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Analysis

Back to the Future?

Ukrainian-Russian Relations After Kyiv's Presidential Election

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Abstract

The victory of Ukraine's two-time former prime minister Viktor Yanukovich in the country's fifth presidential election in February marks an important milestone not only for Ukraine's domestic politics, but also for its foreign conduct. For Moscow, more than any other capital, the victory provokes relief and raises expectations. Since the so-called "Orange Revolution" of late 2004, Russian-Ukrainian relations experienced an unprecedented deterioration. Therefore, almost none of the problematic areas of the bilateral relationship—ranging from energy issues to the Russian Black Sea Fleet in Sevastopol—has seen any significant progress in recent years. Though much of the blame has been put on outgoing Ukrainian president Viktor Yushchenko and his pro-western policies, the current state of affairs between the two countries is also a result of both Ukraine's unconsolidated democracy in general and Russia's lack of a coherent strategy towards its "near abroad". Yanukovich—in contrast to his fierce rival Yulia Timoshenko—is generally assumed to be the more pro-Russian leader who could restore the friendly and pragmatic policy of former president Leonid Kuchma. However, a short introduction to the history and the most pressing issues of the relationship will suffice to show that a simple "back to the future" approach seems unlikely to work.

The History of an Asymmetric Relationship

Relations between Russia and Ukraine reached their nadir in August last year, when Russian president Dmitry Medvedev accused his Ukrainian colleague in an open letter of conducting an anti-Russian policy. The Russian leader claimed that Ukraine had supported the Georgian army during the war in the Southern Caucasus, violated the agreement concerning the deployment of the Russian Black Sea Fleet at Sevastopol, and engaged in a pronounced anti-Russian historical discourse. This letter continued a negative trend in Russian-Ukrainian relations, which many observers attribute solely to the 2004 Orange Revolution and the subsequent change of power in Kyiv. Indeed, given the two gas crises between the countries in 2005/06 and 2008/2009, the dispute about Ukraine's intensified quest for NATO membership and Kyiv's reactions following Russia's war with Georgia, there were plenty of signs of animosity. Nevertheless, the conventional wisdom now is that the new, allegedly pro-Russian president Viktor Yanukovich will soon turn things around and rebuild the relationship. However, a short examination of the history of the Russian-Ukrainian relationship will demonstrate that the Orange Revolution of late 2004 was no major turning point and that one has to pay attention to both structural and personal factors in projecting the relationship's future development.

Ukraine's first president Leonid Kravchuk simply stood on the sidelines watching as Russia went

through a period of domestic turbulence that continued from the collapse of the Soviet Union until 1993. Accordingly, it was Leonid Kuchma (1994–2004) who helped normalize the relationship between the two former Soviet republics. Whereas the Russians were assured of a non-nuclear Ukraine in 1996, Moscow formally recognized Ukraine as an independent state in the 1997 "Friendship Treaty." Kuchma's pragmatic-realist "multi-vector" foreign policy always walked a fine line vis-à-vis Moscow, vacillating between a very close strategic partnership between two brother-nations and preserving Ukraine's sovereignty. In practice, Kuchma never really challenged Russia's strategic hegemony in the post-Soviet space, but remained outside the political framework of the Commonwealth of Independent States (CIS).

Kuchma's approach owed much of its impact to Russia's unconsolidated and chaotic state of internal affairs during the 1990s. Moreover, Kuchma and Russia's former president Boris Yeltsin had an easy personal relationship since they both belonged to the same generation of initial post-Soviet leaders. After Vladimir Putin's rise to the Russian presidency at the end of 1999 and the subsequent growth of the Russian economy, this picture began to change rapidly. While Russia under Putin tried to re-erect its former great power status especially in the "near abroad," Kuchma's stable authoritarian regime began to disintegrate after the murder of independent journalist Georgiy Gongadze, a crime in

which Kuchma was personally implicated. This critical shift at the beginning of the new millennium made the logic of Russian-Ukrainian relations very clear: the natural degree of asymmetry between both states can only be reduced somewhat in the case of Ukrainian internal stability and Russian weakness. By the time of the Ukrainian presidential elections in 2004, this asymmetry had clearly tilted in Russia's direction.

“Orange Foreign Policy”—A Failure

Reflecting the deeper logic of Russian-Ukrainian relations, the Orange Revolution in 2004 and the rise of Viktor Yushchenko to the Ukrainian presidency in 2005 do not represent a major turning point. Rather, the new Ukrainian leader had little latitude vis-à-vis the Kremlin, which had already begun to use its dominance in the energy sphere as a foreign policy tool against its neighbors. Yushchenko and his entourage made clear from the beginning that they were willing to push the country's foreign policy in another direction—relations with Moscow were to be subordinated to a “euroatlantic” course while the concept of “multi-vectorism” would be abandoned all together. Whereas “euroatlantic integration” into the EU and NATO had remained pure rhetorical constructs under Kuchma, Yushchenko promised to implement the necessary internal reforms and to make Ukraine a part of these Western institutions as soon as possible.

It is fair to say that, at the end of the Yushchenko presidency, his pro-western policy did not produce much beyond Ukraine's entry into the World Trade Organization. Rather, relations between Kyiv and the EU have reached a standstill, reflecting a climate of mutual misperception and even distrust. Yushchenko was unable to secure political support from Brussels beyond the poorly-received Eastern Partnership Initiative and even on more pragmatic issues, like a visa-free travel agreement or the proposed Free Trade Area (FTA), no results were produced. The NATO-membership initiative, once a cornerstone of Yushchenko's foreign-policy strategy, has developed into an *anathema* for both NATO (which thwarted Kyiv's hopes for a road map in late 2008) and Ukrainian politics. Moreover, the NATO issue stood out mainly as an example of how Ukrainian elites still instrumentalize sensitive questions of national security for domestic political purposes—even with the possibility of a membership action plan long gone, Yanukovich's Party of Regions still used the public unpopularity of NATO to gain votes.

Yushchenko, who had no interest in changing his one-sided foreign-policy course even in the face of west-

ern rebuffs, resorted to an increasingly anti-Russian policy and discourse over time. While many of his anti-Russian acts, like a ban on Russian vessels returning from the war in the Southern Caucasus to Sevastopol in 2008, had no imminent consequences. Yushchenko's interpretation and political use of Ukrainian and Soviet history (particularly the *Holodomor* and the glorification of Mazepa and Bandera) excluded any chance of a rapprochement with the Kremlin. However, Yushchenko's renunciation of Kuchma's pragmatic-realist foreign policy and the adoption of a normative-constructivist “orange foreign policy” did not turn out to be his greatest failure. Instead, it was the Yushchenko administration's failure to deliver on its promise of a logical link between foreign and domestic politics which raised the most questions about Ukraine's international position. Thus, the internal destabilisation of Ukraine after 2004—the obvious lack of far-reaching reforms, the political stalemate between president and prime minister and the deep economic crisis after 2007—reduced the country's already small leverage vis-à-vis Moscow to a minimum.

Yanukovich and the Ukrainian-Russian Agenda

At first glance Yanukovich looks like the ideal Ukrainian counterpart to Medvedev for the much-anticipated rapprochement between both states. In contrast to Yushchenko, Yanukovich never supported Ukraine's NATO bid and even suggested recognizing the sovereign status of Abkhazia and South Ossetia in 2008. In addition, Yanukovich's power bases are the majority Russophile eastern and southern parts of Ukraine and his Party of Regions has had a collaboration agreement with Russia's ruling party United Russia since 2005. The new Ukrainian president spoke about the necessary renewal of the once friendly relationship during his campaign and shortly after inauguration promised to rebuild the strategic partnership “in all directions”.

