

UKRAINE'S NATIONAL SECURITY IN THE XXI CENTURY: CHALLENGES AND THE NEED FOR COLLECTIVE ACTION

In October 2008, Ukraine's strategic community combined the efforts of non-governmental and state experts to develop an independent Strategic Assessment. The Assessment named *Toward a More Relevant and Coordinated National Security Policy of Ukraine*¹ set out the principal challenges of consolidating Ukraine's young democracy in an increasingly challenging security environment, where global threats were compounded by renewed regional geopolitical competition and internal weaknesses were actively exploited by external forces.

UKRAINE IN DYNAMIC ENVIRONMENT

In the five months since the preparation of the Strategic Assessment, a number of events and new factors have reinforced the trends noted in October 2008.

The intensification of the economic crisis has added new global, regional, and national level risks and transformed the old ones. The intensification of the economic and political situation has unfortunately confirmed the Ukrainian government's inability to develop effective and coordinated responses to the complex challenges that currently affect practically all vital activities of the state and society. The resulting overlap of internal and external destabilising factors may produce catastrophic consequences for Ukraine.

The gas conflict of January 2009 demonstrated **Russia's willingness to use strong measures** to achieve political objectives in Ukraine, even at their own considerable economic and political loss. Russia's aggressive pursuit of its interests does not appear to have been mitigated even by the devastating impact of the economic crisis. Russia's "victory" in the Russia-Georgia conflict and the Russia-Ukraine gas conflict have increased Russia's self-assurance in its dialogue with the EU, NATO, and the USA. The Kremlin openly claims the right to special influence in the post-Soviet space as an exceptional zone of Russian interests. Russia's support for separatist movements in Ukraine is growing. The intensive saturation of Russian capital in Ukraine's economy provides Moscow with new levers of political as well as economic influence. This suggests that Ukraine cannot rely on Russian self-restraint should a crisis develop. There is also a risk of possible military incidents in case of impulsive actions by either side near Black Sea Fleet bases and facilities.

The continuing lack of a unified, principled, and effective response by the Euro-Atlantic community to "new-old" regional security challenges gives the **perception of a security vacuum** to the countries of Central and Eastern Europe. This pertains both to military and non-military security issues: uncertainty related to Russia's suspension of its CFE Treaty implementation; disagreements with Russia concerning missile defence; the EU's failure to effectively address energy security; EU, NATO, and U.S. efforts to

revive working relations with Russia that are perceived to neglect the interests of Central and Eastern Europe. As a result, the Euro-Atlantic community could forfeit its influence on the democratic development, security and stability of Eastern Europe. Moreover, a significant segment of Ukraine's political elite take the change of the framework of NATO-Ukraine relations (the introduction of Annual National Programme, ANP) as an effort by the Alliance to lower the level of cooperation.

The intensification of the economic and political crisis in Ukraine has already caused the public to lose considerable confidence in their government and doubt its ability to stabilise the situation, provide for steady development, and protect its citizens in the time of economic difficulties.

- There is a rising threat of internal conflict set off by the growing gap between elites and society, looming mass impoverishment, and lack of trust in government. Ruling parties and the main opposition alike are unable (or not interested) in counteracting these tendencies. If Ukrainian politicians continue to politicise existing conflicts, it provides grounds for external support that could transform general unrest on economic issues into active separatism. In addition to the well known issues in Crimea, there are increasing risks in Eastern Ukraine, and in some parts of Ukraine's West. Economic factors now combine with manipulation of public opinion, provocative actions by leftist parties, and the criminalisation of a society already traumatised by crisis.
- **The weakening of important state institutions**, including the judiciary and the national security system is accelerating as political conflict continues to sharpen. Civil servant appointments are increasingly politicised, and professionals remaining in the system are distracted by the dual challenges of politics and economic hardship. Political and institutional infighting have begun to merge, with a negative impact on already weak inter-agency institutions.
- **The loss of legitimacy of the democratic system** is the direct result of the state's inability to address the crisis. With its dominating position in Ukraine's information space, Russia is making efforts to highlight the

¹ That document was prepared as the result of an expert meeting conducted by the Razumkov Centre on 15 October 2008, and subsequent consultations with Ukrainian and international experts in the framework of the NATO-Ukraine Partnership Network.



advantageous of Russia's authoritarian "stability" over Ukraine's "democratic chaos". The idea of the need for a "strong hand" is growing in society. The critically low level of trust in the current political elite creates opportunities for radical political actors to enter at the next elections. On the other hand, many Ukrainians are not prepared to trade their political system, flawed as it is, for a more authoritarian system. Therefore, any attempt to exercise a "strong hand" politics will create additional tensions within society and with the political elite – resulting in increased, rather than decreased, instability.

