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Ukraine – A Perennial Neighbour to the European Union?

A Rational Choice Institutionalist Perspective Examining the EU Strategy on Ukraine

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Abstract

The Eastern enlargement of the European Union in 2004 has brought a historical shift for the Union and Ukraine in political, geographic and economic terms. The EU and Ukraine now share a border and, as direct neighbours, the EU is obliged to reinforce political and economic interdependence to Ukraine in terms of gradual economic integration and an enhanced political cooperation in order to secure stability. This strategic partnership is often referred to being based on shared values and norms in terms of the Copenhagen Criteria. According to rational choice institutionalism, RCI, formal and informal norms are regarded as tools in order to obtain a certain strategic outcome. Based on RCI, this thesis examines the strategy of why the EU is unwilling to access Ukraine as a member of the Union and at the same time incorporates Ukraine in the European Neighbourhood Policy (ENP). This thesis suggests that the strategic incentives are security and stability; cost-benefits; and maintaining a certain level of social, economic and democratic development within the EU.

Key words: European Union, Ukraine, External Relations, ENP, Rational Choice Institutionalism

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1 Introduction

The Eastern enlargement of the EU in 2004 has brought a historical shift for the Union and Ukraine in political, geographic and economic terms. With a shared border, the EU is obliged to reinforce political and economic interdependence to Ukraine regarding gradual economic integration and deepening of political cooperation to secure stability. This strategic partnership is claimed being based on shared values (ECa 2007:1). The European Council emphasizes that this strategic partnership ought to be based on shared values and common interests and makes a vital component enhancing peace, stability and prosperity in Europe (Lewis 2002:293).

Ukraine is dismayed with the lack of sufficient steps toward EU membership. Rhetoric of Euro-enthusiasm steps away from the problem of the Ukrainian government's unwillingness or inability from real reform at home. One thing is certain; Ukraine's aspiration for EU-membership will not be favourably received until the country reaches a higher level of democratic and economic development (Molchanov 2004:451). At the same time, the EU 'is seeking to avoid offending Ukraine's reformist leadership by continuing to keep the door to membership closed but pretending it has opened slightly' (Kuzio 2006a:95).

1.1.1 Purpose and Research Questions

This thesis examines the reasons behind the EU's unwillingness of initiating pre-accession negotiations with Ukraine and highlights the EU strategy on Ukraine from a rational choice institutionalist (RCI) perspective. I will illuminate why Ukraine is a strategic partner for the EU and outline beneficiaries for the EU of encouraging a well-working neighbourhood and at the same time highlight the strategy of excluding Ukraine as a member.

My hypothesis is that the norms of the EU, according to RCI, are tools in order to make Ukraine conform to the values and systems of the EU and at the same time distance Ukraine with its current systems of joining the Union.

Goals wished to be achieved with the EU strategy need to be highlighted. The EU has the intention of enhancing a friendly neighbourhood with Ukraine sharing liberal democratic values – while Ukraine is regarded to be far from worthy consideration of becoming an EU-member. Ukraine's clamour for associate membership is unsustainable without evidence of progress in systematic implementation of the *acquis communautaire*. Yet, the EU has no alternative but to take Ukraine's aspirations of membership seriously considering Ukraine's strategic and economical position (Molchanov 2004:468).

1.1.2 Theoretical Approach and Methodology

I will use rational choice institutionalism, because the theory has the core belief of actors choosing rational strategies. Norms and values are regarded as instrumental tools. Therefore, the theory is helpful explaining the EU strategy on Ukraine focusing on the Copenhagen Criteria.

My methodology is as follows. I have found relevant information in an array of academic articles and literature concerning policies and strategies of the EU, Ukraine and Russia. The thesis is also based on EU documents, in particular the EU-Ukraine Action Plan. Significantly, the EU documents are mainly rhetoric and the information does not completely mirror real circumstances, political relations or actual outcomes.

I have also found information in *The Economist*. To maintain neutrality, the necessity for scepticism is crucial while reading these articles as they are published in a neoliberal magazine. Still, they contain analyses and information concerning the contemporary development.

In sum, I am using information in the sources mentioned above in order to distinguish the most relevant facts.

1.1.3 Definitions

Within the theory rational choice institutionalism, actors and their personal preferences are emphasized. I will examine the preferences of the EU-member state representatives in general in how norms are used as tools. When I am referring to the preferences of the EU, I am aiming at the preferences of the EU member states. To a certain extent, I am comparing differences in preferences between the member states, but I will not go into detail of differences in personal preferences as it would make this study far too large. Accordingly, my aim is not to measure personal preferences quantitatively, rather to study the different actors' aggregated preferences.

I am using the term *social capital* according to Putnam's definition stating that the positive side of social capital creates "mutual support, cooperation, trust, institutional effectiveness" (Putnam 2000:22).

1.1.4 Outline

This introduction is followed by descriptions of and motivations for the theoretical framework, followed by the main part of the thesis; a presentation of empirics combined with my analysis. This main part is divided into three sections. First, I will highlight rational actors; the *European Union, Russia, the Ukrainian elite* and *the Ukrainian public*. Second, an analysis of the Copenhagen Criteria and norms and values as tools is to be found. Third, I will discuss the current strategy on Ukraine. My conclusions are summarized at the end.

1.1.5 Criticisms and Implications

I have had difficulties finding literature regarding the latest development in Ukraine, probably due to that those books have not been published yet. Therefore, to highlight the recent development, I am using academic articles and articles from the Economist and the Ukrainian News Agency combined with EU documents. I am aware of the fact that The Economist is a magazine with neo-liberal values; in this thesis I am not putting emphasis on or being an advocate of neo-liberal values based on information in The Economist, rather this was the best reference I could find commenting the last election in Ukraine.

I have found that all sources tend to mirror similar developments. Sometimes it seems like there is a consensus on the view of Ukraine and EU relations as arguments tend to be quite similar. I have found contrasts and discrepancies in the way the EU policy is being outlined though, and how it is actually being implemented.

2 Theoretical Framework

2.1.1 Rational Choice Institutionalism and its Applicability

In this section, I will present RCI, its strengths and weaknesses and describe why the theory is fruitful when examining the EU strategy on Ukraine.

RCI began as a pure theft, based on analytical tools from mathematics, operations research, and economics. The theory developed boundaries, a canon, and an identity focusing on institutions in politics, economics, and society (Shepsle 2005:14f). Institutions matter as they are “humanly devised constraints on action” (Weingast 2002:661). Methodologically, this definition means studying the constraining impact institutions have on the interaction among actors, the options available to particular actors, the patterns of information, the beliefs of the actors, and outcomes for individuals and groups.