However, today Yanukovich and the Party of Regions look somewhat transformed compared to pre-Orange times. First, Yanukovich, being prime minister in 2006–2007, changed from the role of clan leader into a nationally-conscious politician. Second, the oligarchs who dominate the Party of Regions, like Rinat Akhmetov or Dmitry Firtash—famous for exploiting Ukraine's weakness for rent-seeking activities well beyond the 1990s—now have a vested interest in Ukraine's economic and political stability. Thus, today Yanukovich and his entourage should first of all be seen as a pro-Ukrainian, rather than a pro-Russian force,

whose political priority will be to reactivate Ukraine's economy and shore up its political stability. Examining a few of the most sensitive issues in Ukrainian-Russian relations will demonstrate how problematic this national preference could turn out to be.

The Gas Question

The two gas crises between the countries during the last five years clearly demonstrate the disruptive potential of this issue. Given the Ukrainian economy's energy-intensiveness especially in terms of gas, the degree of dependence upon Russia is even greater here than in other areas. Though the Ukrainian leadership can be blamed for its slow reform of the energy market and its inability to prevent strong oligarchs from seeking high intermediary rents, the Russians from the very beginning used the Gazprom-monopoly to exert political pressure on Ukraine. The options left to Yushchenko and subsequent prime ministers were either to keep prices as low as possible while going along with Russian interests or accepting higher prices for the sake of increased autonomy. Accordingly, notwithstanding the two standoffs and the somewhat more pragmatic policy of former prime minister Yulia Tymoshenko, the price Ukraine had to pay for its gas dramatically increased in recent years (up to \$305 per 1000m³ for the first quarter of 2010). However, at least until 2007/2008—when the world financial crisis reached Ukraine—higher gas prices could be somewhat absorbed by the economy's growth while some voters, particularly those in the national-democratic camp, could live with the "higher prices-more autonomy" deal.

Yanukovich now faces a different situation. On the one hand, overcoming Ukraine's economic crisis will clearly depend on his ability to lower the price for Russian/Central Asian gas. This quest will be driven in part by the oligarchs close to Yanukovich, who either run energy-intensive businesses or are directly benefiting from better trade margins. Though, any deal with Gazprom will have to include a certain incentive for the Russians for whom the current agreement is rather advantageous. Yanukovich thus has to put forward the option of possible Russian participation in the renovation of Ukraine's Gas Transport System (GTS) together with Naftogas and European energy companies. However, Gazprom officials have already raised doubts if this would be in their interest and instead suggested that they would rather accept shares in Naftogas or the GTS for lower prices. Statements like these show that Yanukovich will have to walk a fine line if he wants to advance his short-term interest in economic growth and

stability with Ukraine's long-term quest for more political autonomy vis-à-vis the Russians.

Trade and Regional Integration

A major task for both presidents will be the reanimation of the trade relationship. Once Ukraine's biggest trading partner, the balance of trade between Kyiv and Moscow slumped in 2009 by 42.5 percent in contrast to 2008. While much of this decline can be traced back to the worldwide financial crisis, structural factors played a role too. Especially since Kyiv's entry into the WTO, Ukrainian exporters have increasingly oriented themselves westwards. Moreover, in contrast to the 1990s, major Ukrainian business groups now look for financial sources and corporate knowledge predominantly in Europe or the US. On the one side, an increase in bilateral trade would certainly benefit Ukraine's shrinking economy and some branches will push Yanukovich in this direction. On the other side, what we have seen in the past is harsh competition between Ukrainian and Russian producers in many fields (pipe construction, for instance) leading to severe tariff wars between the two countries. Any rapprochement in the trade area will therefore have its natural limits. A good example of Kyiv's pre-determined policy is the Russia-led Common Economic Space framework (CES)—while Yanukovich has openly spoken about Ukraine's possible membership, he simultaneously dashed Russian hopes in stating that Moscow's WTO-membership would be a precondition.

Language and Identity Issues

At first glance, this area seems to be the easiest for Yanukovich in reaching a better status-quo with the Russians. Since former president Yushchenko not only perceived of himself as an Ukrainian nationalist, he made anti-Russian use of certain aspects of both countries' history and national identity a priority during the latter part of his presidency. In contrast, Yanukovich and the Party of Regions never supported Yushchenko, for example on his far too biased Holodomor-interpretation and are even prepared to discuss the elevation of Russian to a second state language. Notwithstanding Yushchenko's negative influence on the relationship in this regard, less attention has been paid so far to the fact that his policies would not have been so consequential if it were not for a Russian nationalist equivalent. The "Politics of History" are therefore no Ukrainian phenomena, but a common element of post-Soviet reality. Additionally, one should not forget that Yanukovich now presides over the whole coun-

try and will have, at least to a certain degree, to develop a nation-building doctrine of his own.

Conclusion—A Serious Need For New Ideas

Yanukovich has already announced that he will stand for a new, pragmatic and more balanced foreign policy. This approach will especially include rebuilding the Ukraine-Russia relationship. Will it also mean the reopening of former Ukrainian president Kuchma's "multi-vector foreign policy" or just a slightly more pro-Russian course? The analysis here demonstrates that the change from Yushchenko to Yanukovich should not be overrated and that an evaluation of the structural preconditions for a rapprochement between both states

leaves a rather ambivalent picture. Thus, Yanukovich's alleged pro-Russian outlook will not only be tempered by his now being the leader of the Ukrainian nation, but also by his foremost task to secure the very stability of Ukraine as a polity in severe crisis. Last but not least, the lack of sophisticated concepts and structures in the Ukrainian-Russian relationship beyond the "Friendship Treaty" and some gas agreements is puzzling and seems to be a major obstacle for further progress. Especially on the Russian side, one cannot shake the impression that no one really wants a well defined concept vis-à-vis Ukraine since such a comprehensive policy is viewed as an obstacle to the Kremlin's policy of neo-imperial reflexes.

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Analysis

Ukrainian-Russian Gas Relations After the 2009 Conflict: The Current Situation and Future Prospects

By Katerina Malygina, Bremen

Abstract

The gas war in January 2009 led to a reexamination of the contracts between Ukraine and Russia for delivering and transiting gas. Additionally, the election of Ukraine's new president means there will be changes in the energy dialogue between the two countries. The new realities demand an analysis of the status quo and the possibilities for change in Ukrainian-Russian gas relations.

Consequences of the Gas Contracts for Russia

One of the most important consequences of the 2009 gas war was the elimination of the intermediary-company RusUkrEnergo (RUE) in the gas trade between Russia and Ukraine. Ultimately, Russia likely profited more than Ukraine, even though Ukraine initiated this process. First, in 2009 Russia paid for gas transit across Ukrainian territory through barter, reassigning to Ukraine RUE's \$1.7 billion in debts to Gazprom. Second, Russia revised its contract with Poland on terms that were favorable to it. Thus, after the elimination of the intermediary RUE, Poland did not receive the gas that it had contracted from it and began negotiations with Gazprom about purchasing additional gas. The nearly year-long negotiations with Poland resulted in the

signing of an inter-governmental agreement which defined the terms of gas deliveries through 2037. In addition to the long-term contract, Gazprom also achieved confirmation of the principle of unanimity in management decisions regarding Europogaz, the joint venture between Gazprom and the Polish oil and gas company PGNIG. The changes which Gazprom had aspired to since 2006 deprived Poland of its previous priority in setting tariffs on transporting gas across the Polish part of the Yamal gas pipeline.

