Ukraine Crisis

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1 Introduction

- The unrest in Ukraine, which recently flared into violence, is dividing the country and intensifying long-standing tensions between Russia and the West. Public protests started in December 2013 over President Viktor Yanukovych’s decision to abandon a deal with the European Union in favour of aid and natural gas agreements with Russia. The protesters, who for weeks were peaceful and even returned equipment to the police after water cannon was used to disperse crowds in the capital, Kiev, have seized government offices across the country, including the Justice Ministry.
- The crisis in Ukraine has become a tragedy, as is evidenced by the thousands of people who have been killed, and hundreds of thousands of refugees. It will alter the future of Ukraine, Europe, Eurasia and possibly the world.
- The crisis began in the fall of 2013 as a public response to the authorities’ ill-advised policy and the greed of the elite. But clumsy assistance provided by concerned (partners) turned the crisis into a coup, a power grab and subsequent chaos, which quickly spread across Ukraine, one of Europe’s largest countries.
- Months later, Ukraine is still fighting a bloody civil war and humanitarian catastrophe amid an increasingly destructive economic crisis.
- The Ukraine crisis was not just about Ukraine, or even Europe. It was about the global order, which promises a long competition with a yet-unforeseen result. Crucially, it is part of a pattern of changing relationships among the world’s powers, with the US struggling to preserve its dominance.
- The EU, for now, is not one of the competitors. The Ukraine crisis has demonstrated its woeful lack of both strategic thinking and action. The EU precipitated the crisis with its Eastern Partnership initiative, but then failed to oversee the transition in Kiev, and now is falling short of resources to keep Ukraine afloat financially.

2 Causes of the Crisis

- Many of those in Russian-speaking eastern Ukraine distrust the new central government in Kiev, which came to power after the February ouster of former President Victor Yanukovych whose power base was in eastern Ukraine.
- The insurgency in mostly Russian-speaking eastern Ukraine flared up in April, a month after Moscow’s annexation of Ukraine’s peninsula of Crimea in response to the ouster of Ukraine’s former President Victor Yanukovych who is pro-Russian and due to Kiev’s shifted policy towards the European Union.
- The real crisis of Ukraine is that it is caught in a game of one-upmanship between the West and Russia. The West wants to punish Russia for its annexation of Crimea and for helping separatists in eastern Ukraine. Moscow, on the other hand, sees Western involvement in the ouster of Ukraine’s pro-Moscow President Viktor Yanukovych, and seems determined to resist the North Atlantic Treaty Organisation’s outreach to its backyard.

Ukraine crisis is tussle between West and Russia:

- To start with, the President’s policies since his election in 2010 have troubled a substantial section of Ukraine’s 46 million people, especially those in the western regions, who support accession to the EU. Eastern Ukrainians, however, prefer closer links with Russia.
Secondly, the EU deal was tied to an IMF bailout that would require public-spending cuts and higher gas prices.

Thirdly, NATO and Ukraine have held joint exercises, which they have progressively enlarged, though Parliament cancelled the 2009 manoeuvres. The EU association agreement proposes deeper Ukraine-NATO links, though only 30 per cent of Ukrainians favour NATO membership; such proposals fuel support for aggressively ethno-nationalist far-right coalitions such as Prawy Sektor (Right Sector).

Russian President Vladimir Putin, for his part, has blocked the Kiev-EU agreement with €15 billion in aid, cheaper gas supplies, and trade deals. While Moscow sees NATO as trying to encircle Russia, the Atlantic alliance has repeatedly tried to invent new roles for itself since the Soviet Union and the Warsaw Treaty Organisation collapsed in 1991, and both NATO and the IMF have in effect tried to hijack the EU’s relations with Ukraine; neither Ukrainians nor the EU must allow themselves to be traduced thus, and Ukraine’s future direction must be decided solely by Ukrainians.

West appears to have learnt no lessons from the swift Russian military intervention in South Ossetia and Georgia in 2008, following ill-advised efforts to persuade an ever-willing Georgian President Mikheil Saakashvili to join NATO, thereby making Russia’s southern frontiers vulnerable.

The present crisis has also arisen from efforts by the US and EU to undermine a constitutionally elected government: Ukrainian president Viktor Yanukovych had been offered a partnership agreement with the EU to precede full membership. Support for a closer association was strong in the western parts of Ukraine. Those in eastern Ukraine, which has a huge Russian-speaking population, have had a much closer relationship with Russia and benefited from extensive trade, energy and commercial ties across the eastern borders of the country.

**Crimea’s importance to Russia:**

- Energy exports are the lifeblood of the Russian economy. Oil and gas exports accounted for over 30% of Russian GDP in 2011 (1), while providing half of the state’s budget revenues in 2012 (2). It is easy to understand that Russia would go through great lengths to protect its energy sector.