- **The combination of increased internal problems, aggravated externally, and government weakness provokes the risk of "sovereignty default".** Were this to happen, external forces or anti-democratic internal forces could use the situation to fundamentally change the nature of Ukraine's statehood. This would have impact on regional security far beyond Ukraine's borders.
- **The critical situation in the security and defence sector.** Perceptions that current defence policy is not viable, due to the lack of a solid external security guarantee, have triggered a search for alternatives – such as expanding the Armed Forces or developing new deterrence forces in anticipation of renewed nuclear potential. Such initiatives have gained some public and political resonance without the clear assessment of their economic potential, effectiveness, or unpredictable negative outcomes. Realistically, considering their size and the quantitative and qualitative condition of armaments and equipment, Ukraine's Armed Forces have already passed the point of no return in their transformation.
- **Poor inter-agency coordination has now become a crucial weakness in Ukraine's state system.** The crisis has shown that Ukraine is subject to the risks of globalisation, but neither has the necessary capability to deal with the situation internally nor to pursue its own interests in the international arena. The inflexibility of executive institutions and the weakening of key coordination institutions, like the National Security and Defence Council and the Ministry of Foreign Affairs, due to efforts to use them as tools for internal political conflict, have significantly reduced Ukraine's ability to effectively consult with, or receive aid from, international partners. The ineffective use of international consultation mechanisms has encouraged the marginalisation of Ukrainian interests. For Ukraine, the ability to develop a credible first Annual National Programme, supported by cross-governmental coordination, will be a key test of whether Ukraine is capable of mobilising the capacity of the state to achieve important national goals.

Ukraine's international image has declined considerably, as has its ability to effectively present its positions internationally, due to the continuing political conflict, stalled reforms, and uncoordinated actions of state authorities (and the public statements of their representatives). Opaque decision-making mechanisms appear to ignore the legitimate interests of international neighbours and partners. Russia has taken advantage of this situation by developing focused international information efforts to cast Ukraine as an "unreliable partner" or "conflict zone". This increases investment risk, reduces opportunities for external support, and furthers the Kremlin's interests in reducing Ukraine's attractiveness as a development model in the eyes of its own citizens,

as well as its attractiveness as a partner and prospective member of NATO and the EU in the eyes of the West.

NATIONAL SECURITY PRIORITIES AND POSSIBLE ACTIONS

The Strategic Assessment of October 2008 highlighted nine key priorities for national security, with independence of democratic institutions, combating corruption, defence capability, and national security management heading the list. It also highlighted that – in the short term – actions would take place within significant economic and political constraints, and would therefore need to be carefully targeted to mobilise limited resources to achieve real changes. Representatives of the public sector and security community would need to initiate most of these actions themselves, not counting on initiative from the political level, but in light of the need for political-level approval.

While the areas identified in October all remain relevant, developments in the security environment over the past five months have firmly placed economic and energy security as the new top priority. A number of other areas and their relative priority have also been revised in light of changed circumstances.

In addition to adapting policy priorities to reflect the updated situation, experts have also tried to identify approaches and practical steps that could be feasible to introduce in the current environment. While implementing some of these might be challenging in the current political environment, the increased sharpness of the risks, combined with the coordinated efforts of internal and external advocates, may provide new opportunities for building political support.

First and foremost, there must be greater coherence in the executive branch, in its formation and implementation of policy. This requires an end, or at least some mitigation, of the political feud between the President and Presidential Secretariat, on the one hand, and the Prime Minister and Cabinet, on the other. Absent some reconciliation, it is difficult to see how the government will be able to deal effectively with the domestic and foreign policy challenges currently facing Ukraine.

Economic Security. The principal aim is to form an anti-crisis agreement, in cooperation with the IMF and other international lenders, that can become a positive signal and will permit access to external financial resources. The essential condition is a clear governmental action programme that addresses the following interconnected issues:

- Targeted actions to protect the health of Ukraine's financial system and overcome negative trends in the currency exchange system, while taking into account the need to protect the hardest-hit and most unprotected segments of the population and public trust in the banking system;
- Budget restructuring to reduce the growing deficit and provide for its financing;
- Restructuring external debt, taking into account all debt obligations – governmental and corporate – in order to prevent default, and avoid unforeseen shocks on the internal currency exchange market;
- Support and stimulating economic activity, in the first place in the internal market demand. Priorities for sectoral support should target those with maximum growth potential: energy, agricultural, high-tech, and development of small and middle business.



