyl, *Dilemmas of Independence: Ukraine after Totalitarianism*, New York, 1993.

legislature and executive, and the presidential apparatus and the government, emerged as obstacles to bold reform.

The pace of economic reform was to remain disappointingly slow. The government's decision at the beginning of July to free food prices drew protests and Kravchuk appears to have got cold feet. When, a week later, Lanovy announced his resignation claiming that old Soviet-style views and 'economic inertia' were gaining ground and that reforms were being blocked, Kravchuk replaced him with a conservative, Valentyn Symonenko. The Fokin government failed to control inflation and the devaluation of the Ukrainian quasi-currency and instead pursued fiscal and monetary policies which in the circumstances suggested not only mismanagement but also irresponsibility.<sup>6</sup>

The lack of a clear sense of direction and leadership as regards reform was to exacerbate Ukraine's internal problems and increase social discontent. In these conditions, the pro-Communist forces within and outside the parliament gradually began to reassert themselves. The same process, for somewhat different reasons (anger about the way in which the USSR and what it represented had been 'destroyed' from within, and opposition to Gaidar's reforms) was also evident in Russia where the diehard Communists, such as Gennadii Zyuganov, formed a common front against the Yeltsin administration with ultra-nationalists, such as Vladimir Zhirinovskiy and Sergei Baburin. The growing strength of these 'red-brown' forces in Russia which were nostalgic for the old Union was to embolden the more hard-line Communists in Ukraine who, after the fiasco of the attempted coup in Moscow, had kept a low profile.

Developments in Russia were also to have an influence on Ukraine in another way. Certainly, Ukraine's deepening economic crisis was compounded by the country's energy dependence on Russia and its growing trade deficit. But Ukrainian politicians were also watching Russia's difficult experience with the 'shock therapy' approach to economic reform inaugurated by Gaidar's team. What they witnessed dampened the enthusiasm for radical and rapid economic change. More and more of them, democrats unhappy with Fokin included, came to reject the shock therapy approach as

<sup>6</sup> On Ukraine's economic problems during its first year of independence, see Simon Johnson and Oleg Ustenko, 'Ukraine on the Brink of Hyperinflation', *REF/RL Research Report* vol. 1, no. 50, (18 December 1992), pp. 51-59.

inappropriate for Ukraine's conditions and instead sought a gradual and cautious transition towards a mixed economy. Consequently, during the course of the next year or two, economic reformers such as Lanovy and Viktor Pynzenyk, who advocated a bold and decisive push in the direction of a market economy, became popular in the West but were to become effectively marginalized at home.

#### *Early foreign and security policy challenges*

One of independent Ukraine's priorities was to ensure, as rapidly as was feasible, that it would have the capacity to defend its sovereignty. It was generally believed that one of the main reasons why Ukraine had been unable to sustain independence in the period 1917-20 was because its Socialist leaders had neglected to create adequate armed forces. After the reminder in August 1991 of how precarious Ukraine's sovereignty was, Kravchuk and the former national Communists were in full agreement with the national democrats that the 'mistake' of the founders of the Ukrainian People's Republic should not be repeated. Consequently, the determination and speed with which the Ukrainian authorities continued to press ahead with the creation of national armed forces surprised, and initially startled, the former Soviet top brass, Russian politicians unable to come to terms with Ukrainian independence, and some Western states.

Having reached agreement with Russia and the United States on the fate of the nuclear weapons based in Ukraine and secured general recognition within the CIS framework of its right to create national armed forces, during the first half of January 1992 Kyiv asserted its control over all of the former Soviet military units stationed in Ukraine, except strategic forces. Former Soviet servicemen serving on Ukrainian territory were offered the opportunity to take an oath of allegiance to 'the people of Ukraine' and relatively lucrative terms. Those who did not wish to serve were free to leave for other states. Within the first three months, some 480,000 officers and servicemen were to take the oath of loyalty to Ukraine and some 40,000 who refused were sent to other parts of the CIS.

In Russia, these Ukrainian moves generally met with little understanding, shock and indignation, the situation being aggravated by Kyiv's claims to the Black Sea Fleet. The speaker of the Russian parliament, Ruslan Khasbulatov, declared that Russia

would not allow another state to seize 'its' armies and fleets, while Sobchak claimed that the new Ukrainian armed forces would constitute 'a landmine under the future of all mankind'. Yeltsin, who at the end of December had suggested that Russia might agree to divide the Fleet, stated on 9 January that it 'was, is and will remain Russia's'.<sup>7</sup>

Two weeks later, on 22 January, Moscow's *Komsomolskayapravda* published excerpts from a letter Khasbulatov from the head of the Russian parliament's Committee on Foreign Affairs and External Economic Ties, Vladimir Lukin, which revealed both the problems which Ukraine's independence was posing for Russian policy makers and what their reactions were. Lukin advised the head of the Russian parliament that Ukraine was planning 'to sever completely [its] special relations with Russia, including in the military-political sphere', and that in asserting a neutral stance it in fact intended to follow the lead of other East European states and move westward 'without us'. As a response to Ukraine's claims to the Black Sea Fleet and Kyiv's independent course generally, he recommended that Russia play the Crimean card and apply economic leverage. The following day, tensions between the two states were further exacerbated when the Russian parliament challenged the legal validity of the transfer in 1954 of Crimea to Ukraine. Kravchuk responded to these Russian actions by condemning what he called Russia's 'imperial disease'.<sup>8</sup>

Despite the deterioration of Ukrainian-Russian relations, Ukraine continued transferring tactical nuclear missiles to Russia. In mid-March, however, when over half of them had been handed over, Kravchuk temporarily suspended the process, complaining that Ukraine needed to be certain that the weapons were actually being destroyed. By now, the Ukrainian parliament was also beginning to have serious doubts about the wisdom of handing over nuclear arms to a potential adversary and there was growing concern that Western states did not really understand Ukraine's security concerns.

After a flurry of diplomatic activity involving the Bush ad-

<sup>7</sup> See Stephen Foye, 'CIS: Kiev and Moscow Clash over Armed Forces', *RFE/RL Research Report* no. 3 (17 January 1992), pp. 1-3.

<sup>8</sup> On this, and for a comprehensive discussion of the Ukrainian-Russian relationship in the first years after independence, see Roman Solchanyk, 'Russia, Ukraine, and the Imperial legacy', *Post-Soviet Affairs* vol. 9, no. 4 (October-December 1993), pp. 337-65.

ministration, some of the problems were resolved. In April, on the eve of an official visit to Washington by Kravchuk, Ukraine agreed to resume the transfer of tactical nuclear weapons to Russia. A satisfied Kravchuk explained that having viewed Ukraine 'as being in the orbit of Russia's foreign policy', Washington had now adopted 'a constructive line' towards Ukraine. In fact, during the Ukrainian leader's trip to the United States in early May, President Bush announced that Washington would be upgrading its bilateral relations with Kyiv. For his part, the Ukrainian president was able to confirm that Ukraine had completed the transfer of tactical nuclear weapons to Russia well ahead of schedule. But he also introduced a new note, which would now figure prominently in Ukrainian diplomacy: he emphasized that Ukraine had in fact agreed to carry out unilateral nuclear disarmament but that it feared nuclear blackmail and pressure from the nuclear power to its north and would seek security guarantees from the West. Although he failed to secure the latter, Kravchuk managed to obtain recognition of Ukraine's right to be a party to the START-1 treaty and pledges of American assistance for Kyiv's nuclear disarmament efforts.

After further negotiations, Ukraine joined Russia, Belarus and Kazakhstan on 23 May in signing a protocol in Lisbon formally committing them to ratifying the START treaty in 'accordance with their constitutional practices'. While undertaking to eliminate all nuclear weapons located on its territory within the seven-year period provided for in the treaty, Ukraine appended two supplementary documents in which it insisted on guarantees 'of its national security' and 'reliable international control' over the fate of nuclear warheads being transferred to Russia for destruction.<sup>9</sup>

This breakthrough, and the fact that in March Ukraine had been admitted along with other ex-Soviet states to the newly formed NATO-sponsored North Atlantic Cooperation Council, while in May it had joined the North Atlantic Assembly, strengthened the Ukrainian leadership's sense of confidence in defending the country's interests.