RCI considers institutions differently compared to the traditional institutional approach that treat institutions particularly as the executive, legislative and judiciary fields of the government; RCI regards institutions as formal and informal rules (Kobonbaev 2002:1f). This component is the main reason for why I have chosen RCI as an analytical framework. The formal rules, thus institutions, are official laws and rules, and informal institutions are the norms and conventions agreed upon by certain groups (Kobonbaev 2002:1f). The accession criteria, the Copenhagen Criteria, are institutions as they are formal rules which I will highlight in this thesis. At the same time, the accession criteria are based on informal institutions like norms and conventions accepted by the EU member states. These formal and informal rules are based on liberal democratic values and my intention is to explain how and why these rules/norms strategically are used as instrumental tools by the EU-member states representatives, which I will explain in detail further down. Therefore, institutions in terms of the Copenhagen Criteria are the main tools I am referring to in this thesis. The main actors of interest within this field are:

- *The EU* - the member state representatives have aggregated preferences that have large impact on the EU strategy on Ukraine;
- *Russia* - Ukraine is bound to Russia culturally, economically and politically and the EU is mainly for security reasons interested in a stable relation with Russia.
- *The Ukrainian elite and the Ukrainian public* – are important actors as they have impact on the development in Ukraine and influence the EU strategy.

I find RCI useful as it is based on the rational-choice assumption that instrumental rationality leads to political action and on the perception of utility-maximizing actors (Weyland 2002:58). I will examine the preferences of the actors and define how they strategically use available ways for pursuing goals and what is wished to be achieved. I have the pre-assumption that the rules and norms as institutions, through the Copenhagen Criteria within

EU, have a constraining impact on the interaction among actors. Therefore, as I will explain, exploring how the instrumental uses of these institutions are tools for the particular actors is crucial.

Rational choice explains behaviour in terms of individual interests and it is problematic identifying those interests. RCI includes methodological individualism which is a defining characteristic of rational choice. Accordingly, institutions are regarded as instruments for the beneficiary of individual interests and as a solution for resolving collective action dilemmas (Weyland 2002:58f) as for example the EU strive for collective stability and security, that I will point out in my analysis. RCI produces explanations saying that outcomes are controlled by supranational institutions, and neither by only EU institutions, nor particularly by member states considering agenda setting. Rather, RCI tries to grasp how outcomes tend to occur (Hix 2005:17). Therefore, I regard RCI useful in order to enhance the understanding of the EU strategy on Ukraine as my pre-assumption is that the factors having impact on the strategy are multiple and complex. This reasoning is established in RCI, as institutions are not actors in their own right, as they are products of behaviour of individuals. Still, institutions govern individual choice and strategic interaction through the ‘rules of the game’ (Weyland 2002:60).

One advantage with RCI is its clear formal structure and a well-integrated logical structure which enhances the structure of this thesis in terms of clear definitions of strategic goals, compared to other approaches, with vague assumptions and loosely connected propositions. RCI scholars work on common ground making similar basic assumptions facilitating the theory’s development and they tend to develop their precursors’ cumulated work, introducing revisions and improvements of previous models (Weyland 2002:61f).

RCI also has limitations; the assumption of rationality is claimed being too demanding; developments in strict rational and behavioural economics capture this assumption. Canonically, it is problematic for rational actors at the political arena living up the invisible-hand standards of market exchange and expectations within this field. Other critics claim the a-historical quality of RCI as history-dependent and contextualised aspects now belong to game theory, and that historical cases are now explored in an extensively analytical fashion (Shepsle 2005:14f). Further weaknesses are that the causal standing of institutions is unclear as institutions may be epi-phenomenal to a larger extent than outlined in RCI; equilibrium analysis, which is the predominant rational-choice procedure, does not fully explain the origins of political change; RCI is also accused for being one-sided in deducing new institutions from actors’ preferences while neglecting other beliefs and ideas; RCI is not in itself capable of explaining crisis politics and its single-minded emphasis on “micro foundations” might cause arbitrary analysis and; the theory practices what it preaches. This is due to self-conscious and self-imposed limits so that conclusions can be stressed in the confidence that they can be traced back to its origins. Some argue that this weakness is fundamental as they emphasize that limits are *limiting*.

Still, I find RCI useful as it is based on abstraction, simplification and analytical rigor and captures a straight line of analysis from basic axioms to analytical propositions to empirical implications (Weyland 2002:62ff). Shortly, RCI is logical and rational and therefore useful when examining the EU strategy on Ukraine.

3 Background / Analysis

3.1 Rational Actors

Important actors are *the European Union, Russia, the Ukrainian elite and the Ukrainian public*. As I am examining the EU strategy on Ukraine, the EU is the actor of main interest. Still, it is significant highlighting the aggregated opinions of the other actors outlined, as these opinions have impact on the preferences of the EU, e.g. the member states representatives and they are according to RCI utility-maximizing actors (Weyland 2002:59).

3.1.1 The European Union

In the early 1990's, the EU relations with Ukraine started slowly. After the Cold War, the EU was confronted with an Eastern expansion. A cooperation document only formal resembling to the Europe Agreement, was offered to prospective applicants for membership; Partnership and Cooperation Agreements (PCA) (Molchanov 2004:456f). The PCA established an institutional framework for cooperation (Kubicek 2005:275). This agreement extended to Ukraine and other post-Soviet states, but did not address the issue of future membership, carried no formal obligations and was mainly advisory. (Molchanov 2004:456). The document is high on rhetoric and short on detail (Kubicek 2005:279), which I argue is part of the strategy. Norms are referred to rhetorically and by formulating goals vaguely, the EU was not sacrificing too much, like guaranteeing membership.

The following strategic reasons explain the EU's unwillingness of accessing Ukraine as a member. The EU was prompted by reservations concerning identity, geopolitical reasoning, and organisational expediency. A lack of confidence in the ability of the former Soviet republic to reform, alternatively, a need to maintain the EU manageable and avoid an institutional overstretch and the fatal consequences it might lead to hampered a serious consideration of accessing Ukraine (Molchanov 2004:456).

In the aftermath of the Orange Revolution in 2004, a democratic breakthrough was brought to light, ushering in Yushchenko as Ukraine's first reformist president. Many Ukrainians were hopeful that a mutual breakthrough would occur between EU and Ukraine. As it did not, there was a widespread disappointment (Kuzio 2006a:89). At this juncture, the EU strategy was also based on a lack of real incentive pushing an accession of Ukraine.

The 2004-enlargement brought a historical shift for the EU and Ukraine regarding geographic borders, politics and economics (EC 2007:1). Conditions changed but the EU did not initiate a pre-accessing plan for Ukraine. Instead, the EU referred to the European Neighbourhood

Policy (ENP). This policy was launched in 2003 as a mechanism enhancing cooperation with the new EU-neighbours (2006a:89f).