- Losing political influence over the Ukraine will simultaneously mean that Russia will no longer have control of these all-important pipelines. This would be a double-whammy for Russia. For one, it would complicate European oil and gas delivery for the Russians, by adding a new powerful strategic stakeholder; Ukraine. Due to Russia’s dependency on energy exports and the convenience of the pipelines located in the country, Ukraine could exert a large amount of pressure on the Russian Federation, for the betterment of its own political agenda.

- Russia has felt increasingly threatened and boxed-in by NATO’s eastward trajectory. Currently, Ukraine is the last buffer between Russia and NATO and is therefore of vital importance to Moscow. If the Ukraine where to officially join the NATO alliance, it would be horrifying nightmare for the Kremlin. Firstly, it means that NATO would be in Moscow’s backyard. Russia would effectively be completely boxed in by NATO, which would effectively destroy the last shred of Russia’s strategic military influence in Eastern Europe.

- The region, a peninsula on the Black sea coast of Ukraine is of political and strategic significance to both Russia and Ukraine. The majority of Crimea’s 2.3 million populations identify themselves as ethnic Russians and speaks Russians—a legacy of Russia’s 200 year involvement in the region.
3 Impact of the Ukraine Crisis on India

- Of immediate concern is the fate of some military equipment factories from where India is getting its entire fleet of medium military transport aircraft modernised. Another Ukrainian military facility provides engines for military helicopters of Russian origin, which account for a quarter of the world’s medium, medium-heavy and heavy lift helicopters. India also has contracts for sourcing naval engines.
- India had managed to strike deals with these companies as an alternative to Russia. It has in the past managed to play off the two countries and get the best possible deal.
- The breakthrough came during ousted Ukrainian President Viktor Yankovich’s visit to India in December 2012 with the signing of a defence cooperation agreement. It is a sign of Ukraine's importance to India's military modernisation that the Indian embassy in Kiev has two military officers of First Secretary rank and one of Second Secretary rank.
- The visit led to the doubling of imports in the past two years with expectations of a further jump if the new political dispensation remained as favourable as Mr. Yankovich and controls some of these military-industrial complexes.

4 Impact of Ukraine Crisis on the World

- By annexing Crimea and intervening in Ukraine, Russia has raised fundamental questions about the principles of the European order.
- The crisis will change the European security architecture, although no distinct alternative has evolved so far. It will change the geopolitical fabric on the continent.
- Russia was always against the principle that countries are free to choose their alliances and has consistently, though often covertly, tried to derail NATO enlargement into its neighbourhood. But Putin is now challenging these principles explicitly. Russia wants to both restore and re-legitimise spheres of influence as an organising principle of European order. This is a direct challenge to Europe and the West as a whole.
- The Ukraine crisis has cemented Berlin’s leadership role in Europe.
- European Union has been reunited, at least for now, by the return of a common external threat. This may have helped EU leaders overcome some long-running disputes.
- Russia’s annexation of Crimea has raised the specter of separatism in other parts of Ukraine. In the West, where parts of the country were carved out of Hungary, Romania, Slovakia, and Poland, local residents may look to their more prosperous co-ethnics across the border where life is more stable and well-off.

5 Response of the West and EU to the Ukraine Crisis

- EU and US sanctions have been introduced against Russia for backing separatists in eastern Ukraine
- In response to the illegal annexation of Crimea and deliberate destabilisation of a neighbouring sovereign country, the EU has imposed restrictive measures against the Russian Federation.
- Instead of the G8 summit in Sochi, a G7 meeting was held in Brussels on 4-5 June. EU countries also supported the suspension of negotiations over Russia's joining the OECD and the International Energy Agency.
- The EU-Russia summit was cancelled and EU member states decided not to hold regular bilateral summits. Bilateral talks with Russia on visa matters as well as on the New Agreement between the EU and Russia were suspended. In addition, a re-assessment of EU-Russia cooperation programmes is currently ongoing with a view to suspending the implementation of EU bilateral and regional cooperation programmes. Projects dealing exclusively with cross-border cooperation and civil society will be maintained.
- Since Russia’s annexation of Crimea in March the EU and U.S have ratcheted up sanctions several times, tightening restrictions on major Russian state banks and corporations.
- They have blacklisted dozens of senior Russian officials, separatist commanders and Russian firms accused of undermining Ukrainian sovereignty.
6 Ceasefire Deal

- Ukraine and pro-Russian rebels in the east have signed a truce deal to end almost five months of fighting.
- The deal was agreed at peace talks with representatives of Russia and the OSCE security and rights group in the Belarussian capital Minsk.
- A humanitarian corridor would be created for refugees and aid, a prisoner exchange would be take place and rebuilding work would be going on in conflict areas.