At a CIS summit meeting in Tashkent in early May, the commonwealth's members agreed on how to divide up the USSR's conventional forces in accordance with the limitations contained in the 1990 treaty on reducing Conventional Forces in Europe (CFE)

<sup>9</sup> Nahaylo, 'The Shaping of Ukrainian Attitudes . . .', pp.31-7.

which Gorbachev had signed on behalf of the USSR. Ukraine seems to have done quite well out of the deal, being allocated about 27% of the share-out, compared to Russia's 54% and Belarus's 12%, which included 4,080 tanks, 5,050 armoured vehicles, 4,040 artillery pieces, 1,090 combat aircraft and 330 attack helicopters. During the next few weeks, Ukraine joined seven other former Soviet republics in formally adhering to the CFE treaty. According to the agreement, the maximum troop levels were fixed at 450,000 for Ukraine and 1,450,000 for Russia (in its European regions).<sup>10</sup>

Despite this progress, relations between Moscow and Kyiv remained strained, especially over the issues of the Black Sea Fleet and Crimea. Various Russian politicians, including Rutskoï, Stankevich and Sobchak, expressed their support for the Russian secessionist forces in the peninsula and asserted Russia's claims to the territory. In March, a group of Ukrainian radical nationalists led by Khmara also arrived in Crimea and inflamed the situation with their demonstrations. Meanwhile, tens of thousands of Crimean Tatars were continuing to return to Crimea from Central Asia and, finding the local authorities unhelpful or openly hostile, were not only demanding equal political, social and economic rights, but also seizing land and establishing compact squatter settlements. During March, over 1,000 Crimean Tatar representatives went to Kyiv and attempted to draw attention to their plight, but the militia forcibly broke up their peaceful protests. All this complicated the already difficult work which Kyiv and Simferopol were engaged in to delineate powers between Ukraine and the autonomous Crimean state. At the end of March, the Crimean and Ukrainian parliamentary delegations managed to reach an agreement on the terms of an arrangement, but the arrival of Rutskoï and Stankevich in Crimea on Yeltsin's behalf, and a subsequent Russian-Ukrainian 'war of decrees' over the ownership of the Black Sea Fleet, undermined it. The Ukrainian parliament responded by watering down the terms of the power-sharing agreement and a crisis developed.

In early May, the Crimean parliament unexpectedly declared the independence of the peninsula pending its endorsement in a local referendum. The Ukrainian parliament rejected the proclamation as unconstitutional and invalid. After a tense fortnight, the Crimean parliament backed down and eventually settled for concessions made

by the Ukrainian parliament in a law 'On the Delineation of Power Between the Organs of State Rule of Ukraine and the Republic of Crimea' which broadened the republic's autonomous status as a constituent part of Ukraine. In return, the Crimean parliament annulled the declaration of independence and placed a moratorium on the referendum.

With Russian politicians continuing to encourage the separatists in Crinaea and the Ukrainian parliament insisting that the autonomous republic bring its constitution and laws into line with those of Ukraine, the compromise reached between Kyiv and Simferopol was to remain a precarious one. On 21 May, for instance, at a delicate moment in the standoff between Kyiv and Simferopol, the Russian parliament voted to declare the transfer of Crimea to Ukraine illegal and invalid.<sup>11</sup> A few days later, the Russian press reported that Baburin, a leading figure in the red-brown anti-Yeltsin opposition, had threatened the Ukrainian ambassador in Moscow that 'either Ukraine reunites with Russia or there will be war'.<sup>12</sup>

The escalation of the conflict in Moldova, which too involved a Russian factor, also posed an early foreign policy challenge for independent Ukraine. With refugees pouring into the Odesa region, and armed Russian Cossack volunteers making their way to the 'Dniester Republic', Kyiv was anxious to contain the conflict and in March sealed Ukraine's border with Moldova. The situation was further complicated in early April by Yeltsin's announcement that Russia was taking over the former Soviet 14th Army based in Transdnistria, which had not concealed where its sympathies lay, and by Ruskoi's visit to the capital of the 'Dniester Republic', Tiraspol, and the strong support which he expressed for the breakaway 'Russian' enclave only days after similar provocative behaviour in Crimea.

The common opposition of Moldova, Romania and Ukraine to a Russian military involvement or continuing presence in Transdnistria led to the shelving of territorial disputes, which permitted the gradual normalization of relations between Kyiv and

<sup>11</sup> On the developments concerning Crimea, see Solchanyk, 'The Politics of State Building', pp. 53-7, and Viacheslav Pikhovshek, 'Will the Crimean Crisis Explode?' in Maria Drohobycky (ed.), *Crimea: Dynamics, Challenges, and Prospects*, (Lanham, MD, 1995), pp. 39-65.

<sup>12</sup> *Izvestiya*, 26 May 1992.

Bucharest. Indeed, in April Moldova and Romania jointly supported the idea of establishing a Ukrainian peace-keeping force in the conflict zone, a proposal which Kyiv found too risky to take up. By June, Ukraine was offering to mediate and calling for the 'Dniester Republic' to be given the status of an autonomous republic within Moldova, with the right to decide its own fate if the latter chose to merge with Romania.<sup>13</sup>

On 23 June, Kravchuk and Yeltsin met in Dagomys and managed, rather unexpectedly, to patch up bilateral relations. Ten days later, they met again in Yalta and continued the process. At their two Crimean summit meetings the two presidents signed several accords which they described as marking a turnaround in Russian-Ukrainian relations. They agreed, among other things, to establish joint Russian-Ukrainian control over the Black Sea Fleet for an interim period of three years during which the issue of ownership was to be decided, that Ukraine was entitled to 16.3% of former Soviet assets abroad, that the Russian-Ukrainian border would remain open and without a visa-system (though customs posts were to be gradually established), that the two countries would move to settle their trade accounts on the basis of world prices, that the leaders of the two countries would continue to have regular summit meetings, and that a new, comprehensive bilateral 'political' treaty, based on the principles established in the Russian-Ukrainian treaty of November 1990 and subsequent bilateral agreements, would be prepared on good-neighbourly relations.<sup>14</sup>

These Russian-Ukrainian agreements indicated that both leaders wanted to avoid deepening the rift between their two countries and were prepared to search for compromises. Nevertheless, although Yeltsin himself was to studiously refrain from meddling in the Crimean issue - to his credit, he treated it as an internal problem of Ukraine - the continuing inflammatory statements by other Russian politicians which challenged Ukraine's independence and territorial integrity, and criticized its attitude towards the CIS, were nevertheless to reinforce Ukraine's sense of insecurity. This was to be reflected in the Ukrainian parliament's toughening of its position on the issue of nuclear arms.

<sup>13</sup> See Nahaylo, 'Moldovan Conflict . . .', and Radio Kyiv, 22 June 1992.

<sup>14</sup> For the text of the Russian-Ukrainian agreement signed in Dagomys, see *Polityka i chas*, nos 7-8 (July-August 1992), pp.21-2.

However, the papering-over of differences between Russia and Ukraine, at least at the presidential level, did not mean that Kravchuk was prepared to soften his line on the CIS. At the various CIS summits during the first half of 1992, Ukraine, together with Moldova, Turkmenistan and Azerbaijan, had refused to join a CIS collective security pact, sign various documents on joint armed forces and to support the idea of a CIS inter-parliamentary assembly. In Dagomys, Kravchuk told journalists that Ukraine was not out to wreck the CIS, 'as it is being presented'.<sup>15</sup> He emphasized, nevertheless, that although in Kyiv's view a better-working CIS was desirable, this was one thing, and the transformation of the CIS into a supra-national entity, another. After the very next CIS summit, held in Moscow on 6 July, he reiterated: 'We insist that. . . the CIS is neither a state nor the subject of international law.' The Ukrainian president was to continue opposing moves towards greater integration and the idea of a CIS Charter.

In fact, for all the economic and military threads still binding it to the East, as Kravchuk's trips to Washington, Paris, Bonn, Brussels and Helsinki indicated, independent Ukraine's orientation was clearly pro-Western. But while realism told Ukraine's leaders that they could only look longingly at the European Community from afar, they entertained hopes of forging a closer relationship with some of their immediate neighbours to the west, especially the Visegrad Triangle, consisting of Hungary, Poland and Czechoslovakia, and the broader Central European Initiative (of which the latter three were members), and using these groups as a bridge to the West. Consequently, Kyiv continued to cultivate ties with Budapest, Warsaw and Prague.<sup>16</sup>

Independent Ukraine's active foreign policy and search for trading partners reached in other directions as well, as President Kravchuk's visits to India and Iran in the spring, and to China in October, demonstrated. Closer to home, Ukraine also established good working relations with its neighbour across the Black Sea — Turkey. In June, President Kravchuk was among the signatories in

<sup>15</sup> ITAR-TASS, 23 June 1992.