After the election in 2005, Yushchenko promised a paradigm shift in Ukrainian politics. It was announced to be the end of Kuchma's ideologically vapid foreign policy and Ukraine's Euro-Atlantic integration was promoted. On the one hand, the EU turned its back to Ukraine, ignored the Orange Revolution and maintained to treat Ukraine as part of the ENP. On the other hand, the ENP can be regarded as a way of actually initiating a serious cooperation with Ukraine. The policy provides the EU with tools for fostering friendly neighbours, but significantly it does not handle the issue of enlargement. Accordingly, it has been discussed whether the ENP is sufficient or effective in order to promote fundamental economic and political reform (Smith 2005:757). I would argue that it is rather effective tying Ukraine to the EU.

Through the main mechanism of the ENP, the Action Plan, individual plans were set for each neighbour state. Ukraine's 2005 version placed Ukraine on the same level as northern African states and Israel (Kuzio 2006a:89f). Kubicek emphasizes the absurdity of grouping Ukraine with Morocco and Tunisia that geographically unqualify for EU-membership emphasizing that Ukraine waiting on the doorstep for membership rather should be that Ukraine "was sitting on an unwelcome mat" (2005:280). It is also debated whether the Action Plan hold any real incentives for reform considering that the provided benefits are vaguely outlined, which again I would argue is part of the strategy.

This 'vagueness component' can be found in the Action Plan as diffuse statements considering whether the EU or the neighbour state is supposed to fulfil an action. In the plan, the significance of developing enhanced EU-Ukraine consultations on crisis management is emphasized. But it is unclear who is to initiate this cooperation. Even when it is clear that the neighbour state should initiate an action, it is uncertain in what way the process will be evaluated. The action plans stress that the neighbours are bound to enhance administrative capacity, but what that actually means are not put out in detail and there is no time frame for meeting particular goals (Smith 2005:764f). Again, vagueness is part of the strategy as the EU minimizes obligations.

The Action Plan states that the parties are to reinforce their political and economic interdependence to enhance their relations and promote stability, security and well-being; the approach is based on shared values. It is also pointed out that implementation of the plan will advance the Ukrainian legislation, and conform it to EU norms and standards (ECa 2007:1). Here the EU strategy is to be found. Enlargement caused a situation with new neighbour states like Ukraine. The EU realized the importance of ally with Ukraine primarily for security reasons, considering the threat of Ukraine's 'Russian shadow' (Kuzio 2006a:89f) that I will explain in detail further down. The 'shared values' are being emphasized – thus the values are used as norms and hence as tools.

A reason for the EU's reluctance toward Ukraine's membership is that Ukraine's shift toward democracy in 2004 was brought to light at a time of crisis in the EU. The EU constitution had been rejected in referenda in France and the Netherlands and the Union discussed membership of Turkey, which a majority of Western European states opposed (Kuzio 2006a:90). The time

of crisis was also due to an enlargement fatigue (Kubizek 2005:288) The Union strived with incorporating 10 new members and discussed embracing Bulgaria and Romania followed by Croatia and Turkey (Kuzio 2006a:91). The EU maintained unwilling initiating membership even though Ukraine for the first time proved itself committed to ‘European values’ as the 2006 election internationally had been regarded as democratic (Kuzio 2006a:91). This argument is debatable; one can argue that what is pivotal here is rather an unwillingness or inability of Ukraine implementing reforms in accordance with liberal democratic values.

In 2005, the European Parliament issued an appeal to the European Commission and the EU Council in order to make the EU upgrade the EU-Ukraine Action Plan that could enable future EU-membership. The EU responded by opposing change of the current relationship until after 2008, when the three-year ENP Action Plan is finalized. Hence, the description outlined in my introduction is highly vivid saying that the EU does not want to offend Ukraine’s reformist leadership by maintaining denying Ukraine membership; instead it pretends welcoming Ukraine as a member in the near future. This is also applicable on the fact that the EU has offered an Enhanced Partnership, in which formulations remain vague. Without the EU opening the door to future membership, the Enhanced Partnership will have little effect (Kuzio 2006:95). Hence, by referring to the institutions of norms as tools, the EU is balancing its relationship to Ukraine.

Within the EU, the attitudes toward a Ukrainian membership are far from unanimous. The different opinions can be defined strategically. Western Europe has not been optimistic about the enlargement process, especially France has been critical. This scepticism stems from the Gaullist perception of ‘as long as France was at the centre, the EU was not seen as a threat to French national identity’ (Kuzio 2006a: 97). French and German Foreign Ministers have declared their scepticism of enlargement referring to the sufficiency in close cooperation and stating that the EU-mission “was not to unite the entire continent” (Kubicek 2005:283).

Attitudes concerning an EU defence force are divided between those who prefer an EU force and those who would rather see it as the European pillar of NATO. The previous are blocking the EU from adopting a policy welcoming Ukraine, while the latter encourages an opening of the EU for Ukraine’s future membership. Polls show that there is greater EU support for Ukraine’s accession than for Turkey’s, based on the assumption that ‘Ukraine’s Christian culture trumps Turkey’s Muslim identity’ (Kuzio 2006a:97f).

The UK regards the EU primarily as a free-trade zone with limited delegation of national sovereignty to Brussels. Hence, the UK does not mind enlargement. Lately though contradictory policies have been announced from London, considering that the only step the British EU-presidency took in order to welcome Ukraine as a future member of the EU was granting Ukraine market economy status (Kuzio 2006a:98). Roger Liddle, Political Advisor on Europe to the British Prime Minister, emphasizes that the EU is also about prosperity, security and strength, and Ukraine is central to these achievements and that regarding economic growth and energy supply Ukraine is crucial for the EU, as it is ‘a bridge between Eastern and Western Europe’ (Liddle 2002:205ff).

According to ‘Yalta European Strategy; Survey’ in 2005, statistics of the EU citizens’ opinion show that 51–54 percent of EU citizens favour Ukraine’s future membership, while 31–34 percent oppose to it. The highest number of supporters is in Poland, Spain, and Italy (all 54–64 percent) and the lowest in Germany and the UK (40 percent respectively 44 percent,). Moreover, 40 percent of EU citizens support Turkey’s accession to the EU, while 46 percent oppose to it. Germany and France have the lowest level of support for Turkey’s membership (36 percent and 33 percent, respectively) and the highest opposition to it (57 percent and 61 percent, respectively). In France, 54 percent support Ukraine’s membership, nearly 20 percent more than those who support membership for Turkey.

Poland has taken the role of acting lobbyist for Ukraine both in NATO and the EU. This support is due to Ukrainian troops stationed in Iraq between 2003 and 2005 serving under Polish command. Poland also considers the security and stability factors regarding securing its Eastern flank. Poland regards Ukraine’s membership in the EU and NATO similarly. Austria, Finland, and Sweden also support Ukraine’s membership in the EU. So do also the Czech Republic, Slovakia, and Hungary. At a February 2006 summit to celebrate the 15th anniversary of the Visegrad Group these Post-Communist EU members including Poland stated their readiness to back Ukraine’s full Euro-Atlantic integration (Kuzio 2006a:98f).