Gazprom's success in signing the gas contracts with Ukraine in January 2009 allowed it to partially compensate for its reduced income from European sales in the 2009 crisis year at the expense of Ukraine. Overall income from Russian gas sales abroad in 2009 compared to 2008 dropped 40 percent and totaled \$39.4

billion, according to Russian Federal Customs Service data. Gazprom received one-fifth of its income (\$8 billion) from sales to Ukraine. Accordingly, it was important to Russia that Ukraine paid for its gas in full. During the course of 2009, Russia's leaders never tired of repeating one and the same message to their Western partners – Ukrainian difficulties in paying for Russian gas could lead to the revival of problems transiting gas across Ukrainian territory. The public relations campaign by Gazprom sought to achieve two goals. First, it reinforced Ukraine's image as an unreliable transit country and thereby increased support for the alternative Nord Stream and South Stream pipelines. Second, it deflected European attention from Gazprom's financial problems and simultaneously forced the EU and IMF to offer financial support to Ukraine to pay for its gas.

The actions of Prime Minister Vladimir Putin demonstrate Gazprom's persistence in attracting foreign investors to guarantee Ukraine's timely payments for gas. In the beginning of June 2009, just as a scandal broke out about the need to fill Ukraine's underground gas storage depositories, Putin called European Commission President Jose Manuel Barroso and requested a \$5 billion credit for Ukraine. After his request was refused, Putin made a similar plea to the IMF. This time Russia suggested Ukraine pay its gas bill by using the IMF special drawing rights that the G20 had created at its 2 April 2009 summit. These rights were distributed in August. Ultimately Ukraine used its share to pay for Russian gas in Fall 2009. Thus without the active support of Russia, Ukraine might have missed a payment for gas, which would have led to another crisis in the two countries' gas relations.

Another consequence of the 2009 gas conflict was Russia's increased activity to diversify its gas pipelines around Ukraine by building the Nord Stream and South Stream pipelines. Russia's success in this regard is obvious: in February 2010 Gazprom received all the permissions it needed to build Nord Stream. In 2009, South Stream also received much greater international support – now Gazprom has signed agreement for the foreign land-based pipelines with Bulgaria, Serbia, Hungary, Greece, and Slovenia. Also Turkey is expected to give permission to build the South Stream pipelines in its waters by November 2010. However, the money set aside by Gazprom in its 2010 investment program for building these two pipelines is only \$4.65 billion, which would probably be enough to lay the first part of Nord Stream, which Gazprom hopes to begin using in 2011. Additionally, in February 2010, Russia postponed the exploitation of the Shtokman site for three years until

2016–2017, which should send gas to Europe through the Nord Stream pipeline. A major factor in Gazprom's plans is the “quiet revolution” in the production of shale gas in the US, which has already led to the redirection of Qatar's LNG from North America to Europe, thus becoming a catalyst in reducing gas prices in the EU. Accordingly, despite Gazprom's rhetoric, realization of the South Stream project will also likely be postponed.

From the perspective of advancing its gas interests during the 2009 crisis year, Russia was generally successful. Nevertheless, the 23 March 2009 Brussels Declaration issued by the international donors' conference on modernizing Ukraine's Gas Transport System (GTS) weakened the position of the Russian side. According to this Declaration, Ukraine will take responsibility for reforming its gas transportation system, using credits from European banks. However, from the Russian perspective, any modernization of the system without first consulting Russia, the supplier of the gas, would be irrational. Therefore Russia insists on a tripartite modernization of the Ukrainian GTS. Additionally, the Declaration allows the European companies to buy gas not at the border of the EU, but at the border with Russia, a provision that significantly reduces Gazprom's influence in Ukraine and Europe. Naturally, Gazprom protested sharply against the Declaration and its delegation even abandoned the negotiations. Later, in November 2009 Ukraine played the “Brussels card” to win gas contract concessions from Russia.

Consequences of the Gas Contracts for Ukraine

The main event in Ukrainian politics during 2009 was the monthly intrigue about the country's payment for gas. Despite the tough rules for paying for natural gas (no later than the 7th of each month, otherwise fees would be levied) and the difficult economic situation in the country, Ukraine nevertheless paid on time for Russian gas. It helped that Prime Minister Yulia Tymoshenko took a personal interest in this matter: with the presidential elections approaching at the beginning of 2010, it was extremely important for her to create a myth about Ukraine's ability to pay and to hide the unprofitability of the gas contracts signed with her support.

In order to meet Ukraine's obligations to Russia, the prime minister used non-market methods. Payments for gas were made mainly on the basis of credits from state banks: in 2009 Ukraine's overall state debt grew to 112 billion grivnas (about \$14 billion), of which a half (56.8 billion grivnas) went to providing finan-

cial aid to Naftogaz Ukraine. To pay for Russian gas, the Ukrainian government used other contrivances as well: reimbursement of the value added tax (VAT) to Naftogaz Ukraine (8 billion grivna at a time when the government owed enterprises 25 billion in VAT refunds), monetizing the special drawing rights received from the IMF in August 2009 (approximately \$2 billion) and since the beginning of 2010, with the IMF's permission, deploying the country's hard currency reserves (up to \$2 billion).

Such payment schemes were necessary due to Naftogaz's poor financial health. In Fall 2009, Naftogaz only with great difficulty succeeded in restructuring its debts: in particular, the company could not pay its Eurobond for \$500 million and instead paid only interest on it. By 1 October 2009, Naftogaz's debt reached 42.58 billion grivnas (about \$5.3 billion). The overall sum of court claims against Naftogaz on 5 November 2009, was 38 billion grivnas (about \$4.75 billion). Additionally, in the middle of November Rosukrenergo quadrupled – to \$8.26 billion – its claims against Naftogaz for expropriating 11 billion cubic meters of gas during the winter of 2009.

Fundamentally addressing Ukraine's inability to pay for its gas over the long term is impossible without cardinal reforms in Naftogaz. The government's effort to improve the state of the gas company by transferring management of its gas distribution system to a subsidiary company Naftogazseti, created especially for this purpose in June 2009, seems to be very ineffective. Until June 2009 regional distribution companies (oblgazs) controlled the gas distribution network and provided gas to the final customer. Unfortunately the distribution companies did not pay Gazprom for all the gas that they consumed: the general debt of the regional gas companies for 1999–2008 on 1 January 2009 was 6.7 billion grivnas (about \$850 million at the current exchange rate). On the eve of the presidential elections, the government refused to take more radical steps, such as increasing gas prices for the population to the market level, despite the IMF and European banks' advice to do so. At the same time, the Ukrainian government set aside 7.7 grivnas (\$1 billion) in budget funds to subsidize the difference between prices for purchasing imported gas and selling it to public organizations and the population.

The consequences of the new gas contracts and Tymoshko's gas policy will be felt for a long time. The excessively high prices for natural gas made Ukraine's main export items – metals and chemical products – uncompetitive. The average price for natural gas paid

by chemical enterprises in Ukraine using natural gas as a basic input in June 2009 was \$318 for a thousand cubic meters, which was three times more than in the European Union and five times more than in Russia, according to European Union of the Chemical Industry data.