<sup>1</sup> See Bohdan Nahaylo, 'Ukraine and the Visegrad Triangle', *RFE/RL Research Report*, vol. 1, no. 23 (5 June 1992), pp. 28-9; and Stephen R. Burant, 'Foreign Policy and National Identity: A Comparison of Ukraine and Belarus', *Europe-Asia Studies*, vol. 47, no. 7 (1995), pp. 1127-39).

Istanbul of a Black Sea Region Cooperation Treaty.

During the summer of 1992, Ukraine also sent a battalion of 'blue-helmets' to serve with the UN peace-keeping forces in Bosnia. This support for the UN's operations in former Yugoslavia was seen by Kyiv as an opportunity to boost Ukraine's international reputation and to provide its new army with practical experience. It contrasted with the reluctance to be involved in Russian-led peace-keeping initiatives in the CIS area. Ukraine also conformed with the sanctions imposed by the UN Security Council in May of that year against rump Yugoslavia, which cost the country dearly in terms of the loss and disruption of trade on the Danube.

Thus, during the initial period after independence, Ukraine's activity in the external sphere was rather more successful than in the domestic arena. During the first nine months or so of 1992, Ukraine secured further diplomatic recognition, and representation in the CSCE and other international and regional organizations and financial institutions, developed bilateral ties with a host of countries and participated directly in important international disarmament treaties which regulated its military and quasi-nuclear status. Some of the initial problems with Russia also seemed to have eased.

### *Courting disaster*

At the end of September, the impatience with Fokin's hesitant approach to dealing with Ukraine's economic crisis had become so pervasive that, despite Kravchuk's continuing efforts to support the prime minister, the parliament brought down the government. Kravchuk's preferred candidate, Symonenko, did not obtain enough support and on 13 October, as students demonstrated again outside the parliament, the president proposed fifty-four-year-old Leonid Kuchma to head the new government. A technocrat, he was backed by New Ukraine and some of the industrial lobby as well as Plyushch. The parliament approved his nomination by a large majority. The fall of the Fokin government shifted power away from president to parliament, and the appointment of Kuchma meant that Kravchuk no longer had a close ally as head of government.

Although Kuchma, the former director of the world's largest rocket factory in Dnipropetrovsk, was the product of the Soviet military-industrial complex, he had apparently become convinced

of the virtues of the free market and stressed that there could be no going back to the old system. Describing the situation in Ukraine as not an 'economic crisis . . . but an economic catastrophe', he declared that his goal was to 'transform the post-Socialist economy into a market economy', through 'evolutionary' reform which avoided shock therapy and relied on a combination of 'administrative and market methods'. The new prime minister called for a reduction in the budget deficit (Fokin's government had issued cheap credits to the state sector, increasing the budget deficit and inflation) and the country's high corporate taxation, the restoration of economic links with Russia and other former Soviet republics and the expansion of ties with the West, the decentralization of powers to the regions, and an anti-corruption campaign to reduce the large-scale theft of Ukraine's property and revenues.<sup>17</sup>

The new prime minister lost no time in asserting his authority. After successfully insisting that the State Duma be dissolved, he proceeded to form what appeared to be a coalition government in all but name. It included representatives from the democratic and reformist camps, such as Yukhnovsky, who became first deputy prime minister, Pynzenyk, deputy prime minister responsible for economic reform, and Zhulynsky, deputy prime minister responsible for humanitarian affairs. Although Zlenko and Morozov remained at their posts in the foreign and defence ministries, Kuchma also made it clear that the new government would pursue a more pragmatic approach towards nuclear disarmament.

The following month, Kuchma persuaded the parliament to grant him extraordinary powers for six months to deal with the collapsing economy. Ukraine also effectively left the rouble zone and the karbovanets became its interim currency. With the new prime minister determined to press ahead with stabilization measures and a campaign against official corruption, it seemed that Ukraine was finally setting off on the road to recovery. But, after what appeared to be a promising new start, things soon went badly wrong.

An immediate priority was to ease the country's fuel shortage. Although Ukraine and Turkmenistan had patched up their differences in September, Russia was reducing deliveries of oil to the CIS countries and in November Yeltsin declared that states which had

On Kuchma and his views, see Chrystia Freeland's interview with him, *Financial Times*, 21 December 1991.

left the rouble zone should pay Russia in hard currency. This move coincided with Ukraine's opposition at CIS summits in Bishkek and Moscow in late 1992 to the adoption of a CIS Charter and growing external pressure on Kyiv to ratify the START-1 agreement, and was therefore perceived by Kyiv as a Russian attempt to use fuel as a weapon. In January 1993 Kuchma made his second trip to Moscow since being appointed prime minister but failed to bring home good news: his Russian counterpart, Viktor Chernomyrdin, confirmed that Russia would supply significantly less oil and natural gas in 1993 than in the previous year. The quota was fixed in mid-January 1993 at a Russian-Ukrainian summit meeting in Moscow, at which Russia undertook to supply only 20 million tons of the 45 million tons of oil which Ukraine had requested. The following month, though, Kuchma complained that Russia was not delivering the fuel it had promised and was trying to 'paralyze' Ukraine. When, later that same month, Moscow disregarded recent agreements and announced that it would charge Ukraine world prices for natural gas, Kyiv retaliated by raising the transit tariff for Russian gas to more than double the world price.

The Ukrainian government desperately continued trying to secure additional sources of fuel. Yukhnovsky and Kuchma made trips to Kazakhstan and Central Asia and achieved modest successes. There were further negotiations with Iran, but the failure to move forward with the implementation of agreements reached the previous year, including an ambitious project for the construction of gas pipelines to carry Iranian gas to Europe via Azerbaijan and Ukraine, indicated that the costs and political and technical difficulties were too great. With no other viable alternatives for the time being to the problematic supplies from Russia, Ukraine agreed in early March at a meeting of CIS heads of government in Surgut to join the other CIS countries in helping the Russian Federation develop its oil and gas reserves. By the following month, Kuchma was left reminding the Ukrainian parliament of the harsh realities: that the Ukrainian economy remained dependent on Russian energy, that Russian-Ukrainian relations were 'determined by political factors', and that because Russia would be raising its fuel prices, Ukraine's economic situation would worsen.

While in January Kuchma described Russian-Ukrainian relations

as his government's 'biggest headache', the fuel crisis and Russia's economic pressure formed only the backdrop to the prime minister's other problems. Despite his appeals to the population for understanding and support, when the government embarked on a stabilization programme ending subsidies on most agricultural and industrial goods, raising prices of food, transport and municipal services, and stepping up the fight against corruption, there was the predictable negative political and social reaction. By February 1993, miners in the Donbas and transport workers in Kyiv were on strike. Moreover, pro-Communist forces, pressing for the ban on the CPU to be lifted, exploited the aggravated social discontent, especially in the industrialized eastern and southern regions, to organize opposition not only to the government's emergency measures but also, increasingly, to the pro-Western and market-oriented course adopted by independent Ukraine.

So 1993 was to see a resurgence of leftist and neo-Communist forces which were opposed to Western-style reforms and favoured re-establishing closer ties with Russia, or even restoring the Union. Depicting themselves as the defenders of the social and economic rights of the workers and farmers, the leftist leaders argued that the principles of social protection and social justice ruled out any radical reform. Their allies included the 'red directors'—the powerful conservative bosses of large enterprises who wanted to preserve their influence and privileges and who in December 1992 had founded the Labour Party of Ukraine (LPU) in Donetsk.

In the meantime, the democratic forces were increasingly plagued by disunity and the inability to mobilize sufficient popular support. During the latter part of 1992, Rukh, which after its internal split was now dominated by Chornovil — Kravchuk's staunch critic—and New Ukraine had launched a campaign to gather 3 million signatures required by law to initiate a referendum on early parliamentary elections. They had failed, though. Attempts at the beginning of 1993 to unite the fragmented democratic forces into a new coalition were only partly successful. Furthermore, the national democratic organizations were still finding it hard to extend their activity to the Russified eastern and southern regions. At the same time, though, frustration with the political and economic situation was resulting in the greater prominence in western and central Ukraine of radical-right groups, most notably the relatively small but well-dis-

ciplined Ukrainian People's Self-Defence (UNSO)-the paramilitary arm of the UNA.<sup>19</sup>

As social opposition to Kuchma's policy grew, conservative elements within the parliament, presidential apparatus and government itself hindered the stabilization and reform strategy. The prime minister was especially handicapped by his failure to secure control over the National Bank of Ukraine and the emission of credit. When, at the end of March, the National Bank extended fresh credits to industry and agriculture, the progress that had been made in recent months was undermined. The following month, Russia raised its oil and gas prices, which sent prices soaring in Ukraine. This in turn produced demands for more state subsidies.