The statistics show that the support for a future Ukrainian EU membership differs. Significantly, the statistics are not completely reliable, but the relatively high number of citizens opposing a membership proves that there is a long way before Ukraine can expect seriously discussing an EU membership.

3.1.2 Russia

Russia is a key partner of the EU in its immediate neighbourhood (ECc 2004:4). Molchanov points out the following question: “Consider the case of Russia: who wants Russia to share the values (and benefits) of EU membership? Who believes that Russia can share the values of NATO?” (2004: 454f). And, if Ukraine for real is a country in Russia’s shadow one might ask if the Baltic countries are not. These questions address important areas considering that perceptions of the ‘Russian curse’ over Ukraine may well due to a Western complex that has been described as the “vague dread of Russia’s vastness and inscrutability” (Molchanov 2004:454f). The reluctance of Ukraine’s future EU-membership is affected by proponents emphasizing the importance of the traditional economic, cultural and societal ties between Russia and Ukraine manifested in slogans like “Going into Europe with Russia” (Protsyk 2003:431) which most EU-member states oppose. To enhance the understanding of today’s development, let me highlight some historic facts. Under Kuchma’s leadership, Russia and Ukraine faced democratic regression and Western fears of offending Russia, stresses Kuzio, were more legitimate. The argument of fearing infringing upon Russia’s domains was used by the EU for not inviting Ukraine into membership negotiations without welcoming Russia (2006a:99). Western talk about the virtues of democracy is by some regarded as a way of cover the goal of pushing Europe’s borders eastwards because; “You don’t have a Russian empire with a democratic Ukraine” (The Economist Oct 30, 2004). In the EU, there is a fear

that moving Ukraine from the ENP to the ‘pre-accession’ policy might have a negative impact on the EU-relations with Russia (Smith 2005:768).

Another dimension of Russia’s role is that the new EU-members are suspicious of negotiations with Russia and support a U.S. presence in Europe and NATO, which also is the British position. In general, the post-communist states within the EU have put on a harsher attitude toward Putin, who intervened in the 2004 Ukrainian elections. Putin’s interference confirmed suspicion of the threat posed by Russian imperialism and the neo-Soviet political culture impacting Russia’s managed democracy. In Poland, for instance, Ukraine can be regarded as a geopolitical buffer zone between itself and Russia (Kuzio 2006a:100).

Changing Western attitudes toward Ukraine have recently developed in Russia. On the one hand, the contrast between a democratising Ukraine and an autocratic Russia mitigates anxiety of offending Russia. On the other hand, the Russian factor is crucial regarding the Western European view that Ukraine is a non-European state and considering the fear of losing Ukraine to Russia, which might absorb Ukraine with its authoritarianism (Kubicek 2005:287).

Recently, Putin has made efforts persuading the outside world that the Western Commonwealth of Independent States (CIS) is “Europe-east,” part of Europe but nevertheless outside the EU. Among CIS members, attitudes toward the EU differ; Ukraine, Moldova, and Georgia are the only states seeking EU membership. Russia and Belarus have ever made an attempt of becoming members of neither the EU nor NATO.

Among the EU Western states, France is one of the most reluctant to Ukraine’s European aspirations using phrases like “Russia without Ukraine is as ridiculous as France without the Rhone-Alps region” (Kuzio 2006a:100f). Russia itself has so far had a nonchalant standpoint toward Ukraine’s membership, even though Putin has expressed reluctance to Ukraine’s membership in NATO (Kuzio 2006a:101).

3.1.3 The Ukrainian Elite

Ukraine’s quest for EU accession has to be partly seen as an effort adapting a process of modernization in terms of the transformation toward the acceptance of the EU (Wallace 2005:291). Whether the attempts of moving toward the EU should be regarded sincerely is debatable. One thing is for certain; the EU is not rushing this transformation.

In the 1990’s Ukraine got the impression that European leaders were not ready to nourish the option of Ukraine becoming a full-fledged EU member (Molchanov 2004:456). Ukraine’s interest of joining the EU is affected by national interest and national identity considerations. Post-Soviet rulers have failed to implement policies in support of the Copenhagen criteria of membership (Molchanov 2004:452). The motives behind Ukraine’s European choice are important to highlight. First of all, the EU is regarded as a guarantor of political stability and economic prosperity. Second, stresses Kubicek, a membership of the EU proves success of

status obtained in the post-Soviet period. Third, a membership prevents a ‘Euro-curtain’ drawn at the border to Poland. Fourth, the EU is a source of aid and provides security against threats toward Ukrainian independence from Russia (2005:276).

In Ukraine, there is disconnection between rhetoric regarding the ‘European choice’ and trends of authoritarianism among the elites (Kubicek 2005:269). Looking back to the 1990’s, economic reform was undermined by the state-sponsored rents that created an oligarchy dependent on its political connections to a far larger extent than on market fortunes. Ukraine’s lack of success of moving closer to Europe is best explained, stresses Molchanov, by the domestic factors. The contradiction between the national interests and the interests of the *oligarchs*, which means the intrinsically undemocratic rent-seeking elite, is crucial (2004:452). This elite group has impact on a majority of policy decisions as many of the oligarchs are in Parliament (The Economist Oct 30 2004) and this group benefits from institutionalised corruption (Molchanov 2004:452). It is difficult to pinpoint how the oligarchs would benefit from European integration reforms considering economic transparency. Therefore, there has been a development of ambivalence toward a willingness of becoming an EU-member. While the government machinery has sought foot dragging economic and political reforms, the state officials have been embracing Euro-enthusiasm (Kubicek 2005:284).

The role of the oligarchs is complex though. Oligarchs fear an unleashing of revenge against them for their involvement in authoritarian methods used against the opposition and that they will suffer from a campaign against corruption and organized crime (Kuzio 2006b:22f). They are alarmed by re-division of assets putting their fortunes at stake. They abhor public scrutiny and transparency, due to their inexperience making money in the legally bound market economy. They fear a democratic process bringing rule-of-law leading to scrutiny of their personal accountability. Significantly, these elite groups need the EU for its developmental aid and financial credits (Molchanov 2004:452). The picture is even more complex as Ukraine “has been happy to take Western money, but it was equally happy to take free Russian gas” (Kubicek 2005:281).

Not all elite groups fear a rule-of-law. Those who have been evolving from oligarchs into businessmen prefer operating in a “normal” legal environment where businesses do not rely on relations to the president (Kuzio 2006b:23). The EU is perceived as a potentially strong trading partner, which in turn has impact on the economic elites. Ukraine is well aware that common European export and import markets are among the largest in the world (Molchanov 2004:463).