In this context, President Viktor Yanukovich's announcement calling for a re-examination of the gas agreements with Russia in order to establish a "just" price for gas seems entirely logical. However, Yanukovich's proposals seeking to interest Russia in such a step raised a storm of protest in Ukraine, including accusations that he had sold out the country's national interests. In particular, Yanukovich offered to return to the 2002 idea of creating an international gas transportation consortium. The task of the consortium would be not only using the existing Ukrainian gas transportation system, but also modernizing it with the participation of Russia, while at the same time increasing the flow of transit gas to Europe to 200 billion cubic meters. Shares in the consortium would be divided among the EU, Russia, and Ukraine evenly (33.3%). According to Yanukovich's plan, Russia should forego its plans to build pipelines around Ukraine. Gazprom is prepared to examine the proposals about the consortium, but does not plan to revisit its decisions to build the Nord Stream and South Stream pipelines. The danger for Ukraine in creating such a consortium is that Gazprom could own more than 60 percent of the shares if Gazprom-affiliated energy companies participate from the European side.

Failure to Observe Contracts

Almost immediately after Ukraine and Russia signed the new contracts in 2009, both sides began to violate their conditions. Ukraine did not fully take its contracted level of gas, while Russia decided not to impose the financial sanctions provided for in the contract.

Officially, the evolving practices were codified only toward the end of the year. On 24 November 2009 Gazprom and Naftogaz signed an addenda to the 19 January 2009 contract on buying and selling gas. According to the new agreement, Ukraine reduced the level of its imports from Russia in 2009 from the initially envisioned 40 billion cubic meters to 33.51 bcm and in 2010 from 52 bcm to 33.75 bcm. Since the actual imports in 2009 were 27 bcm, Naftogaz formally met the norm in which it had to purchase 80 percent of the natural gas that it had contracted to buy. The new agreement also omitted fines for Naftogaz's failure to purchase the contracted levels of gas in 2009. These fines would have amounted to \$8 billion. The contracts

signed at the end of November did not violate the original contract since it foresaw the possibility of changing the amount of gas. Nevertheless, according to the contract, the revised sum should have been signed into place six months before the beginning of the year of delivery, ie no later than July.

The two sides are also not observing all the conditions in the second contract on the transit of Russian gas across the territory of Ukraine. According to the contract, payment should be made only in money. However, in the winter of 2009 Naftogaz accepted former gas trader RosUkrEnerg's debt to Gazprom for approximately \$1.7 billion (or 11 bcm of gas) in exchange for Gazprom's payments for transit. In April 2009 Ukraine almost agreed to purchase \$5 billion worth of gas to fill its underground gas storage facilities in exchange for future transit services. For several reasons, the deal did not take place: instead of 19–20 bcm Ukraine could only buy 0.8 bcm.

Thus, the new gas contracts between Russia and Ukraine, like the previous ones, are highly conditional and their implementation is selective. Moreover, the new contracts did not eliminate the old barter system of trading gas for transit. If this practice is adopted for the long term, as Tymoshenko and Putin sought to do in April 2009, it would make the formula approach to calculating the cost of transit almost inoperable. Finally, the addenda to the January 2009 agreement signed in November 2009 covers only 2009–2010. Thus, questions about addressing the existing problems after 2010 remain on the agenda.

Outlook

Russia's further cooperation with Ukraine in the gas sphere will be built in accordance with the principles laid out in Russia's new energy strategy through 2030, which was adopted on 13 November 2009. Among the goals this strategy identifies are "reducing the risk of transiting Russian energy to the export market," which directly affects Ukrainian–Russian gas relations. Russia has adopted a two-pronged strategy for meeting this goal.

First, Russia is actively attempting to put generally accepted transit rules in place for existing and new international legal documents. After the gas conflict with Ukraine, Russia withdrew its signature from the Energy

Charter and in April 2009 launched an initiative to develop a new concept for energy cooperation which would unite all the main energy producer, transit, and consumer countries. This year it is highly likely that the Russians will succeed in this area: at the beginning of 2010 the EU's chief representative in Russia Fernando Valenzuela announced that the Energy Charter could be reexamined to take into account Russia's interests.

Second, Russia has not stopped searching for a way to use Ukraine's Gas Transit System (GTS) for its purposes. In the near future, a new intergovernmental agreement on cooperation in the gas sphere between Russia and Ukraine is to be signed. According to the Russian version of the agreement, Ukraine would have to waive any immunity it enjoys, regarding itself and its property, in the event of a dispute. The GTS is the property of the Ukrainian government but Ukrainian law currently forbids its privatization or bankrupting Naftogaz. And while the Russian version of the agreement likely will not be signed, after the recent change in Naftogaz's property status, Russia will have a little more leeway in carrying out its plans. Experts think that reorganizing the company from a state form of ownership to public ownership makes it possible to transfer the property of the gas concern in case it does not pay off its creditors.

Ukraine is seeking ways to increase its energy security and reduce its dependence on Russian gas supplies. First, it wants to increase its own gas production. If contracts are not rewritten and the price for gas remains high, Ukraine could resume exports of its own gas to Europe. Second, according to the Ukrainian Cabinet of Ministers, electricity production from renewable resources could allow the country to save up to 18.5 bcm of natural gas a year, reducing consumption in Ukraine by the end of 2010 by 13.5 percent. Third is increasing the energy efficiency of industrial enterprises. As a result of the crisis and high prices for gas, work in this direction accelerated in 2009, but the first results will only be felt this year. Finally, in connection with the increased supply on the markets of LNG and shale gas and the falling prices for these fuels, Ukraine is considering building a LNG regasification terminal with a capacity of 20–30 bcm. Gas received in this way, even taking into account transportation costs to the Ukrainian border, would be cheaper than Russian gas, the price for which is set in relation to the price of oil.

About the Author

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(recommended literature overleaf)

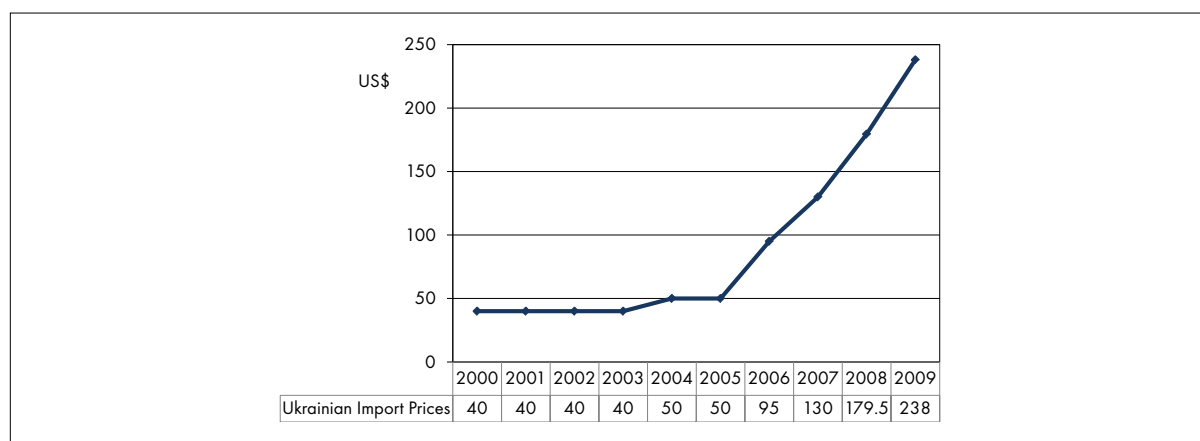
Recommended Literature:

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Statistics

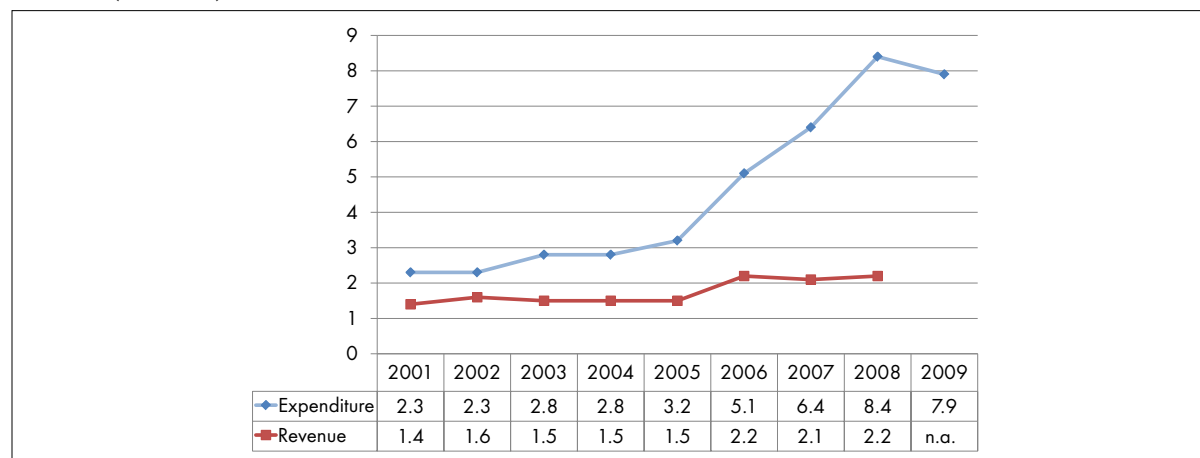
The Russian-Ukrainian Gas Trade

Diagram 1: Ukrainian Import Prices for Natural Gas 2000–2009 (US\$/mcm)



Sources: Institute for Economic Research and Policy Consulting, Kiew, http://ier.org.ua/papers_en/v12_en.pdf, for 2001–2008; Katerina Malygina for 2009

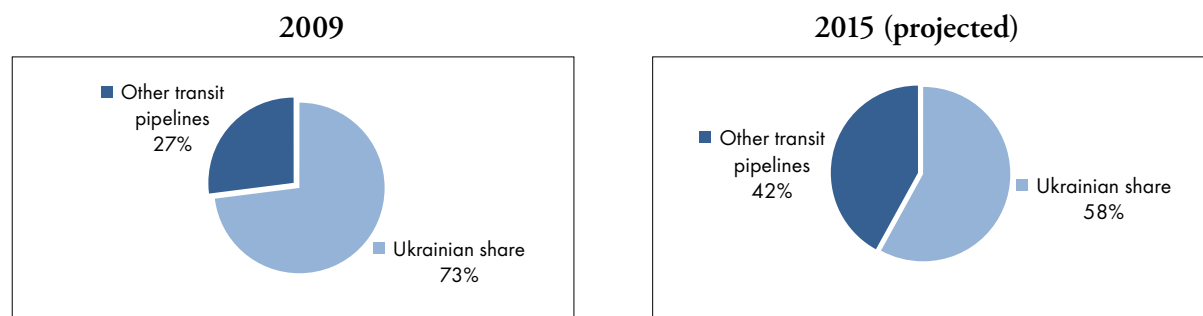
Diagram 2: Ukrainian Expenditure on Natural Gas Imports and Revenue from Natural Gas Transit (bn US\$)



n.a. = not available

Source: Simon Pirani, Oxford Institute for Energy Studies, for 2001–2008; Katerina Malygina for 2009

Diagram 3: Ukrainian Share of Transit Pipelines for Russian Natural Gas to Europe



Source: Research Centre for East European Studies, Bremen – own compilation; see Table 1 below.

Table 1: Pipeline Capacities for Russian Natural Gas Exports to Europe

Pipeline	Route	Capacity 2009	Capacity 2015 (projected)
Brotherhood/Union (Soviet network)	Russia – Ukraine – Central Europe	130 bn. cbm	130 bn. cbm
Polar Lights (Soviet network)	Russia – Belarus – Ukraine – Central Europe	25 bn. cbm	25 bn. cbm
Transbalkan (Soviet network)	Russia – Ukraine – Balkans	20 bn. cbm	20 bn. cbm
Finland Connector (Soviet network, extended 1999)	Russia – Finland	20 bn. cbm	20 bn. cbm
Yamal (since 1999)	Russia – Belarus – Poland – Western Europe	28 bn. cbm	28 bn. cbm
Blue Stream (since 2002)	Russia – Black Sea – Turkey	16 bn. cbm	16 bn. cbm
Nord Stream (planned for 2012)	Russia – Baltic Sea – Germany	–	28 bn. cbm
South Stream (planned for 2015)	Russia – Black Sea – Balkans – Central Europe	–	35 bn. cbm
<i>Total</i>		<i>239 bn. cbm</i>	<i>302 bn. cbm</i>

Source: Research Centre for East European Studies, Bremen – own compilation.

Analysis

The Future of the Sevastopol Russian Navy Base

By Dmitry Gorenburg, Cambridge, MA

Abstract

The recent election of Victor Yanukovich as president of Ukraine has brought the future status of Russia's naval base in Sevastopol back to the forefront of Russian-Ukrainian bilateral relations. When Victor Yushchenko was president, it was clear that the Ukrainian government would firmly oppose any possibility for extending the basing agreement. While many Russian analysts believe that the election of Yanukovich means that the likelihood that the lease will be renewed is substantially higher, the calculus is potentially more complicated, with constitutional, political and economic issues all standing in the way of a renewal.

The Recent History of the Sevastopol Basing Issue

The current agreement on the status of the Russian Fleet's Sevastopol Navy base was signed in May 1997. According to the agreement, the Soviet Black Sea Fleet (BSF) was initially divided evenly between Russia and Ukraine. Ukraine subsequently transferred most of its portion of the fleet back to Russia. In the end, Russia received 82 percent of the former Soviet Black Sea Fleet's assets. The agreement recognized Ukraine's sovereignty over Sevastopol and its harbor facilities, but allowed Russia to lease the bulk of the fleet's Sevastopol facilities for 20 years for a payment of \$97.75 million per year. Russia also retained criminal jurisdiction over its troops in the city.

The agreement expires in 2017, though there is a clause stating that it will be automatically renewed for a further five years unless one of the parties gives one year's advance notice in writing that it wishes to terminate the accord in 2017. While the official position of the Ukrainian government has always been that the agreement would not be renewed, the political tension caused by the summer 2008 war in Georgia brought this issue to the fore. Ukrainian politicians stated that the Russian Navy should begin preparations for withdrawal from the base and provided the Russian government with a memorandum on the timing and steps necessary to withdraw the fleet in a timely manner. The official Russian position is that the Russian Navy would like to negotiate an extension of the lease, but is planning for the possibility that it will be forced to leave Sevastopol at the end of the agreement. The Russian government has stated that it will not consider withdrawal plans prior to the agreement's expiration.