Kuchma's economic measures brought him into conflict not only with the conservative majority in parliament but also with Kravchuk, who seemed to resent the emergency powers which Kuchma had been given. The obstacles facing Kuchma's team and the intensification of the struggle for control over economic policy was attested to in March, when Yukhnovsky left his post, and again in April, when Pynzenyk lost his portfolio to a conservative. In May, the parliament refused to prolong the government's extraordinary powers and Kuchma offered his resignation. The parliament rejected it, however, leaving him a lame duck prime minister.

In fact, this problem was only part of a three-way struggle for power between the parliament, president and government. During the late spring and summer of 1993 it resulted in political gridlock and saw Ukraine move to the brink of hyper-inflation. At the heart of the malaise was the lack of a precise division of powers, the struggle over which had delayed the adoption of a new constitution. In fact, now that the prime minister had been deprived of his temporary power to rule by decree, there continued to be a shift away from the presidential system which Kravchuk had sought to establish, towards a parliamentary one in which the president was being reduced to little more than a ceremonial figurehead.<sup>10</sup> The main beneficiary of this process was the speaker of the parliament,

" See the author's article on the emergence of the radical right in Ukraine in *RFE/RL Research Report* vol. 3, no. 16 (22 April 1994), pp. 42-9.

"" See Ihor Markov, 'The Role of the President in the Ukrainian Political System', *RFE/RL Research Report* vol. 2, no. 48 (3 December 1993), pp. 3-5.

Plyushch, who was becoming an increasingly influential political figure.

At least the political struggle in Kyiv did not turn as ugly as the growing confrontation in Moscow between Yeltsin and his supporters on the one hand, and the Russian parliament led by Khasbulatov, and its red-brown supporters, including Rutskoi, on the other. The continuing activation and regrouping of Ukraine's Communist forces and sympathizers, nevertheless, brought home the fact that forces from the past were still very much intent on playing a decisive role in the future. In March 1993, Ukraine's Communists had organized a conference in the Donbas. After the Presidium of the Ukrainian parliament effectively lifted, on 14 May, the ban on the CPU, Hurenko quickly organized a meeting in Donetsk at which the revival of the CPU was announced. Petro Symonenko, a former local Communist official was elected to head it (Hurenko had resigned as a deputy at the end of 1992 and did not attempt to play any further role in the revived CPU), and the leadership also included the deputies Oliinyk and Kotsyuba.

By now, both Kuchma and Kravchuk had in their own different ways acknowledged that Ukraine's dire economic situation necessitated a more accommodating attitude towards both Russia and the CIS. Their subsequent actions in this respect were to be criticized by opponents of a more pragmatic approach. In May, at a CIS summit in Moscow, Ukraine signed a joint declaration of intent to deepen economic integration. At the beginning of the following month, as Russia was preparing to suspend oil deliveries to Ukraine because of Kyiv's inability to pay off its mounting debt, Kuchma told the parliament that it was unrealistic to expect that Russia would agree to leave Sevastopol and he proposed that Ukraine lease the naval base in Sevastopol to it. Among those who opposed this was the minister of defence, Morozov. Two weeks later, Kravchuk and Yeltsin met in Moscow and concluded an agreement on the equal division of the Black Sea Fleet. From the provisions it was clear that the Russian part of the fleet would be stationed in Sevastopol and possibly elsewhere in Crimea on terms still to be agreed upon. That same month, Kuchma met with Chernomyrdin in Kyiv and agreed on the quotas of oil and gas which Russia would supply to Ukraine over the next six months at prices which would increase incrementally and reach the world level at the end of the year. The following month, with Ukraine still struggling to pay for the fuel and Russia

halting deliveries yet again, Kuchma was to initial an agreement with Russia and Belarus on closer economic integration.

Meanwhile, in June, the miners went on strike again and this time came out with political demands, including administrative autonomy for the Donbas. The Donetsk and Luhansk regional councils backed their call for regional autonomy and the latter also voted to make Russian a state language in its region alongside Ukrainian. Kravchuk saw his chance to reassert his authority and on 16 June issued a decree announcing that he was assuming personal control of the government and of a new committee to fight corruption. This led to another threat of resignation from Kuchma, and deputy parliamentary speaker Hrynov expressed his solidarity with the prime minister by stepping down. After five days, Kravchuk rescinded his decree and the political stalemate continued.

Had it not been for the miners' political ultimatum to official Kyiv that it hold referendums on public confidence in both the parliament and the president, it seems that the latter two would have continued squabbling without calling early elections to break the deadlock. Parliament reluctantly agreed to the miners' demands and scheduled the polls for 26 September. In August, however, after doubts were expressed about the legality of the referendums and concern was voiced about the precedents they would set (especially for Crimea and the Donbas), the parliament cancelled them. Only after railway workers in southern Ukraine went on strike at the beginning of September and Rukh had threatened to call an all-Ukrainian strike did the parliament finally agree to early elections. Kravchuk, too, gambled on shortening his term voluntarily by two years. Parliamentary elections were therefore scheduled for 27 March 1994, and presidential elections for 26 June 1994.

In the meantime, Kyiv's position *vis-a-vis* Moscow as regards Ukraine's fuel predicament was becoming 'untenable'. According to the author of a study of this problem, the Ukrainian administration had by now 'exhausted most of its options'. But

Kyiv still had some valuable assets that Moscow desired, including part-ownership of the Black Sea Fleet, the naval shore installations and support facilities, situated mainly in Crimea, and enterprises engaged in the transport and processing of fuel. The first step in the process of abandoning assets was taken in August, when

Ukraine offered Russia a small section of the oil pipeline situated on Ukrainian territory, as well as a 45% share in four of its six major refineries.<sup>21</sup>

Because the Ukrainian leadership was reluctant to reveal the full implications of the country's energy crunch, Kravchuk got himself into a political mess at a summit meeting on 3 September with Yeltsin in Massandra, outside of Yalta, when he apparently yielded more ground. The Russian and Western media reported that the Ukrainian president had agreed to sell Ukraine's share of the Black Sea Fleet to Russia to offset the country's debts and initial claims made by the Russian side suggested that he had also undertaken to hand over to Russia the nuclear warheads still left in Ukraine in return for nuclear fuel for atomic power stations. Although Kravchuk subsequently denied that a deal of this sort had been made in Massandra, the fact that he even considered selling off part or all of Ukraine's share of the Black Sea Fleet, and that his position was criticized by other members of the Ukrainian delegation at the summit, namely Morozov (who resigned in October) and first deputy prime minister Valerii Shmarov, undermined confidence in him even among his dwindling supporters."<sup>22</sup>

Kuchma had remained an embattled and controversial figure. His insistence on the need for improving economic relations with Russia, and readiness to reach compromises to this end, provided his opponents with ammunition. On 27 August Pynzenyk resigned, leaving the prime minister isolated within the government. When the parliament rejected further emergency measures which he was proposing, on 9 September Kuchma again submitted his resignation. This time the parliament accepted it.<sup>23</sup>

With the economic situation so abysmal, and the amount of manoeuvring and improvisation which Ukraine's internal and external situation demanded, it was difficult to assess Kuchma's efforts in terms of success or failure. For many he became an easy scapegoat; for others, despite his inconsistencies, he represented a thwarted pragmatic reformer who had at least tried to take hold of the controls and to pull Ukraine out of its tailspin.

Kuchma's departure provided Kravchuk with a chance to regain

<sup>21</sup> Smolansky, 'Ukraine's Quest . . .', pp. 84-5.

<sup>22</sup> See Bohdan Nahaylo, 'The Massandra Summit: Questions and Implications', *RFE/RL Research Report*, vol. 2, no. 37 (17 September 1993).

some lost ground and to boost his flagging popularity but he was to squander it. First, though, at the next CIS summit held in Moscow on 24 September, the president agreed to Ukraine's associate membership in the new CIS economic union. A few days later he assumed responsibility for forming and directing a new government. He appointed a highly conservative caretaker Cabinet of Ministers which did not contain a single identifiable reformer. It was headed by Yukhym Zvyahilsky, the former mayor of Donetsk, with Valentyn Landyk, another politician from the Donbas who like Zvyahilsky was associated with the LPU, as his deputy.