Regarding EU norms and values concerning political questions, it is pivotal highlighting the lack of a unanimous understanding of values between the EU and the Ukrainian political establishment. The discrepancy between rhetoric in terms of Ukraine’s ‘European Choice’ and the actual domestic politics is illustrative (Kubicek 2005:283). The lack of freedom of speech concerning series of killings of investigative journalists and the systemic assault on independent media is problematic. Still, the EU maintains its interest in Ukraine engaging Ukraine in an ongoing dialogue (Molchanov 2004:452).

As an EU membership is not on the cards for Ukraine, it is problematic to launch real reforms in order to ‘catch up with Europe’ due to a lack of incentives (Wolczuk 2002:86). This

argument is launched by Wolcsuk in 2002; I am suggesting that it is still valid considering inertia and EU reluctance initiating a Ukrainian pre-accession.

3.1.4 The Ukrainian Public

In broader segments of the Ukrainian population, stresses Molchanov, there is a lack of knowledge of what the ‘European choice’ exactly means and how to obtain EU integration (2004:465). The majority is supportive of EU membership (Kubicek 2005:276) while near one third remain undecided. The Ukrainian public is concerned of the potential cost of EU integration and there is a belief that the EU treats Ukraine unfairly. Hence, there is hesitation of unreservedly moving toward the EU. The strongest proponents of a Western orientation are the young and better-educated (Molchanov 2004:465). Differences in public opinion are also due to differences in trade and industry and the business world. In Southeastern Ukraine, large companies within coal and steel industry dominate the market, in the Western part agriculture production and smaller companies are in majority (Sävborg 2006:28). Citizens in bigger cities and in the Western part tend to support the development toward the EU while the Eastern parts are leaning toward Russia.

Pidluska stresses that there is a lack of knowledge among the public of implications of a Ukrainian EU-enlargement due to a perception of the EU as an elite project as there is a lack of targeted information about the EU (2002:191). I would like to stress the importance of notifying that Pidluska wrote this in 2002 and circumstances are different now. Still, this information is significant as it broadens the picture.

3.2 The Copenhagen Criteria

According to the *Copenhagen criteria*, any country seeking membership of the EU must conform to the conditions in the Treaty on EU’s article 49 and the principles laid down in Article 6(1) stating that “The Union is founded on the principles of liberty, democracy, respect for human rights and fundamental freedoms, and the rule of law” (EUa 2007).

The criteria established by the Copenhagen European Council in 1993 strengthened by the Madrid European Council in 1995 states that a new member state must meet the following criteria:

- **Political:** stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities;
- **Economic:** existence of a functioning market economy and the capacity to cope with competitive pressure and market forces within the Union;
- **Acceptance of the *Community Acquis*:** ability to take on the obligations of membership, including adherence to the aims of political, economic and monetary union (EUb 2007).

I will highlight these criteria, one at the time and define how they are used as tools in terms of norms of the EU strategy on Ukraine.

3.2.1 Stability of Institutions

I suggest that the primarily strategic reasons of using the norm *stability of institutions* are security and stability factors built on the assumption that these factors are closely linked together (Solana 2002:28) The political dialogue between EC and Ukraine covers democracy and human rights, including media and press freedom, etc. (ECb 2007). The EU stresses that shared values are crucial for Ukraine moving toward the EU within the ENP – thus norms are used as tools. The EU and Ukraine have been deepening their dialogue and cooperation on foreign and security policy issues, including crisis management. Regarding the fighting of terrorism, the non-proliferation of weapons of mass destruction and arms export control, the EU and Ukraine have, according to the Commission, a close dialogue as well. The EU has expressed concern considering Ukrainian arms sales to conflict regions and invited Ukraine to subscribe to the principles of the EU code of conduct on arms exports which proves the motives of security and stability behind the EU strategy (ECb:2007).

Economic problems in Ukraine threaten the EU while Ukraine is a potential market for European trade and investment. Ukraine's independence from Russia is beneficial for EU seen as a guarantor against a revival of Russian imperialism (Kubicek 2005:277).

One can wonder why the EU has not encouraged Ukraine to apply for membership. Geographically, Ukraine belongs with Europe. Politically, Ukraine is a significant ally; it was the fourth largest partner in the Coalition forces in Iraq (after Great Britain, Poland and Italy). Culturally, Ukraine is a Christian nation with fairly strong Western leanings. On the one hand the question if Ukraine will be relegated to the status of a perennial ‘neighbour’ is crucial (Molchanov 2004:452). On the contrary, as Pidluska argues, the question ought not to be limited to ‘geographical’ or ‘culturological’ areas, rather the question of whether Ukraine are taking real steps toward membership is pivotal (2002:183). Kubicek stresses that EU would prefer a substantial democratic development and economic performance which is an insight that the elite in Ukraine in general do not realize using mantras like “return to Europe” (2005:282). Which one of these perceptions that is most relevant is hard to tell. I suggest all of them are as the issue is complex.

Institutional instability is a problem; there have in recent years been numerous human rights violations, the death penalty being one of them. Ukraine also has problems with freedom of speech and insufficient institutional stability regarding principles of democracy and the rule-of-law (Molchanov 2004:459). The norm ‘Stability of institutions’ as a tool of not accessing Ukraine to the EU is a part of a strategy that prevents a spill-over of instable institutions to the EU (Smith 2005:758). The importance of a stable Ukraine was highlighted in 1993 by the German foreign minister, Kissinger, emphasizing the strategic importance of cooperation considering Ukraine’s economic crisis and tensions with Russia, two developments

worrisome for the EU. The economic crisis was a risk as it might affect the EU and Ukraine's ties and tensions to Russia might jeopardize the EU stability (Mattli et al 2005:52).

In a joint statement in 2007 at the EU-Ukraine Summit, the leaders of the EU and Ukraine reaffirmed their ties of cooperation regarding further movement of Ukraine toward consolidation of democracy, strengthening the rule-of-law, respect for human rights and deeper economic integration (EUc 2007:2). Thus the formal and informal norms are used as tools, in order to tie Ukraine to the EU as a strategy of becoming allies. During the Summit, the EU leaders emphasized the importance of free and fair early parliamentary elections in September in 2007 and formation of an effective and stable government. The EU-leaders stated that institutional stability would prove Ukraine's ability of moving towards EU values and norms. The Ukrainian representatives reaffirmed strive of ensuring the democratic character of the election process and abide by its results (EUc 2007:2). It has been discussed whether the election went purely in a democratic manner, but it was at least far from as scandalous as the election in 2004 (The Economist, Oct 4th 2007).

At the Summit, the parties welcomed progress reached in the implementation of the Action Plan. The EU leaders reaffirmed Ukraine's success stabilising the political system as a major factor determining the capacity of moving toward liberal democratic political and economic reforms and discussed intensified negotiations regarding the Free Trade Area (FTA), particularly considering Ukraine's accession to the WTO (EUc 2007:3).