Recently, some nationalistically-minded politicians and retired admirals have made statements indicating that Russia has no intention of ever leaving the Sevastopol base. For example, former Black Sea Fleet

commander Admiral Igor Kasatonov at one point stated that 2017 is a significant date only for "Russophobic" politicians. "The Black Sea Fleet is in Sevastopol forever... It will retain its base in Sevastopol, another will be built in Novorossiisk, Tuapse, maybe also in Sukhumi, if there is a need." More recently, Mikhail Nenashev, a Russian State Duma deputy who serves on the Duma's Committee on Defense and also heads the Russian movement to support the navy, argued that Moscow plans to continue to develop the Black Sea Fleet's infrastructure, both in Russia and in the Crimea.

The Impact of Recent Political Developments

While President Yanukovich certainly has a more pragmatic attitude toward Russia than his predecessor, this does not necessarily mean that he will be eager to extend Russia's lease on its naval base. It is after all a very controversial political issue in Ukraine and he may not want to take any actions that exacerbate existing regional and ideological divisions. One poll, conducted last fall, indicates that only 17 percent of Ukrainians support an extension, while 22 percent want the Russian navy out even before the agreement expires in 2017. For a president who is seen by a large part of the population as excessively pro-Russian and who was elected with less than fifty percent of the total vote, going against public opinion on this issue may prove tricky.

Second, there is the constitutional issue. The Ukrainian constitution prohibits the placement of foreign military bases on Ukrainian territory. The current Russian navy base is permitted because of a separate article that allows for the temporary placement of foreign bases as part of a transition period that was designed to smooth the process of Ukraine solidifying its independence in the mid-1990s. As one of his last acts, President Yushchenko asked the Ukrainian Constitutional Court to rule on the contradiction be-

tween these articles. Regardless of the impact of any future court ruling based on this request, there is widespread consensus in Ukraine that the renewal of the basing agreement would require a constitutional amendment, which would in turn require a two-thirds vote in the Ukrainian parliament.

Finally, there are economic issues. The initial signals given by Yanukovich in his first weeks in office indicate that he is willing to discuss the future status of Russia's Black Sea Fleet, but only in the context of a wide-ranging negotiation that includes a whole set of issues. Without doubt, he will ask for a significant increase in the amount paid by Russia to lease the base – Russian sources believe that the absolute minimum that Ukraine would agree to is \$1 billion per year (i.e. a ten-fold increase), while the Ukrainian side may ask for as much as \$5-10 billion per year. In addition, Yanukovich is likely to seek additional Russian investments in regional infrastructure. He may also tie other issues, such as an agreement on border delimitation and even favorable terms on natural gas transit and import pricing, to a positive outcome on the basing issue. On the other hand, the departure of the Russian fleet is likely to lead to significant economic dislocation in Sevastopol, where it is one of the largest employers. This may in turn lead to social protests and even anti-government political agitation among the mostly pro-Russian population. Thus, even if the basing agreement is eventually renewed, it will not be an easy process and is likely to result in significant tension with Russia.

Alternative Basing Options

Given the relatively poor relations between Russia and Ukraine during the Yushchenko presidency, it is not surprising that in the last few years Russian naval officials and military analysts began to discuss possible alternatives for basing the Black Sea Fleet. One obvious alternative is the existing naval base at Novorossiisk, which has been expanded over the last several years and currently hosts a variety of smaller ships, including the fleet's two missile hovercraft, some small anti-submarine warfare ships, and the fleet's newer minesweepers. The commander of the BSF argues that while it would be theoretically possible to expand this base to house all the BSF ships, the reality is that doing so would have a negative economic impact on the region by creating bottlenecks at Novorossiisk's busy commercial port. The resulting delays could lead commercial shippers to increase their use of Ukrainian ports at Russia's expense. Russian commanders also contend that the base is unsuitable because of climate conditions in the

area. An additional base at Temriuk will only be useful for smaller ships and has the disadvantage of being located on the Azov Sea, making it easy in the event of hostilities for enemy navies to trap ships there by blockading the Kerch Strait.

Some analysts propose building an additional base near Novorossiisk, either to the northwest on the Taman peninsula or to the southeast at Tuapse or Gelendzhik. These would both be possible locations, though the expense of building a new naval base from scratch would be quite significant, especially if it becomes necessary to buy out tourist infrastructure along the coast. Another, even less likely, possibility is to establish a second base at a foreign location. Two such locations have been proposed: Ochamchira in Abkhazia and Tartus in Syria.

In the aftermath of the Georgia War, Sergei Bagapsh, the President of Abkhazia, offered to have Russian ships based at Ochamchira. While this offer was initially taken up as a serious possibility by the Russian media, subsequent discussions led Bagapsh to issue a clarification in which he said that Abkhazia will not become a permanent base for the Black Sea Fleet, though facilities could be developed to host BSF ships when necessary to counter potential Georgian attacks. In any case, the harbor at Ochamchira is too small to host more than a few Russian ships. For this reason, the basing agreement signed last month between Abkhaz President Bagapsh and Russian President Medvedev will provide the Russian Navy with the opportunity to temporarily base some ships in Abkhazia. At least two patrol craft belonging to the maritime border guard will be permanently based at Ochamchira, but there will not be a permanent Russian naval presence there for the foreseeable future. At the same time, it is possible that the Russian Navy will at least temporarily base its missile ships there after 2017 if forced to relocate from Sevastopol while an alternative base is prepared. This would free up pier space for the larger ships in Novorossiisk.

Even before the Georgia War, the Russian government announced that it was cleaning and upgrading its existing base in Tartus, Syria. This base served as a refueling and repair station for the Soviet Navy's Mediterranean squadron, but has been largely vacant since 1991. It has facilities to house several large ships. Speculation about the relocation of all or part of the Black Sea Fleet to Tartus in 2017 arose in conjunction with the Syrian President's visit to Moscow in mid-August 2008. Bashar Assad's strong support for Russian actions in the Georgia War and offer to further develop the Russian-Syrian military partnership led to speculation that a number of Black Sea Fleet ships could be re-

located to Tartus. Efforts to expand Russia's naval presence in Syria continue, as made clear in a recent semi-official review of Russian military policy toward the region, which indicated that the potential closure of the Sevastopol base was one of the factors that obligated Russia to further develop the base at Tartus.¹ However, the base currently only has three piers, which would be insufficient for more than a small part of the Black Sea Fleet. Any expansion would face large construction costs plus the likelihood of high fees for the lease of additional land. It is far more likely that Tartus will resume its role as a maintenance and supply base for the Russian Navy, especially given government promises to expand the Navy's presence in the Mediterranean and perhaps even to reestablish the Mediterranean squadron.

Prospects for the Future

Russian leaders are not willing to openly discuss the likelihood of the fleet's departure with considerable time remaining on the existing deal since they believe that in time they can reach agreement with Ukrainian leaders on a renewal. At the same time, for Yanukovich there is little political benefit, and potentially a high cost, to compromising. Given that seven years still remain on the lease, while President Yanukovich's current term will end in five years, it seems likely that little progress on resolving the basing issue will be made before 2015.

By that time, the Black Sea Fleet's situation could be very different. Most Russian navy specialists believe that the fleet will have few seaworthy ships left by then. The deputy mayor of Sevastopol recently noted that the Russian and Ukrainian Black Sea Fleets combined currently have less than 50 combat ships, compared to over 1,000 in Soviet times.² By 2017, most of the remaining ships will have exceeded the lifespan of their engines by a factor of three or four. As one Russian expert indicated, Russia does not currently have the capacity to rebuild the fleet by 2017 given the state of its shipbuilding industry. In this light, there may not be any need to build a new base in Novorossiisk or anywhere else, as the current facilities there will be more than sufficient to house the remaining seaworthy ships. Accordingly, the most important goal for the Russian Navy is to restore its domestic shipbuilding industry, a step that it is now starting to take by contemplating building French-designed ships under license in St. Petersburg.