Ironically, in early October 1993, just as President Yeltsin's tanks were shelling the Russian White House, in which Rutskoi, Khasbulatov and their Communist and ultra-nationalist supporters had their headquarters, the CPU was officially registered again in Ukraine. Claiming the support of 128,000 members and some ninety deputies, it became the country's largest political party. Later that same month, the conservative majority in the parliament demonstrated its residual conservatism by passing an electoral law designed to perpetuate the status quo and discourage the development of political parties.

In addition to all this, in early October the first serious clashes occurred between Crimean Tatars and police seeking to evict them from squatter settlements. These incidents, and the Crimean Tatar protests which followed, revealed that, under the leadership of their elected council, or Mejlis, headed by the former long-standing political prisoner, Mustafa Cemiloglu (Dzhemilev), the 200,000 or so Crimean Tatars who had by now returned to Crimea from their places of exile in Central Asia were well organized. In order to prevent the unrest from spreading, Kyiv was forced to intervene and order the release of detained Crimean Tatar activists. Although it continued to pour funds into Crimea for the integration of the Crimean Tatars — the latter, who lacked any political representation in the regional parliament and government, complained that the money was being misused, or siphoned off, by the Crimean authorities — the Ukrainian leadership remained reluctant to recognize the Mejlis as the official representative organ of the Crimean Tatar people.<sup>23</sup>

<sup>23</sup> See Nadir Bekirov, 'The Crimean Tatar Movement and Ukrainian Strategy in the Crimea: A Chronology of Defeat', *Demos* (Kyiv), vol. 11, no. 2 (September

*Security dilemmas*

Hopes that the Russian-Ukrainian accommodation reached at the summit meetings in Dagomys and Yalta in the summer of 1992 would be followed by a new bilateral treaty were soon dashed when, within weeks, the Ukrainian press disclosed details of a draft treaty drawn up by the Russian Foreign Ministry. These revealed that Moscow was in effect proposing that the two states form a confederation, entailing a closer political, economic and military association and providing for the stationing of Russian troops on Ukrainian territory. Strong objections were immediately voiced in Ukraine and Foreign Minister Zlenko declared that a confederation of any sort was 'totally out of the question'.<sup>24</sup>

Meanwhile, the Russian press had disclosed details of the debates going on in Moscow about the future course of Russia's foreign policy generally and towards the other members of the CIS specifically, and this also gave Ukrainian leaders plenty to think about. As it was, Russian politicians had begun referring to the newly independent states as 'the near abroad', which itself rankled with the sensitive non-Russians. For Kyiv, the line being advocated towards Russia's neighbours by the chairman of the Russian Supreme Soviet's Committee for Foreign Affairs and Foreign Economic Relations, Evgenii Abartsumov, was particularly unsettling. He maintained that 'the Russian Federation's foreign policy must be based on a doctrine that proclaims the entire geopolitical space of the former [Soviet] Union a sphere of its vital interests (along the lines of the US "Monroe Doctrine" in Latin America).' It was necessary, he argued, for Moscow to secure 'from the world community understanding and recognition of Russia's special interests in this space ... [and of its] role of political and military guarantor of stability throughout the former space of the USSR'.<sup>25</sup>

During the second half of 1992, the debate in the Ukrainian

1995), pp.18-19. A broader study of the Crimean Tatars and their history is provided by Andrew Wilson in his *The Crimean Tatars: A Situation Report on the Crimean Tatars for International Alert*, London, 1994.

<sup>24</sup> Reuter, 27 August 1992. For the text of the draft treaty proposed by Russia, see *Vechimii Kyiv*, 21 September 1992.

*Izvestiya*, 7 August 1992. On the debate, see also Susan Crow, 'Competing Blueprints for Russian Foreign Policy', *RFE/RL Research Report*, vol. 1, no. 50 (18 December 1992), pp. 45-50.

parliament and press about what to do about the nuclear weapons still based in Ukraine intensified. To add to the rising concern about safeguarding Ukraine's security, at the beginning of September it became known that the United States had agreed to buy enriched uranium from Russia that was being removed from nuclear warheads. Ukraine, confronted by economic catastrophe, was facing huge costs to carry out nuclear disarmament and at the same time was having to buy nuclear fuel for its atomic reactors from Russia. It had handed over its tactical nuclear weapons to its northern neighbour without any compensation and felt cheated. On being appointed prime minister, Kuchma had reflected this feeling in several outspoken statements. He accused the West of putting pressure on Ukraine to hand over its remaining nuclear warheads to Russia 'without getting anything in exchange', neither guarantees of its security, nor material aid, just 'advice'. 'Our people are not fools,' he declared.<sup>26</sup>

Towards the end of 1992, as external pressure on Ukraine to speed up the ratification of the START-1 treaty mounted, Kravchuk, Kuchma, Yukhnovsky and other Ukrainian leaders left no doubt that Kyiv intended to use the nuclear weapons as a bargaining chip to obtain compensation, financial assistance and security assurances. The Ukrainian president explained that if Ukraine did not stick to this position: 'We will be praised for being peace-loving but no one will help us. Then it will be said that we are a second-rate country and no one will take any notice of us.'<sup>27</sup>

Kyiv's stance soured its relations with Washington, especially in view of the fact that in January 1993 Russia and the United States concluded a bilateral START-2 treaty intended to slash their nuclear arsenals by two-thirds but which was dependent on Ukraine's ratification of the START-1 treaty. Consequently, Ukraine was depicted as holding the new treaty hostage and criticized. Ukrainian leaders countered that it was unreasonable to expect the Ukrainian legislature to rush through the ratification of the START-1 treaty just because this suited other nuclear powers: they noted that it had taken the US Senate over a year to scrutinize the treaty, which was almost 1,000 pages long; the parliament of Ukraine, a country which had not taken part in the negotiations on the drafting of the treaty,

<sup>26</sup> *Washington Post*, 6 November 1992.

<sup>27</sup> Ukrainian television and Reuter, 16 November 1992

had only received the document in late November. The accusation that the Ukrainian parliament, preoccupied with easing the country's economic and social problems, was deliberately holding up the ratification of the START-1 treaty was increasingly resented in Kyiv.

When the Ukrainian and Russian leaders met in Moscow in mid-January 1993, President Yeltsin appeared to go some way towards allaying Ukrainian concerns by announcing that Russia was prepared to guarantee Ukraine's security. But as the Ukrainian Foreign Ministry subsequently pointed out, what Russia was actually proposing did not even meet Ukraine's 'minimal demands', for Moscow was prepared to respect Ukraine's borders only 'within the framework of the CIS'. Subsequent statements made in February and March by President Yeltsin calling for 'special rights' for Russia 'as guarantor of peace and stability' on the territory of the former Soviet Union, and for greater integration of the CIS, as well as Kozyrev's public acknowledgment that he favoured 'confederation, even federation', only increased Ukrainian anxieties about its security and spurred it to try and interest other Central and East European states in setting up some form of a sub-regional security

28

arrangement.

In November 1992, while receiving the commander of NATO and US forces in Europe, General John Shalikashvili, Kravchuk had alluded to the shortcomings of the existing security structures in Europe and the difficulties which Ukraine was beginning to experience as a result of its location between NATO, and countries which wanted to align themselves with this military bloc, and Russia. 'We must find a formula to guarantee the security of the former states of the Soviet Union, Europe, and the world at large . . . not just two superpowers,' he had told him.<sup>29</sup>

At the end of February, while on an official visit to Hungary, Kravchuk turned for support to the Visegrad group. He was encouraged by the fact that earlier that month, the foreign ministers of Hungary, Poland and Ukraine had signed an agreement in Debrecen, Hungary, about the creation of a Carpathian Euro-region, a project which had been in preparation since the previous

See Roman Sokhanyk, 'Ukraine's Search for Security', *RFE/RL Research Report*, vol. 2, no. 21 (21 May 1993), pp. 1-6

<sup>29</sup>: Reuter, 19 November 1992.

summer. Ukraine was to be represented in this cross-border cooperation arrangement by its Transcarpathian region. As one observer noted, 'For Ukraine, the undertaking took on a significance that outweighed the modest nature of its activities.'<sup>30</sup>

The Ukrainian president proposed the idea of a 'zone of stability and security' in Central and Eastern Europe which foresaw closer cooperation between states in the sub-region, collective consultations on security issues and the promotion of confidence-building and conflict prevention measures. Although Kravchuk and other Ukrainian officials emphasized that the zone would not be a military alliance, and that the initiative was not aimed against Russia but was designed to fill the security vacuum left in the area between the NATO bloc and Russia by the dissolution of the Warsaw Pact, only Hungary showed any real interest in it. But like Poland, the Czech Republic and Slovakia, Hungary too was looking westward and was more interested in further integration in existing European structures than participating in a nebulous sub-regional arrangement which some had immediately interpreted as a 'cordon sanitaire' or buffer against Russia and which would antagonize Moscow.