Clearly, the strategic objective of the ENP is building security in the neighborhood (Smith 2005:760). The Summit underlined continued close cooperation of foreign and security policies, in particular on regional stability and crisis management which confirms this strategy. The EU leaders stated their positive reception of Ukraine's role in EU-led crisis management operations. Unanimously the EU and Ukraine confirmed security cooperation (EUc 2007:3).

3.2.2 Existence of a Functioning Market Economy

I suggest the main reasons for using the norm *existence of a functioning market economy* are cost-benefits. It would be way too costly including Ukraine as a member considering Ukraine's current economic state and guaranteeing a European welfare standard. The cost-beneficial argument is based on Ukraine's poor economic performance that has transformed it into a massive source of would-be immigrants that Western Europe is not quite prepared to embrace. The issue of the Ukrainian elite's unwillingness to reform the economy, that Molchanov describes as 'neo-feudal' patterns of redistribution that have controlled the economy, still do so, which is not in accordance with liberal market principles. This has led to downturn of industrial capacity and hence, economic would-be immigrants (2004:461).

Accessing Ukraine as a member would also have impact on the social capital within the EU considering corruption within Ukraine (Sherr 2002:169). By social capital, I am referring to Putnam's definition of social capital stating that it creates "mutual support, cooperation, trust, institutional effectiveness" (Putnam 2000:22). In Ukraine, a lack of trust in authorities among

the public is an issue. Ukraine has been too slow in transforming its institutions to be a credible applicant to the EU (Pidluska 2002:184).

The EC claims that it has made continued effort on political and economic reform through implementation of the PCA and the Action Plan. According to the EC, the new Enhanced Agreement goes beyond the existing PCA wherever possible and includes provisions on common values, enhanced cooperation on justice, freedom and security, etc. (ECb 2007).

One can ask if economic development is an issue, Ukraine is comparable to countries like Romania or Bulgaria. One plausible answer for why Ukraine has not gone further discussing membership relates to the EU's relations to Russia. If Ukraine is accepted, and Russia is not, the relations between the EU and Russia might deteriorate. Since Ukraine is economically, politically and culturally tied to Russia, it is problematic separating the two by the Schengen border. Another possible answer is that Ukraine with its current systems is not ready. In spite of rhetoric of the 'European choice', the country's elite still has to deliver substantial movement toward liberal democracy and a functioning market economy (Molchanov 2004:452).

At the EU-Ukraine Summit in 2007, the parties reaffirmed commitments to constructive cooperation in the trade and economic sphere aiming at trade in steel products and textiles, trade defence instruments and a regular dialogue regarding agriculture and rural development. Emphasized was also the need for enhancing business and investment climate in Ukraine, which have an opportunity to flourish through progress of the rule-of-law, the reform of the judiciary and the fight against corruption (EUc 2007:4).

In 2007, the EU and Ukraine started negotiations on a New Enhanced Agreement. The most important aim is to draw Ukraine closer to the EU by enhancing and increasing trade and investment and contribute to economic development and prosperity. According to the Commission, negotiations will open new prospects for EU-Ukraine relations, including FTA and an enhanced partnership on energy and the establishment of FTA, which will be an integral part of the agreement negotiated once Ukraine has finalised its accession process to the WTO (EUD 2007).

3.2.3 Acceptance of the Community Acquis

I am suggesting that the main reason for the EU strategy of using the norm *acceptance of the community acquis* is strategically maintaining a quality of economic, social and democratic development within the EU. This criterion can be labeled 'Europeaness' referring to the entire body of EU law - maintaining a liberal democratic system of government in which the rule-of-law and respect for human rights prevailed and to a system with market economy (White 2002:137).

Particularly, the EU-focus has been on human rights and the freedom of media. The European Initiative for Democracy and Human Rights identified Ukraine as a focus country for 2002–

04, accused Ukraine for racial profiling. The criticism concerned the issue of racial discrimination and human right violations of the Romany population.

The Council of Europe criticised Ukraine for the lack of an independent judiciary and the absence of progress in resolving cases of murdered journalists (Molchanov 2004:453). The assassination of the regime critical Georgij Gongadze in 2000 still have not been fully investigated (Sävborg 2006:5f). In 2005, under Yushchenko, investigation of the Gongadze-assassination began, but there was no trial, hence no one was prosecuted (Sävborg 2006:19). At the same time, Ukrainian official documents claim the sincerity of Ukraine's European aspirations. European integration has been advanced considering Ukraine's core strategy in terms of economic and social development (Molchanov 2004:453) The discrepancy between the membership bid and the failure to live up to the pre-accession requirements is crucial; Ukraine does not fit well into the European common zone of justice. Apart from the issues regarding the adoption and implementation of the *acquis communautaire*, Europeans have become slightly fed up with admonishing Kiev about its continuing lack of progress in terms of basic human rights and freedoms: The dioxide-poisoning of Yushchenko during the president election campaign in 2004 is hampering a development towards the values of the EU (Sävborg 2006:10) A reason of significance for the EU to keep Ukraine on the other side of the Schengen border is the risk of increasing crime rate considering political oppression, economical devastation and that Ukraine is poor and mismanaged.

In the light of these conditions, Ukraine cannot expect being considered for membership in the near future. The adoption of the *acquis communautaire* requires institutional change of magnitude and transformation of administrative and judicial bodies which guarantee the rule-of-law. Ukraine is ill-prepared to implement such change in terms of reformation of bureaucracy (Molchanov 2004:461f). The Orange Revolution can be regarded as a starting point showing Ukrainians how a democratic system might appear. Still, problems on the way in terms of corruption and an insufficient freedom of speech hamper this development. After the Orange revolution though, the control of mass media loosened up as published material and reports during the 2005 election was both critical and versatile (Sävborg 2006:28f). Regarding economic and social development in Ukraine, there is a wide gap to the minimum EU criteria, the average monthly income is under 100 USD and the life expectancy for male born are 62 years and a large number women destined for involuntary servitude are being exported (Kubicek 2005:288). The level of environmental issues, public health and crime rate are also issues necessarily considering (Smith 2005:758).

Ukraine is often claimed to be a hybrid regime, in terms of a combination of autotarianism and democracy, which is labeled 'managed democracy'. Hybrid regimes feature six phenomena that are all present in Ukraine, which are not in accordance the *acquis communautaire*, a norm being used as a tool of the EU strategy;

- Citizens' interest are underrepresented or ignored;
- Low levels of political participation beyond voting;
- Frequent abuses of the rule-of-law;
- Election outcomes produce uncertain results and lack legitimacy;
- Exhibit low levels of trust in state institutions;
- Poor performance of the state (Kuzio 2006b:19).

3.3 Rational Strategies

In this section, I will distinguish the EU strategy behind the ENP. First I will point out incentives of having a close relation with Ukraine, hence a well-working neighbourhood policy. Second, I will present the strategy of not including Ukraine as an EU-member. I argue that the tools in this strategy are formal and informal norms. Significantly, there is not automatically a contradiction between what is beneficial for the EU and what is advantageous for a neighbour state like Ukraine. Rather, it might be the opposite if one is an advocate of liberal democratic values (ECc 2004:3).