For Ukraine, the most important goal is to design and enact a program for the economic development of the Crimea in general and Sevastopol in particular. The Russian Navy's eventual departure will leave a giant hole in the region's economy. Ukrainian politicians would be well served to be prepared to fill this hole before it leads to social unrest among the largely pro-Russian population of the region.

About the Author

Dmitry Gorenburg is a senior analyst at CNA Strategic Studies and serves as Executive Director of AAASS, which is based at Harvard University. His blog on Russian military affairs may be found at russiamil.wordpress.com.

Recommended Reading

- Alexander Cooley and Volodymyr Dubovyk, "Will Sevastopol Survive: The Triangular Politics of Russia's Naval Base in Crimea," PONARS Eurasia Policy Memo #47, December 2008.
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- A. Kletskov, "Osnovnye aspekty voенно-morskoi deiatelnosti Rossii v sredizemnom i chernom moriakhs na sovremennom etape [Main aspects of Russian naval activity in the Mediterranean and Black Seas at the present time]," *Morskoi Sbornik*, May 2008.

1 The other factors included its potential to support anti-piracy operations in the Horn of Africa and the political need for an enhanced Russian naval presence in the Mediterranean.

2 This seems an obvious exaggeration, as the total number of combat ships in the Soviet Navy at its peak in the mid-1980s was 2500, and the Black Sea Fleet was the third largest of four fleets. Nevertheless, the total number of combat ships has declined by approximately a factor of ten.

Analysis

Who Doesn't Love Stability? Containing the Russian Public after the Orange Revolution

By Jonas Grätz, Oslo

Abstract

Drawing on an original analysis of the Russian media discourse about the Orange Revolution, this essay examines the impact of the revolutionary events on Russian elite strategies and the framing of the public discourse. It argues that the revolution was a key event both for the political elite and for public discourse. The discourse bifurcated between, primarily, a geopolitical frame that served to attract public support for the elite's goals in Ukraine, and to a lesser extent a liberal-democratic frame, that could provide the Russian public a chance to reflect on Russia's political system. However, since the elite could successfully redesign its system of rule, it removed the Orange Revolution as a possible moment of integration from the public.

Perfecting the Power Vertical: The Russian Elite Response to the Orange Revolution

It is well known that the Orange Revolution in Ukraine came as a shock for the Russian political elite, both due to the fact that public mass mobilization was a factor they had not reckoned with and because of the organizational and financial assistance provided to Yanukovich's campaign was to an extent unprecedented in the post-Soviet space. The Russian political elite thought of the struggle as merely being about which of the candidates would come to power. But then, in the aftermath of rigged elections, the contest turned out to be about something else.

The Orange movement that emerged was not only about bringing Yushchenko to power. It was concerned about the rules of the game, even though it did not seek to change formal representations of these rules, such as the constitution. Hence, more than just a transfer of power brought about by public mobilization was intended: The aim was to change the mode of governance from an authoritarian regime to democracy—to achieve a real revolution.

The Russian elite perceived this situation as a disaster. The problem went beyond the fact that their own strategy had failed and the money they had invested was lost. In light of the Russian domestic political context, the events in Ukraine could be perceived as undermining several vital pillars of the Russian elite's authority. First of all, the mobilization in Ukraine was a real political mass mobilization that relied on spontaneous processes. The revolutionary movement was supported by activists from the "Pora" movement, who had been trained by Serbian and Western NGOs. New information technologies like mobile phones and the Internet were used for coordination, as were personal contacts. These networks could hardly be controlled by admin-

istrative means. Secondly, in the claims and portrayals of the Orange movement, corruption and fraud were framed as being both systemic and undesirable. Thus, they were seen as a topic for mass mobilization against the Ukrainian political and economic elite and the system they had built. This endangered the regime-stabilizing concept of corruption in Russia. Here, the dominant concept sees corruption as an evil emanating from the administrative apparatus, against which both population and political elite are fighting an uphill battle.

Thirdly, Yushchenko was advocating a pro-Western and EU-integrationist course. As a consequence, the Russian elite saw him as supported by "the West" and thus endangering the further economic and political integration of Ukraine with their Russian "brothers". In addition, he promised to strengthen Ukrainian nationhood by emphasizing cultural roots distinct from Russia and supporting the Ukrainian language. In sum, the Orange movement not only threatened to jeopardize Russian aims for regional reintegration, it amounted to a credible threat to the entire development model of the Russian elite, which was built on privileging stability over freedom and democratic procedures, and favoring authoritarian modernization over spontaneous processes.

The reaction of the Russian elite was as decisive and clear as this threat had been: To create preemptive, Soviet-style "counter-revolutionary" youth organizations like Nashi and Molodaya Gvardiya. These groups were founded in order to generate a "patriotic" (regime-loyal) focal point for the teenage population which are easiest to influence in their political outlook. As a complementary measure, new legislation restricting the foreign financing of non-governmental organizations was passed. In addition, funding for internal security agencies was increased. As a measure to better

control informational flows, monitoring of the Internet and control of media outlets was enhanced. This way the domestic opposition, which had gained some momentum after the success of their Ukrainian colleagues, was marginalized in the 2008 elections.

The Russian elite also learned from its failed attempt to secure Yanukovich's victory: In 2009 they did not try to directly influence elections, but used external means as well as existing tensions within the Ukrainian elite to prevent Yushchenko from even coming close to re-election. With Yanukovich, they finally seem to have gained an open admirer of the Russian development model: "The Russian people do not fully understand the real worth of the stability they enjoy" was the statement he made when he first met with Prime Minister Putin as the newly elected Ukrainian president. So the Russian political elite learned from the Orange Revolution and successfully used the experience to adjust Russia's political system in order to contain the perceived threats to its rule. But how did the Orange Revolution affect the Russian population? Did it open up some new space for reflection and autonomous political articulation or did the elite successfully frame the discussion? This is a question that we will now try to answer with the help of media discourse analysis.

The Bifurcation of Public Discourse

The media analysis tries to uncover the "frames" that are used by journalists and commentators in order to give particular meaning to the Orange Revolution. The underlying assumption—standard in social constructivism on which discourse analysis rests—is that reality cannot be represented as such. Instead it has to be enacted upon by the producer of a text. That person relies on certain assumptions about reality and about causal chains that connect observed factors and outcomes and explain the processes between them. These assumptions are unique to the text producer only in part. They are in fact mainly derived from public discourse—indeed they have to be in order to produce texts that are comprehensible for the public. Frames are then coherent sets of assumptions about reality that are rooted in public discourse and that structure a given text.

The analysis on which this article is based was carried out from October 2004 to the end of January 2005 and covered the mainstream newspaper *Komsomolskaya Pravda* as well as the liberal *Nezavisimaya Gazeta*. The elections and subsequent demonstrations were clearly at the heart of media attention in this period. In both cases these events accounted for about four percent of overall reporting. When the protest activity reached its peak at

the end of November-beginning of December, the number of publications rose sharply. Frequently more than 10 articles were published on the topic in each edition of the newspapers, amounting to one quarter of overall reporting on some days.