The lack of enthusiasm for Ukraine's initiative, which was to be underscored in May during a visit to Kyiv by Poland's president, Lech Walesa, as well as the fact that in April the Belarusian parliament voted that Belarus should join the CIS collective security pact (which was opposed by Shushkevich and was to lead to his resignation), increased Ukraine's sense of isolation. It was therefore perhaps not surprising that at the end of April the hardening of attitudes towards the nuclear weapons issue was demonstrated when 162 deputies from across the political spectrum addressed a statement to Kravchuk and Plyushch condemning external pressure on the country and calling for Ukraine to declare itself a nuclear state. They also urged the parliament to confirm Ukraine's right to ownership of the nuclear arms on its territory — Kyiv did not have operational control over the weapons and this was seen as a way of asserting its claim to the material value of the uranium in the warheads that would be dismantled — and only then to proceed with to debate about the ratification of the START-1 treaty.

At this point, having started with a tough line towards Ukraine, Washington's new Clinton Administration apparently decided to

<sup>30</sup> Burant, 'Foreign Policy and National Identity', pp. 1129-30.

try using the carrot rather than the stick: in May it sent its ambassador-at-large responsible for the CIS, Strobe Talbott, to placate the Ukrainian leadership. He offered Kyiv 'a new start' in bilateral relations, and held out the prospect of some form of security assurances as well as mediation by Washington in the strained Ukrainian-Russian relationship.<sup>31</sup>

Ukraine's problems with Russia, as well as related ones with Crimea, remained at the centre of Kyiv's security concerns. While the Russian parliament had continued to meddle in the affairs of the peninsula and to encourage the separatist movement, the Yeltsin administration had insisted that Sevastopol be recognized as a Russian naval base. The tensions over the Black Sea Fleet were exacerbated in May when mutinous officers hoisted the pre-1917 Russia naval flag over many of the ships.

Ukraine's economic difficulties and chronic fuel supply problems severely weakened its bargaining position *vis-a-vis* Russia. At a Russian-Ukrainian summit meeting in Moscow on 17 June, Yeltsin and Kravchuk agreed, among other things, that the Black Sea Fleet would be divided equally between their countries, beginning in September, and Moscow appeared to obtain Kyiv's assent to the stationing of units of the Russian navy in Sevastopol and other Ukrainian ports. The decision to split the fleet was denounced in Crimea and Moscow and on 9 July the backlash — Ruskoi, for instance, characterized the agreement as a 'a national and historic tragedy' for Russia—resulted in a politically explosive declaration by the Russian parliament, adopted by 166 to 0, asserting Sevastopol's 'Russian federal status'. Although Yeltsin, who was locked in political conflict with the conservative parliament, declared that he was 'ashamed' by the action of the Russia deputies, the challenge to Ukraine's territorial integrity was taken very seriously by Kyiv. The Ukrainian parliament labelled it 'an aggressive political act' and the country's foreign ministry called on the UN Security Council to condemn it.<sup>32</sup> On 20 July, the Security Council criticized the Russian parliament's declaration as being inconsistent with both the UN Charter and the Russian-Ukrainian

<sup>31</sup> *Washington Post*, 11 May 1993. .

See the statement delivered before the UN Security Council on 20 July by Ukraine's deputy foreign minister, Borys Tarasyuk, in *Holos Ukrainy*, 31 July 1993.

treaty of November 1990, and reaffirmed 'in this connection, its commitment to the territorial integrity of Ukraine'.<sup>33</sup>

Although the Russian parliament was to stick to its position on Sevastopol until it was eventually dissolved by Yeltsin in late September, the display of international support for Ukraine was at least reassuring for Kyiv. Furthermore, during the summer, contacts between Kyiv and Washington improved and in July the Ukrainian defence minister travelled to Washington to discuss agreements paving the way for American aid for Ukraine's nuclear disarmament. That same month, a Ukrainian delegation visited NATO headquarters in Brussels and conveyed Ukraine's unease about being caught between the NATO alliance and states which aspired to be linked with it and the security system which Russia was organizing in the CIS region.<sup>34</sup> Another promising development for Ukraine at this time was its acceptance as an associate member of the Central European Initiative.

Ukraine's main source of vulnerability, however, remained its deteriorating economic situation. In May, the Russian Deputy Prime Minister Aleksandr Shokhin had already stated quite openly that participation in the proposed CIS economic union which Ukraine was being drawn into  *nolens volens*  would 'result in a partial loss of not just economic, but political sovereignty as well'.<sup>35</sup> When Kravchuk and Yeltsin met in Massandra at the beginning of September, even the Russian president seems to have decided that it was time to play Moscow's trump card. Under intense fire at home from the red-brown forces, he needed to bolster his reputation as a defender of Russia's interests. Yeltsin, as the Ukrainian president later recounted, took the Ukrainian side by surprise by presenting it with a virtual ultimatum: either Ukraine repaid its fuel debts or Russia would cut off the energy supplies. A humiliated Kravchuk apparently yielded to what he diplomatically described as 'economic realities', and other members of his delegation preferred to call 'economic diktat', and agreed in principle to the possibility of trading in Ukraine's share of the Black Sea Fleet. The Ukrainian delegation managed, however, to achieve at least one success in Massandra, the

<sup>33</sup> For the texts of this and other official statements made at this time, see Drohobycky, *Crimea: Dynamics, Challenges and Prospects*, pp. 215-21.

<sup>34</sup> *Hobs Ukrainy*, 2 July 1993.

<sup>35</sup> ITAR-TASS, 18 May 1993.

conclusion of agreements, finally reached after protracted negotiations, on compensation claimed by Ukraine for warhead fissile material transferred to Russia, and on the maintenance and servicing of nuclear missiles situated in Ukraine.<sup>36</sup>

With both side presenting very different interpretations of what had actually been agreed to, the Massandra summit not only deepened the mistrust between Ukraine and Russia but also undermined the special working relationship which Kravchuk and Yeltsin had developed. The Ukrainian president, who had to defend himself at home against charges of capitulation and even betrayal, now proceeded even more cautiously with respect to the CIS economic union and on 24 September brought his country into it as an associate, rather than full, member; the terms of the arrangement still remained to be negotiated.

In the weeks following the meeting in Massandra, the situation in Crimea itself once again became very tense. The Crimean parliament paved the way for the election of a president of the Crimean Republic, and one of the future candidates, the leader of the region's Russian separatists, Meshkov, immediately revived the idea of a local referendum on independence. This only increased the determination of the Crimean Tatars to struggle for their rights and despite Kravchuk's hesitance to back them politically, led them to align themselves more closely with the Ukrainian state. In early October, the Crimean Tatars held mass demonstrations outside the Crimean parliament and eventually, through sheer persistence, won a major temporary concession: they were allowed to have a quota of 14 out of 98 seats in the next Crimean parliament, though only for one term.<sup>37</sup> Over the next few months, however, a series of killings and attacks on political leaders in Crimea, Russian as well as Crimean Tatar, were to keep the atmosphere charged. Because of the pervasiveness of organized crime and corruption in the peninsula, it remained difficult to distinguish politically-motivated acts from purely criminal ones.

The fallout from the Massandra summit inevitably also hardened attitudes in the Ukrainian parliament on the nuclear weapons issue.

See John W.R. Leppingwell, 'Negotiations over Nuclear Weapons: The Past as Prologue?', *RFE/RL Research Report*, vol. 3, no. 4 (28 January 1994), pp. 6-8

See Susan Stewart, 'The Tatar Dimension', *RFE/RL Research Report*, vol. 3, no. 19 (13 May 1994), pp. 22-6.