Energy Security. Despite feelings by some that the gas conflict has been resolved, many factors remain that could allow for the conflict to be quickly renewed, should Russia so desire. To avoid (and prepare for the possibility of) the revival of the conflict, Ukraine must take the initiative in forming clear, goal-oriented, and effective energy policy capable of convincing European partners that it can be a contributor to European energy security. Mitigating – and perhaps eventually solving – the gas conflict and its possible consequences is possible only in the context of stabilised relations in the gas market, aimed at increasing reliability all along the energy supply chain – extraction, trade, transit, consumption – with consideration of the interests of all shareholders. Priority directions must be:

- Providing for transparency of gas contracts and the whole chain of the energy supply, including monitoring of gas transit with the participation of interested external parties;
- Increasing the effectiveness of market mechanisms and governmental regulating policy in the domestic gas market, especially in terms of payment for consumption. Energy prices should be allowed to rise to cover costs of production and distribution, to encourage conservation and energy efficiency, and to increase domestic production;
- Shifting Ukraine's energy balance to increase energy security, through diversification of energy routes and sources; a key precondition is reducing the influence of the gas lobbying in political decision-making;
- Moving to practical implementation of policies to stimulate energy conservation;
- Attracting external investments to modernise Ukraine's gas transit system; initiating multilateral projects to use Ukraine's gas storage capability to provide for reliability of gas deliveries to Europe in case of natural or technical catastrophes that disrupt gas supplies.

Renewing Relations with Russia. Ukraine's Russia policy should be based on pragmatism. Maintaining the best possible relations with Russia will help speed Ukraine's European and Euro-Atlantic integration by lowering political concerns both inside the country and among NATO/EU partners. Yet today, Russia has little interest in developing normal relations with Ukraine on the principles of equal partnership between sovereign states. Under these conditions, Ukraine should seek to integrate its policy with NATO/EU approaches that seek partnership relations with Russia based on mutually-beneficial cooperation and active efforts to take into account Russia's legitimate interests. To accomplish this, Ukraine can:

- Mitigate possible areas of confrontation, such as energy, Crimea, Russian language, and NATO membership by avoiding diplomatic demarches and taking practical preventative measures. E.g. – refrain from repeated public declarations regarding the departure of the Black Sea Fleet in 2017 while accelerating work to better regulate its presence in Crimea;
- Restart bilateral negotiations in areas of cooperation that may be attractive to key Russian elites or societal groups;
- Develop a long-term strategy and appropriate tools to build the foundations for constructive Ukraine-Russia relations through networks of economic, elite, and societal links. Consultations with NATO/EU partners

(informally, if necessary) with relevant experience could be helpful;

- Coordinate with NATO/EU partners to positively support their efforts to achieve a successful rapprochement with Russia, while seeking to ensure protection of vital Ukrainian interests.

Democratic Institutions. An important pre-condition for overcoming the crisis and moving toward development is to increase the effectiveness of key governmental and public institutions (or at least to prevent damage at this initial stage). This year's main task is improving the election system and preparing for free and fair presidential elections. Vital issues are:

- The timely resolution, according to principles of consensual democracy and European standards, of the following issues: improving electoral legislation; completing a national voters' register; ensuring substantial internal and external monitoring of the election campaign;
- Depoliticising and increasing the autonomy of the judicial system: providing for public transparency of judicial decisions (while protecting legally-defined privileged information); improving legal, personnel, and resource support for judicial activities; and clear regulation of the appointments, terms of service, and responsibilities of judges (excluding possibility for unilateral dismissal of judges by the executive);
- Strengthening civil society efforts to ensure media freedom, protect journalists against retaliation, and introducing a code of ethics.

Increasing Effectiveness of the National Security and Defence System. The Russia-Georgia conflict has shown that a country that has chosen to move toward collective security may face a transitional period prior to its full integration in which it has a "security deficit" compared with a potential (or real, in the case of Russia-Georgia) rival. This reality demands revision of approaches (although not strategic goals) both by the country and its partners.

For Ukraine today, this is complicated by the economic crisis, which requires revision of previously established priorities. In the short term, the priority in reforming the security and defence sector must shift from finance-intensive programmes (transition to contract service, technical modernisation, development of unified civil protection systems, etc.) to human- and intellect-intensive reforms like improving processes, restructuring, improving legal and procedural frameworks, and developing human resource potential. It will be important to continue developing interoperability between Ukraine and NATO countries in the framework of the PfP Planning and Review Process (PARP) and gradually increasing the number of units and other Armed Forces' bodies and security institution taking part in PARP.