The analysis showed that there were two dominant framings of the Orange Revolution: One that is compatible with the Russian elite's discourse and intentions, viewing Ukraine as an object torn away from Russia by the West, and a second one that frames the demonstrations as a democratic manifestation. Strikingly, there were no big differences between the newspapers with regard to the content. The first frame was represented in slightly less than half of the articles analyzed; the second one was discovered in less than one third. We will discuss the content and implications of each frame in turn.

The dominant "geopolitical" frame emphasized the conflicting interests of Russia and "the West". Both actors were presented as having incompatible goals, leading to a zero-sum conflict about the future alignment of Ukraine. The country and its population were represented as objects manipulated from the outside. Articles that applied this frame often employed military vocabulary and represented the choice as being once and forever. In short, articles adhering to this frame saw the Orange Revolution as being not about domestic rules for pursuing politics, but as a tool in the hands of "the West", which wants to extend its sphere of influence. At the same time, Russian attempts at influencing events in Ukraine were often presented as legitimate counteractions in order to prevent Ukraine from falling prey to "the West". In this case, Ukraine was presented as being "lost" for Russia. It is clear that this discourse fits the needs of Russia's political elite: First of all, it deflected attention from the political goals of the revolution that took place, thus pre-empting potential self-reflection by the public and disqualifying the revolution as a model for Russia. Secondly, it served to unify the Russian public and its elite by stressing the geopolitical nature of the confrontation and portraying its outcome as absolute and irreversible. This both legitimized the Russian elite's actions in Ukraine and directed attention away from Russia's internal conflicts. Thirdly, by suggesting that "the West" was about to remove Ukraine from Russia forever, the perception of a gap between Russia and "the West" was widened and the possibility of identification with the latter actor was destroyed.

But there was also another important frame. This frame emphasized the political nature of the Orange Revolution. It was framed as being about the means and ends of domestic political contestation. In that frame

politics was not understood as being a top-down administered process, but as negotiated by societal actors. Consequently, the protests were seen as an emancipation of society and a way to realize political preferences against authoritarian rulers. Some articles discussed several possible ordering principles of society, including democracy. “The West” was then not conceptualized as an actor taking Ukraine away from Russia, but as a model of development that Ukraine had chosen freely. Russian media articles within that frame of reference often connected these developments back to the Russian context and discussed their implications for further Russian development, including a readjustment of Russia to new Ukrainian realities. In that context “the West” was not rejected as an adversary, but examined as a valid and genuine object of positive identification. Likewise, Western-style democracy was discussed as a potentially acceptable ordering principle for society and politics. Consequently, many actions of the Russian authorities were seen as counterproductive: their blunt meddling into the electoral process was perceived as a nondemocratic method and therefore as exacerbating the alienation of the Ukrainian public from Russia.

Conclusion

Thus, fundamentally differing representations of the Orange Revolution were given in the Russian media

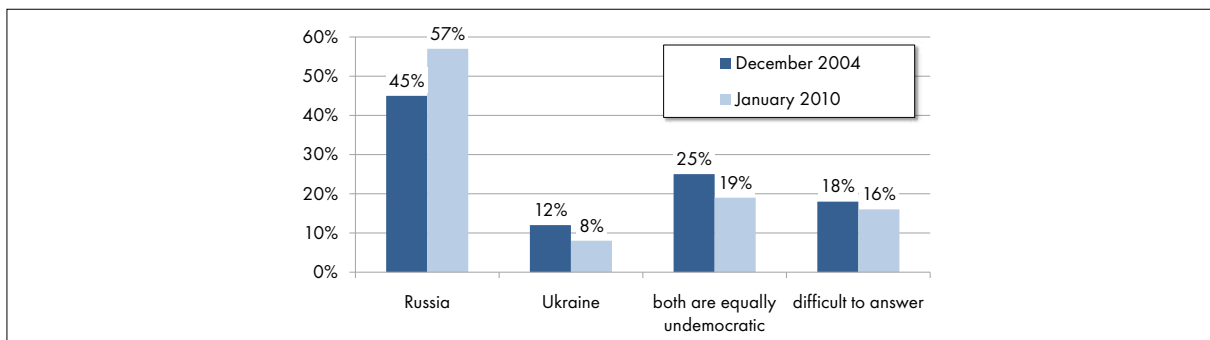
About the Author

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The full analysis of the Russian discourse was published in German as:

Grätz, Jonas 2009: Zwischen Macht- und Ordnungspolitik: Russländische Mediendiskurse über die »orangene Revolution«, in: Tatur, Melanie (Ed.): Nationales oder kosmopolitisches Europa? Fallstudien zur Medienöffentlichkeit in Europa, Wiesbaden: VS Verlag, 263–284.

Opinion Poll of the Russian Population: What is Your Position, Which of the Countries is More Democratic: Russia or Ukraine?



Source: representative opinion poll of the Russian population by Levada-Centr, 26 February 2010, <http://www.levada.ru/press/2010022605.html>

About the Russian Analytical Digest

Editors: Stephen Aris, Matthias Neumann, Robert Orttung, Jeronim Perović, Heiko Pleines, Hans-Henning Schröder

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Founded in 1982, the Research Centre for East European Studies (Forschungsstelle Osteuropa) at the University of Bremen is dedicated to socialist and post-socialist cultural and societal developments in the countries of Central and Eastern Europe.

In the area of post-socialist societies, extensive research projects have been conducted in recent years with emphasis on political decision-making processes, economic culture and the integration of post-socialist countries into EU governance. One of the core missions of the institute is the dissemination of academic knowledge to the interested public. This includes regular email services with nearly 20,000 subscribers in politics, economics and the media.

With a collection of publications on Eastern Europe unique in Germany, the Research Centre is also a contact point for researchers as well as the interested public. The Research Centre has approximately 300 periodicals from Russia alone, which are available in the institute's library. News reports as well as academic literature is systematically processed and analyzed in data bases.

The Center for Security Studies (CSS) at ETH Zurich

The Center for Security Studies (CSS) at ETH Zurich is a Swiss academic center of competence that specializes in research, teaching, and information services in the fields of international and Swiss security studies. The CSS also acts as a consultant to various political bodies and the general public. The CSS is engaged in research projects with a number of Swiss and international partners. The Center's research focus is on new risks, European and transatlantic security, strategy and doctrine, area studies, state failure and state building, and Swiss foreign and security policy.

In its teaching capacity, the CSS contributes to the ETH Zurich-based Bachelor of Arts (BA) in public policy degree course for prospective professional military officers in the Swiss army and the ETH and University of Zurich-based MA program in Comparative and International Studies (MACIS); offers and develops specialized courses and study programs to all ETH Zurich and University of Zurich students; and has the lead in the Executive Masters degree program in Security Policy and Crisis Management (MAS ETH SPCM), which is offered by ETH Zurich. The program is tailored to the needs of experienced senior executives and managers from the private and public sectors, the policy community, and the armed forces.

The CSS runs the International Relations and Security Network (ISN), and in cooperation with partner institutes manages the Crisis and Risk Network (CRN), the Parallel History Project on Cooperative Security (PHP), the Swiss Foreign and Security Policy Network (SSN), and the Russian and Eurasian Security (RES) Network.

The Institute of History at the University of Basel

The Institute of History at the University of Basel was founded in 1887. It now consists of ten professors and employs some 80 researchers, teaching assistants and administrative staff. Research and teaching relate to the period from late antiquity to contemporary history. The Institute offers its 800 students a Bachelor's and Master's Degree in general history and various specialized subjects, including a comprehensive Master's Program in Eastern European History (<http://histsem.unibas.ch/bereiche/osteuro-paeische-geschichte/>).

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