3.3.1 Strategic Incentives for the EU Implementing the ENP:

From the early 1990's until today the political process in Ukraine has been characterised including two polemic currents; 'pro-independence' versus 'pragmatist'. Between the two there has been a constant swinging. Pragmatists emphasize the importance of avoiding a negative outcome as disrupted production chains, lost market in Russia, etc. whenever the Ukrainian Nationalist elite made an effort to implement the pro-independence program. These warnings were based on the perception of Ukrainian society, and sometimes the elites themselves, were not considered to be prepared to fund economic and political costs of the 'pro-independence' alternative.

The EU neither interfered in this debate, nor took the position of passive observer. After Ukraine acknowledged its European geo-political choice, the EU tended not to interfere in the post-Soviet states except from international law and good neighbourly relations (Samokhvalov 2007:9). The EU expressed its interest of a well-working law and stability because the EU does not want Ukraine to "turn into an unreformed black hole of insecurity and instability, or an integral part of a new Russia-led pact" (Pidluska 2002:196) which is an incentive of cooperation through the ENP.

The strategic incentives for ENP are to be found in the EC Strategy Paper. One incentive for a well-working neighbourhood is that the ENP support efforts realising the objectives of the European Security Strategy in terms of enhanced political cooperation and the Common Foreign and Security Policy (ECc 2004:3). Through the ENP the EU aims to reinforce security and stability and tie Ukraine to the Union.

Second, there is an incentive of preventing dividing lines, putting cooperation at stake between the enlarged EU and the new neighbour states (ECc 2004:4). The EU supported Ukraine's Euro-Atlantic aspiration and Ukraine's effort to promote cooperation and stability in its region and in its surrounding countries (Georgia, Ukraine, Uzbekistan, Azerbaijan and Moldova) through the Black Sea Economic Cooperation Organisation and the Council of Baltic Sea States.

The ENP Action Plan ascribed Ukraine the role of a regional security actor. The ENP was regarded as initiating an intensified regional cooperation for peace and stability among EU

member and candidate states, OSCE, Council of Europe and several others except Russian and the CIS.

The strategy behind the ENP is, as Romani Prodi put it, to "offer more than partnership and less than membership, without precluding the latter" (Smith 2005:762). The EU strategy is through the ENP to offer 'all but institutions' to the neighbours, without actually enlarging. Again, the tools are informal norms as values and formal norms like standards and laws. These shared values and norms are aiming at increasing prosperity and security in the neighbourhood preventing the emergence of new dividing lines and encourage cross-border cooperation (Smith 2005:763).

3.3.2 Strategy of not Including the Ukraine as a EU Member

After the process of enlargement in 2004 and the launching of the ENP, Ukraine was neither offered prospect of membership nor status of associated partner. Consequently, Ukrainian political leaders started to look for cooperation in Moscow as they felt that the EU was turning them its back.

Political leaders in Kyiv, especially president Kuchma, considered it justified initiating enhanced cooperation with Russia (Samokhvalov 2007:9). The EU by this time acted as an institution with limited interests in security and geopolitics and did not worry about the threat of Ukraine's reorientation to Russia, a threat that Kuchma found useful vis-à-vis the United States and NATO, but not toward the EU (Kuzio 2006a:93). When Ukraine declared its plan to join the Russian-led Common Economic Space (CES), the EU responded negatively and questioned 'the sincerity of Ukraine's desire to integrate further into the EU' (Samokhvalov 2007:9). The EU realised the risk of Ukraine's cooperation with Russia and strategically chose to integrate Ukraine in a closer cooperation. At the same time, the EU did not want to infringe on Ukraine's as Russia's domain. There was also a risk that an invitation of Ukraine to join the EU would lead to obligation of inviting Russia as a member, a development most EU-member states oppose.

The 2004 presidential election was regarded domestically and outside Ukraine as a contest for Ukraine's geopolitical orientation. Yanukovich received support by Putin in his advocacy of enhanced integration into the CIS Russian-led CES cooperation, reluctance to NATO membership, and perception of the EU as a distant, unattainable objective. Yushchenko, who was poisoned in 2004 as the elections approached, supported Ukraine's full membership in Western institutions - first NATO, then the EU. This incident is a proof of the poor democratic situation in Ukraine and hence an incentive for the EU of not including Ukraine as a member.

In 2004, the world experienced a hitherto unknown Ukraine. The election fraud caused millions of citizens protesting in what became known as the Orange Revolution. Yushchenko's election in 2005 meant that the EU could no longer conveniently forget about Ukraine (Kuzio 2006a:93). At this juncture Ukraine was at the center of EU's concerns - The Union realised the need of providing incentives making the political elites implementing political and economic reforms in Ukraine shaped by the EU designed rules and structures (Kubicek 2005:270).

A wave of Euro-enthusiasm among the Ukrainian political elite was brought to light during the Orange Revolution. Expectations that the EU would ‘upgrade’ its relations with Ukraine increased. Consequently, in early 2005, the EP adopted a resolution (Samokhvalov 2007:9) for the Council to discuss enhanced cooperation between the EU and Ukraine in terms of Ukraine’s ability of accessing to the EU.

On the one hand, the Ukrainian society and part of the political elite were left disappointed due to scarcity in terms of clear signals of EU membership from the EC and the Council (Samokhvalov 2007:10). On the other hand, disappointment was mutual, within the EU considering the lack of Ukraine’s progress of institutional and economic reforms (Kubicek 2005:282).

In order to mitigate the Ukrainian disappointment, some symbolic changes were launched in 2005 in the Action Plan. In a ‘ten-point’ letter issued by the top officials, EU High Representative for CFSP Solana and the Commissioner Ferrero-Waldner, the importance of commitment to democratic values was emphasized and the EU offered a promise of ‘visa facilitation measures, market economy status, and assistance in Ukraine’s bid for membership of the World Trade Organisation’ (Samokhvalov 2007:10). Hence, again democratic values/norms were used as tools.

In the following period of 2005-2006 political and economic failures of the pro-independence made the pragmatist wing regain power. The coalition, conducted by the Donetsk-based Party of Regions of Ukraine, previously led by candidate Yanukovich, ushered in the policy of ‘euro-pragmatism’.

In terms of this the pragmatist rhetoric, Yanukovich has pointed out that Ukraine would launch necessary reforms leading to Ukraine moving toward the EU. Yanukovich pointed out that this ‘pragmatist’ approach had given Ukraine comparatively low Russian gas prices. Consequently, Ukraine has had to limit its Euro-Atlantic possibility of cooperation and coordinate its foreign policies with Moscow.