Beyond defence, a key priority should be actions to reduce the polarisation and increase the professional coordination of law enforcement agencies, including those with special status. It is important to increase the priority for Special Services' tasks related to countering external threats and continue the reform of intelligence and counterintelligence agencies in accordance with the legislatively defined priorities.

Regional Policy. The economic crisis and external factors have further underlined the important role of regional policy as a national security instrument. Priorities



for government policy should be: ensuring balanced regional development; the development of common values and Ukrainian national identity in harmony with regional/minority identities; and building partnerships with neighboring countries to meet the interests of people in border regions.

In addressing language issues, and to increase trust towards government, civil servants and representatives of governmental institutions should use not only the national languages, but also languages spoken by significant groups of local communities, according to the principle "dialogue with government has to be comfortable not to the department, but most importantly for the citizen".

RECOMMENDATIONS

Improve approaches and introduce practical mechanisms for developing and implementing ANPs. The content of ANPs must concentrate on achieving concrete results.

Successful implementation of ANPs is possible under following conditions:

- Clear regulation of tasks, division of responsibilities, and interaction between the National Security and Defence Council, the Cabinet of Ministers, and the Parliament;
- Creation of permanent inter-agency working groups on ANP issues that meet at the level of deputy ministers and (most frequently) department heads;
- Existence of effective monitoring mechanisms, including public oversight;
- Active use of NATO-Ukraine consultation mechanisms, particularly at expert level;
- Ensure linkage between ANPs and other strategic planning documents, such as the National Security Strategy and the Government Programmes.

Seek political consensus on NATO-Ukraine cooperation. The NATO-Ukraine partnership is a crucial factor for Ukraine's future as a contributor to European security. In accordance with Ukraine's foreign policy course toward Euro-Atlantic integration (which is established in legislation) and the Bucharest Summit declaration, maintaining a positive trend in NATO-Ukraine cooperation is important.

- It is necessary to initiate a wide public discussion focused on security and defence policy based on Euro-Atlantic principles and the solidarity of the democratic community, independent of the official membership status;
- In light of the realistic timeframes for Ukraine's accession to NATO under modern economic and political conditions, it could be helpful to develop a political compromise that ensures proper implementation of ANP actions, while removing NATO issue from the presidential campaign, via a politically-agreed moratorium postponing through 2014 any referendum on Ukraine's accession to NATO or accession process to NATO itself.

Wisely develop defence capabilities. NATO-Ukraine cooperation is a crucial factor of the defence reform. It supports the structural optimisation of Armed Forces, improvement of the defence management system, increased military professionalism, and the development of interoperability and Euro-Atlantic standards.

- The main tasks of Armed Forces development should remain in reaching interoperability with and standards of the Armed Forces of the EU and NATO countries, as well as active participation in international operations, trainings and other events;
- In the course of the Defence Review:
 - ♦ Consider alternative types of forces and methods for their use to address the "security deficit" that could occur during the transitional period of integration into NATO;
 - ♦ Ensure effective inter-agency coordination and consultations with parliamentary political forces;
 - ♦ Hold consultations with NATO experts concerning practical aspects of possible interaction across the full range of possible future scenarios.
- In the current financial conditions, concentrate resources on preserving human resource potential in key professions, in order to allow renewed full combat training when the necessary funding becomes available.

Intensify dialogue and enhance the level of NATO-Ukraine cooperation

- More intensively use consultation mechanisms across a wide spectrum of security issues, not only in general terms, but also as regarding timely consultations on specific cases (e.g., the gas conflict and the spy scandal with Romania);
- Increase strategic dialogue using official, academic, and non-governmental means to build common understanding of the principles of Euro-Atlantic solidarity, the responsibility of national governments in decision-making, and the conditions under which a country that is not yet a member of the Alliance might seek Western support and the means to receive and effectively use such assistance.

Intensify the role of civil society

Under conditions where important reforms are blocked or undermined due to political interests, civil society should redouble its efforts to support implementation, using both think-tanks and local civil society organisations. In cases where there state institutions are not supportive, external expertise and support for the work of civil organisations are critically important. Today, the main tasks of non-governmental sector are to:

- Encourage broad public discussion to raise awareness of the Ukrainian electorate regarding the importance of national security policy in the pre-election programmes of political parties and political leaders;
- Increase the capabilities of local civil organisations and support events that engage the civil society in developing and implementing policy on local (human) security issues;
- Provide expert support for state institutions in developing, implementing, and assessing national security policy;
- Help the public better understand their interests and assess the results of actions by state institutions and political representatives in terms of their impact on these interests. ■