Moreover, on 21 September Russia abrogated the accord on nuclear arms signed in Massandra, and the spectacle, some two weeks later, of fighting in Moscow between Yeltsin's supporters and his opponents made the Ukrainian deputies even more reluctant to agree to immediate nuclear disarmament.

The 'Basic Directions' of Ukraine's foreign policy adopted by the parliament in July, and the country's 'Military Doctrine', which it approved at the end of October, both stated that Ukraine had 'become *the owner of nuclear weapons* [author's emphasis] through historical circumstances' due to the collapse of the USSR, that it still intended to become a non-nuclear state, but that this would depend on 'reliable security guarantees' from the international community. When, after prodding from the United States, including a visit to Kyiv in late October by US Secretary of State Warren Christopher, and pressure from Kravchuk, the parliament finally debated the START-1 treaty on 18 November, the result was a compromise which largely satisfied domestic opinion but vexed the United States, Russia and other concerned states.

The ratification of the treaty was made conditional on numerous provisos, which revealed the extent of Ukraine's security fears. These included long-standing demands for international security guarantees, international assistance for the dismantling of the missiles and compensation for fissile material in the warheads, as well as insistence on a phased de-nuclearization process and rejection of Article V of the Lisbon Protocol requiring Ukraine's adherence to the Treaty on the Non Proliferation of Nuclear Weapons (NPT) as a non-nuclear state. It was the latter conditions which caused the most disquiet in international circles. Here, the parliament contended that the terms of the START-1 treaty covered only Ukraine's older ICBMs -SS-19s (that is, only 36% of the launchers and 42% of the warheads) — and excluded its forty-six multiple-warhead SS-24s.<sup>38</sup>

Washington responded by, on the one hand, implicitly threatening Ukraine with diplomatic ostracism, and, on the other, redoubling its efforts to mediate between Kyiv and Moscow in the search for a deal on nuclear arms that would allay the concerns of the Ukrainian parliament. This took place against a strong showing by anti-democratic forces in Russia's parliamentary elections and the

<sup>38</sup> See Leppingwell, 'Negotiations over Nuclear Weapons', pp. 8-10.

intensification of the debate about NATO's possible expansion eastward. After headway was made during trilateral negotiations in mid-December in Washington and Kravchuk and US Vice President Al Gore met in Budapest, Ukraine announced that as a goodwill gesture it would begin dismantling one third of its SS-24s. A deal based largely on the Massandra agreements was successfully worked out but with the Ukrainian side continuing to insist on some form of security assurances. President Clinton made a brief stopover in Kyiv on 12 January and offered Ukraine membership in the Partnership for Peace Programme, which was to be unveiled at the NATO summit in mid-January, and American help in obtaining assistance from the international financial institutions. On 14 January, a trilateral agreement between the United States, Russia and Ukraine was signed by their leaders in Moscow.

In return for giving up all the nuclear arms on its territory, the trilateral agreement brokered by the United States provided Ukraine with: general security assurances reflecting standard CSCE principles (including the non-use of economic coercion); compensation for fissile material in the form of reactor fuel from Russia (100 tons of enriched uranium in return for the first 200 warheads to be delivered to Russia within ten months) and the prospect of further deliveries over the next twenty years; \$175 million in US aid to assist with dismantling the nuclear weapons and promises of additional US economic and technical assistance if Ukraine's nuclear disarmament proceeded successfully. Although there appeared to be no mention of any relief in respect of Ukraine's \$2.5 billion debt to Russia or of the question of compensation for the fissile material from the tactical nuclear weapons which had been transferred to Russia, the deal seemed to represent the best that Kyiv could hope for in the circumstances. It also reduced the country's isolation: it opened the way for Ukraine's participation in NATO's Partnership for Peace Programme and enhanced Kyiv's chances of obtaining desperately needed international economic aid.<sup>3"</sup>

Despite initial fears that the Ukrainian parliament would still cause problems, on 3 February 1994 it removed its conditions from the ratification of the START-1 treaty. Less than a week later, Ukraine became the first CIS country to sign the Partnership for

See John W. R. Leppingwell, 'The Trilateral Agreement on nuclear Weapons', *RFE/RL Research Report*, vol. 3, no. 4 (28 January 1994), pp. 12-20.

Peace framework document. The following month, it was also to become the first CIS country to initial an agreement on partnership and cooperation with the European Union.

*On the verge of catastrophe*

After assuming control of the government in late September 1993, Kravchuk while evidently trying to placate the Donbas and Eastern Ukraine generally, appeared to shift away from the middle ground towards the neo-Communist forces. With Ukraine's economic situation looking increasingly desperate (the monthly inflation rate in December 1993 reached 91%), winter approaching and energy supplies running out, Kravchuk ruled out any further 'experimentation' with reform until after the elections.

The success of the Trilateral Agreement was overshadowed by the intractable difficulties of paying for fuel deliveries from Russia and Turkmenistan. In November, Shokhin announced that Russia would now insist on 'the conversion of debts into ownership ... in [certain] enterprises', including the Kremenchuk refinery and the Khartyzsk pipe-making plant. The situation for Ukraine grew even more catastrophic when, in February, Turkmenistan again stopped deliveries of gas because of Ukraine's failure to pay off its debts and, shortly afterwards, Russia reduced its supply of gas. On the eve of the parliamentary elections, confronted by 'an unusually aggressive Russian stance', the Ukrainian government evidently gave in and agreed to repay the debt for 1993 in money as well as in 'equipment and materials', while the debt incurred in 1994 would be repaid in hard currency and roubles.

The Russian version of the agreement was more specific. Moscow would receive 'a share in the authorized stocks of the gas transport infrastructure enterprises (51%) and in a number of factories in which Gazprom is interested (51%)'. These included the 'export gas pipeline to Europe, underground storage tanks . . . and Odessa port facilities. Moscow's desire to gain control over the Ukrainian gas supply system was easy to understand: the ability to siphon off Russian gas and to store large amounts of it enabled Kyiv to withstand Moscow's pressure for several weeks at a time.

As the elections drew closer, it was clear that the leftist forces would do well in the eastern and southern regions where they were well represented. When, in January 1994, Meshkov defeated the Crimean parliament's speaker, Bahrov, in the autonomous state's first presidential election, the danger of regional fragmentation and of an intensification of tensions between the Russian-speaking and Ukrainian-speaking areas became even more apparent. Meshkov lost no time in announcing his intention to conduct a local referendum on independence on the same day as the Ukrainian parliamentary elections, to take Crimea back into the rouble zone and to switch locally from Kyiv to Moscow time. In February he defied Kyiv by appointing a Russian citizen, the Moscow-based economist Evgenii Saburov, as the new head of the Crimean government.

Meanwhile, the Donetsk and Luhansk regional councils decided to hold local 'consultative' referenda on the same day as the elections. Voters were to be asked if they agreed that Russian should be recognized as the country's state language along with Ukrainian, that Russian be regarded as the language of administration, education and science in the eastern regions, that Ukraine should become a federation (asked only in the Donetsk region), and that Ukraine should sign the Charter of the CIS and become a full-fledged member of the CIS economic union and Inter-Parliamentary Assembly.

All this indicated that whereas in the years immediately preceding the achievement of independence, Western Ukraine and Kyiv had exerted the main influence on the republic's political life and its evolving political agenda, Eastern Ukraine was now redressing the balance. The prospect of a rift between the Ukrainian-speaking and more pro-Western-oriented western and central regions and the Russophone and more pro-Russian oriented southern and eastern regions was reduced somewhat, though, by the formation of an election bloc, the 'Inter-regional Bloc for Reforms' (IBR), headed by Kuchma and Hrynov. Both of them were primarily Russian-speaking politicians, and their bloc enjoyed the backing of industrial and regional lobbies and was therefore expected to do reasonably well in the eastern and southern regions.

The IBR had essentially a liberal-centrist and pro-market profile but its emphasis on the need to strengthen economic ties with Russia and the CIS divided it from the national democratic forces which formed a coalition led by Lukyanenko called the Democratic

Association Ukraine. Apart from Rukh, the URP and DPU, it also contained, among others, a relatively new party - the Congress of Ukrainian Nationalists (KUN), which saw itself as the direct heir of the Bandera faction of the OUN-B and had adapted to the democratic parliamentary system. To the right of this national democratic bloc were a number of radical nationalist parties, the strongest of which was the UNA-UNSO, and the most extreme of which was the small but vociferous fascist group which had appeared in Lviv called the Social-Nationalist Party of Ukraine. The leftists, though, formed the most formidable group, represented by their main parties, the CPU, SPU and PPU.