Many observers had by this time therefore the perception of Ukraine having a pro-Russian leader in Yanukovich and that the country had returned to Russia’s embrace considering the following hampering elements to liberal democratic values and norms indicating a return to Kuchma-style political practices. The Yanukovich-government delayed Ukraine’s accession to the WTO, blocked several laws on corruption and increased state interference in the corporate governance (Samokhvalov 2007:10).

In 2006, elections were held. This election has been regarded as free and democratic as the elections for the first time used a fully proportional law. Kuzio stresses that a stable, pro-reform parliamentary coalition following the 2006 elections to implement reforms will show to what degree the democratic breakthrough initiated by the Orange Revolution is sustainable. At the same time, he stresses, the EU also has a role to play in encouraging Ukraine to stay on its democratic path, as it did for other post-Communist members, while the EU has stated that Ukraine ought to prove its commitment to European values by instituting comprehensive reforms and battling corruption (2006a:103f).

The outcome of the Ukrainian elections that were held in 2007 is a coalition government formed by the parliamentary factions of the Bloc of Yulia Tymoshenko and the Our Ukraine -

People's Self-Defense Bloc called the Coalition of Democratic Forces (Ukrainian News Agency, Nov 29 2007). Yanukovich and his Party of the Regions took the biggest share of the vote. But as Tymoshenko and Yushchenko have been sticking together, they have obtained a tiny majority for an "orange" coalition. Tymoshenko has clearly stated that she believes that the future of Ukraine lies in the EU. In addition, she has stated her ambition to clean up chronic corruption and sever the links between business and politics, which is interesting considering that each party in Ukraine is backed by powerful business interests, including her own (The Economist Oct 4, 2007), which again is a fact that is not in accordance with liberal democratic values. Hence, for the time being this is a reason for not including Ukraine in the EU.

4 Conclusions

The title of this thesis raises the question whether Ukraine will be a perennial neighbour to the EU. For the time being, there is no certain answer. One thing is possible to examine though; the current EU strategy on Ukraine, as made in this thesis. A pivotal issue is to distinguish reasons for why Ukraine is a strategic partner to the EU and why it is beneficial for the actors within the Union to keep up a well-working neighbourhood relationship, but at the same time not initiating pre-accession for Ukraine.

I have described how the accession criteria, the Copenhagen Criteria, are institutions in the sense that they are formal rules. At the same time, the accession criteria are based on and work in tandem with informal institutions such as norms and conventions accepted by the EU member states.

My conclusions are as follows. I have had the pre-assumption that the rules and norms as institutions within EU have a constraining impact on the interaction among actors. This has come to show being true in the sense that these institutions are ubiquitously referred to and has a universal acceptance within the EU. Significantly, they are thus used as tools in order to distance Ukraine from a pre-accession to the EU at the same time they are emphasized in order to be shared by Ukraine enabling a ‘friendly neighbourhood’ and solving collective action dilemmas. The most important actors within this context are *the European Union, Russia, the Ukrainian elite and the Ukrainian public*, and they are acting as utility-maximizers in accordance with RCI (Weyland 2002:58f).

The EU has made agreements with Ukraine, which tend not to carry formal obligations and are advisory in nature. (Molchanov 2004:456f). The agreements have in common that they are high on rhetoric and short on detail (Kubicek 2005:279), which I argue is part of the strategy. Norms are rhetorically referred to and goals are vaguely formulated mainly emphasizing norms in accordance with the Copenhagen Criteria. ‘Shared values’ are being emphasized – thus the values are used as norms and hence as tools. (Kuzio 2006a:89f). By referring to the institutions of norms as tools, the EU is balancing its relationship to Ukraine.

I have identified the EU’s primary goals of emphasizing the Copenhagen Criteria and distinguished how they are used as tools:

To begin with, the reasons for referring to the *norm stability of institutions* are security and stability factors. EU has made the statement that shared values are the basis for Ukraine to move toward the EU within the ENP (ECd 2007).

Second, the reasons for emphasizing the norm *existence of a functioning market economy* are cost-benefits; It would be way too costly to include Ukraine as a member considering

Ukraine's current economic state and guaranteeing an European welfare standard and considering a potential massive source of would-be immigrants that Western Europe is not prepared to embrace (Molchanov 2004:461). Accessing Ukraine as member of the Union would also have impact on the social capital within the EU considering corruption in Ukraine (Sherr 2002:169).

Third, the norm *acceptance of the community acquis* is used as a tool in order to strategically maintain a quality of economic, social and democratic development within the EU. This criterion can be labeled 'Europeaness' and refers to the entire body of EU law - maintaining a liberal democratic system of government in which the rule-of-law and respect for human rights prevailed and to a system with market economy (White et al. 2002:137).

I have found the following strategic reasons for EU's unwillingness of accessing Ukraine as a member, but at the same time initiating a co-operation through the ENP.

1. A lack of confidence in the ability of the former Soviet republic Ukraine to reform.
2. A need to maintain the EU manageable and avoid of an institutional overstretch and the fatal consequences it might lead to (Molchanov 2004:456f).
3. A lack of strategic incentives (Kuzio 2006a: 97). Through the main mechanism of the ENP, called the Action Plan, individual plans were set for each neighbour state. Hence, the ENP can be regarded as a sufficient way of cooperating with Ukraine, there are not much are at stake of not accessing Ukraine as a member (Kuzio 2006a:89f).
4. An enlargement fatigue. Ukraine's shift toward democracy was brought to light at a time of crisis in the EU, due to the 2004 enlargement and rejection of the Constitution (Kubizek 2005:288).
5. 'The Russian Shadow': First, the reluctance to Ukraine's future membership is argued being due to traditional economic, cultural and societal ties between Russia and Ukraine (Protsyk 2003:431). Second, the EU has experienced pressure to move Ukraine from the ENP to the 'pre-accession' policy, but there is a fear that doing so might have a negative impact on the EU's relations with Russia (Smith 2005:768). Third, the Russian factor also plays a pivotal role in terms of the view within Western Europe that Ukraine is a non-European state. In Europe some fear the consequences of not cooperating through the ENP will mean losing Ukraine to Russia, as the latter then might absorb Ukraine with its authoritarianism and incorporate Ukraine in the Russian assertion (Kubicek 2005: 287). Fourth, the EU does not want to intrude and infringe on Russia's domains by accessing Ukraine to the EU. Fifth, there is a risk that an invitation of Ukraine to join the EU would lead to obligation of inviting Russia as a member as well, a development most EU member states oppose (Kuzio 2006a:93).
6. The aim of the ENP is to prevent dividing lines putting cooperation at stake between the enlarged EU and the new neighbour states and hence to increase participation in EU activities, through political, security, economic and cultural cooperation (ECc 2004:4). The EU strategy is through the ENP to offer 'all but institutions' to the neighbours', as much as possible without actually enlarging. Again, the tools for this are formal and informal norms. These shared norms and values are aiming to increase prosperity and security in the neighbourhood (Smith 2005:763).

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