As the election campaign gathered momentum and a war of decrees developed between Kyiv and Simferopol, Kravchuk continued to display the indecision and relative passivity which had disappointed so many of his former supporters, thereby creating the impression that he was simply muddling through. In February, he even declared that he would not be standing for re-election as president, which at least one other hopeful, Plyushch, evidently seems to have taken at face value. Underestimating the extent of the growing social dissatisfaction with the mismanagement of the country with which he was directly identified, the president seems to have hoped that voter apathy would prevail—he publicly predicted that voter turnout would be too low for a new parliament to be elected—which would enable him to step into the breach and assume extraordinary powers.

In fact, voter turnout in the first round and the run-offs was high — averaging at about 70% — and by the time the new parliament convened on 11 May, 338 of the 450 deputies had been elected of whom only fifty-six had sat in the old parliament; 168 had stood as independents and quite a few of them were representatives of the 'party of power'. Of the remainder, whose party affiliation was known, roughly 25% represented the CPU, 5.9% the PPU, 4.1% the SPU, and 6% Rukh. Among the other parties which were represented, from the centrist parties, there were four deputies from the IBR and four from the PDRU; from the national democrats, eight from the URP, five from the KUN and two from the DPU; from the radical right, three from the UNA-UNSO and two from Khmara's new Ukrainian Conservative Republican Party (UCRP).

Despite the flaws in the election law, independent Ukraine's first parliamentary elections were democratic and took place without

major irregularities. Shortly before the elections, though, the head of the secretariat of Rukh, which had now become a political party, and co-chairman of its election committee, Mykhailo Boichyshyn, had mysteriously disappeared and Chornovil and others suspected the hand of the 'party of power'. After the elections there were also claims that Morozov and Hrynov from the democratic camp had been blocked from being elected. In some cases, though, rivals from the national democratic camp challenged one another in the same constituency. For instance, Khmara deliberately stood against Mykhailo Horyn in Lviv and managed to defeat him. Among the other well-known democratic figures who failed to get re-elected was Pavlychko, who refused to stand in a 'safe' constituency and was defeated in Chihirin, while Drach did not seek re-election.

Although the reanimated Communists and their leftist allies had clearly secured a strong position and would constitute the largest bloc, until the independents aligned themselves and more seats had been filled it remained uncertain if they would be able to dominate the parliament. The all-important question was whether the leftist bloc would be united and whether it would obstruct constitutional and economic reform. The first indications were not encouraging: on 18 May, the head of the SPU, Moroz, was elected the new speaker (Plyushch had been tricked by Kravchuk into running for president<sup>41</sup>), defeating the centre's candidate Vasyl Durdynets by 171 votes to 103, and Oleksandr Tkachenko, a leader of the PPU, was chosen as his first deputy. A month later, the parliament endorsed Kravchuk's unexpected last minute nomination before the presidential election of the formerly discredited Masol for prime minister.<sup>42</sup>

The results of the local 'referenda' held in the Donbas and Crimea on the same day as the parliamentary elections only added to Kyiv's problems. After the Ukrainian government had pointed out that regions did not have the constitutional right to conduct binding local referenda, the Donetsk and Luhansk regions changed the name of

During his election campaign, Plyushch openly accused Kravchuk of having deceived him after promising to support his candidature. *Kyivskyi visnyk*, 9 June 1994.

On the parliamentary elections, see Marko Bojcun, 'The Ukrainian Parliamentary Elections in March-April 1994', *Europe-Asia Studies*, vol. 47, no. 2 (1995), pp. 229-49; Dominique Arel and Andrew Wilson, 'The Ukrainian Parliamentary Elections', *RFE/RL Research Report* vol. 3, no. 26 (1 July 1994), pp. 6-17; and Chapter 10 of Lytvyn, *Political Arena*.

their opinion polls to 'consultative questions' and went ahead. As was expected, the local population expressed overwhelming support for the propositions concerning the status of the Russian language, the federal idea and closer integration in the CIS. On the same day in Crimea, the majority of the voters supported Meshkov's call for a boycott of the elections to the Ukrainian parliament (12 of the 23 Crimean seats were left vacant) and elected a Crimean parliament in which Meshkov's 'Russia' bloc won 54 out of 98 seats. Furthermore, in the Crimean referendum, which Kyiv rejected as unconstitutional but could hardly fail to take note of, the majority supported greater autonomy for Crimea, dual Ukrainian-Russian citizenship and a broadening of President Meshkov's powers.<sup>43</sup>

After the parliamentary elections and local referenda in Crimea and the Donbas, therefore, the prospects for Ukraine looked even grimmer and there was widespread speculation and concern about the country's chances of survival as an independent state. At the beginning of 1994 the US Central Intelligence Agency had already produced a report warning that Ukraine's economic plight would result in the country's break-up 'along ethnic and geographic lines'<sup>44</sup>. Now, for example, on 7 May 1994, *The Economist* published a lengthy analysis of the situation after the parliamentary elections under the heading 'Ukraine: The Birth and Possible Death of a Country'. The forthcoming presidential elections therefore assumed even greater significance as a potentially decisive moment in the country's short history of independence: they appeared to offer a last chance, as one pessimistic observer put it, 'to step back from the brink of self- destruction'.<sup>45</sup>

Seven candidates were registered, including Kravchuk, who after a rather clumsy display of political brinkmanship finally announced that he was running as late as 29 April. The other main candidates were Kuchma, Plyushch, Moroz and, rather surprisingly, Lanovy. The key issues were the economic crisis and economic reform, relations with Russia and the CIS, devolution of power to the

<sup>43</sup> Andrew Wilson, 'The Elections in Crimea', *RFE/RL Research Report*, vol. 3, no. 25 (24 June 1994), pp. 7-19.

<sup>44</sup> Daniel Williams and R. Jeffrey Smith, 'U.S. Intelligence Sees Economic Plight Leading to Ukraine Breakup', *Washington Post*, 25 January 1995.

<sup>45</sup> Eugene B. Rumer, 'Eurasia Letter: Will Ukraine Return to Russia?', *Foreign Policy*, no. 96 (Fall 1994), p. 129.

arose: Chornovil, Rukh's leader, and hitherto implacable political opponent of the president, declared that Kuchma could not be supported because 'Russia was banking on him', and came out for Kravchuk;<sup>49</sup> on the other hand, the leadership of the CPU opposed the former Communist Party ideologist, though it also demonstrated its reservations about the reformist Kuchma by leaving it up to party members to decide for themselves whether or not to back him.<sup>50</sup>

Kravchuk appeared to be helped by the fact that after the signing of the Trilateral Agreement on nuclear arms, his international reputation had soared and the international community had shown itself more receptive to Ukraine's requests for economic aid. In June, Kravchuk had signed the EU's first partnership and cooperation agreement with a former Soviet republic and claimed this as a diplomatic victory. Furthermore, on the very eve of the presidential elections, at their summit in Naples, and in what many perceived as a display of support for Kravchuk, the G7 held out the prospect of \$4 billion in multilateral financing for Ukraine's economic reforms if Ukraine proceeded with reforms. By contrast, Kuchma was known to be skeptical about Western aid and still thought to hold a tougher position on nuclear disarmament.

Although the contest was closely fought, Kravchuk, enjoying the advantages which being the incumbent afforded him, was expected to have the edge. But the run-off on 10 July produced an upset: Kuchma won 52% of the votes and Kravchuk 45%. The voting showed that the country had indeed split down the middle in its choice: Western and central Ukraine rallied behind Kravchuk, while southern and Eastern Ukraine and Crimea solidly backed Kuchma. Kravchuk who had been depicted by his supporters as virtually the father of Ukraine's independence had been made to pay the price for his subsequent inaction on reform and ineffective leadership at home.<sup>51</sup> His departure, and with him, that of many of the representatives of the party of power, opened a new if uncertain chapter in Ukraine's post-Soviet history.

<sup>49</sup> *Nezavisimost*, 6 July 1994.

<sup>50</sup> Radio Ukraine, 4 July 1994. For a useful description of the election battle, see Lukanov, *The Third President*, pp. 66-87

For a thorough discussion of the presidential election and the results, see Dominique Arel and Andrew Wilson, 'Ukraine Under Kuchma: Back to 'Eurasia'?', *RFE/RL Research Report*, vol. 3, no. 32 (19 August 1994), pp. 1-12.