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Ukraine's Political Crisis: Ukrainian Presidential Elections and U.S. Policy

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Summary

Ukraine may be at a key period in its transition that could shape its geopolitical orientation for years to come, in part due to presidential elections held on October 31 and November 21, 2004. Ukraine could move closer to integration in Euro-Atlantic institutions, real democracy and the rule of law, and a genuine free market economy, or it could move toward a Russian sphere of influence, with “managed democracy” and an oligarchic economy. Ukraine’s political scene has been dominated by President Leonid Kuchma and the oligarchic “clans” (regionally based groups of powerful politicians and businessmen) that have supported him. The oligarchs chose Prime Minister Viktor Yanukovich as their candidate to succeed Kuchma as President. The chief opposition candidate, former Prime Minister Viktor Yushchenko, is a pro-reform, pro-Western figure seen by many observers as a man of high personal integrity.

International observers criticized the election campaign and both rounds of the election as not free and fair, citing such factors as government-run media bias in favor of Yanukovich, abuse of absentee ballots, barring of opposition representatives from electoral commissions, inaccurate voter lists, official pressure on students and government and private sector workers to vote for Yanukovich, and falsified vote counts. Nevertheless, Yushchenko topped the first round of the vote on October 31 by a razor-thin margin over Yanukovich. Other candidates finished far behind. After the November 21 runoff between the two top candidates, Ukraine’s Central Election Commission proclaimed Yanukovich the winner. Yushchenko’s supporters charged that massive fraud had been committed. They blockaded government offices in Kiev and appealed to the Ukrainian Supreme Court to invalidate the vote as fraudulent. The court did so on December 3, calling for a repeat of the second round on December 26.

The European Union and the United States strongly denounced electoral fraud in Ukraine, and backed the Ukrainian Supreme Court’s call for a repeat vote. In contrast, Russian President Vladimir Putin openly backed Yanukovich and publicly congratulated him on his “victory” soon after the second round vote. Russian officials have charged that the United States and the European Union’s charges of electoral fraud are an attempt to bring Ukraine under western influence. U.S. policymakers must tackle such difficult issues as how to promote democracy in Ukraine while also dealing with such problems such as the impact of the crisis on Ukraine’s foreign policy orientation, its troop commitment to Iraq, and U.S.-Russian tensions over the Ukraine crisis.

Congress has adopted legislation on the Ukrainian elections. S.Con.Res.106 and H.Con.Res. 415 call on Ukraine to end violations of democratic standards and hold free and fair elections. S.Res. 473 raises these issues and calls on the President to consider sanctions against Ukrainian leaders if they improperly influence the outcome of the election. For more on Ukraine, see CRS Report RL30984, *Ukraine’s Future and U.S. Policy Issues*. This report will be updated as needed.

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Ukraine's Political Transition

Ukraine may be at a key period in its transition that could shape its geopolitical orientation for years to come, in part due to presidential elections held on October 31 and November 21, 2004. Ukraine could move closer to integration in Euro-Atlantic institutions, real democracy and the rule of law, and a genuine free market economy, or it could move toward a Russian sphere of influence, with a "managed democracy" and an oligarchic economy.

Ukraine, comparable in size and population to France, is a large, important European state in its own right.¹ The fact that it occupies the sensitive position between Russia and new NATO member states Poland, Slovakia, Hungary, and Romania, adds to its geostrategic significance regionally and for the United States. Many Russian politicians, as well as ordinary citizens, have never been fully reconciled to Ukraine's independence in 1991. Russian nationalists in particular view a (re)union with Ukraine as highly desirable, natural, and virtually inevitable. The U.S. and European view, especially in Central and Eastern Europe, is that a strong, independent Ukraine is an important source of regional stability.

Ukraine's political scene has been dominated by President Leonid Kuchma and the oligarchic "clans" (regionally-based groups of powerful politicians and businessmen) that have supported him. Kuchma was elected President in 1994, and re-elected in 1999. He cannot run for a third term under the Ukrainian constitution. His rule has been characterized by fitful economic reform (albeit with solid economic growth in recent years), widespread corruption, and a deteriorating human rights record. The oligarchs chose Prime Minister Viktor Yanukovich, a representative of the powerful Donetsk clan in eastern Ukraine, as their candidate to succeed Kuchma as President. During the campaign, Yanukovich and other Ukrainian government leaders called for closer ties with Moscow and downplayed the prospects for NATO

¹ Ukraine became part of the Russian Empire in the late 1600s, experienced a brief period of independence at the end of the First World War, was reconquered by Soviet armies, and was a republic of the Soviet Union from 1922 until the dissolution of the U.S.S.R. in December 1991. Eastern Ukraine is heavily industrialized, with a large defense industrial sector and large, though inefficient, coal and steel industries. Ukraine's industries are closely integrated with those of Russia. The population of eastern Ukraine is also said to be substantially "Russified." It has a substantial population of ethnic Russians and most of the ethnic Ukrainian population in the east speaks Russian as their first language. Western and central Ukraine are more agricultural, and Ukrainian nationalism is more prominent there.

membership and Euro-Atlantic integration for the foreseeable future. Yanukovych supporters also used anti-American themes in their campaign.

The chief opposition candidate, former Prime Minister Viktor Yushchenko, is a pro-reform and pro-Western figure seen by many observers as a man of high personal integrity. The current regime reportedly fears that Yushchenko could move to clean up corruption if elected, which could expose Kuchma and other current leaders to criminal prosecution. The oligarchs could also lose property acquired through privatizations of dubious legality, some occurring in the weeks and months leading up to the vote.

Electoral Campaign Conditions

U.S. and international officials have expressed concern about the lack of press freedom in Ukraine. Almost all major broadcast media are under tight control of the government or of businessmen with close ties to the government. Government-controlled broadcast and press outlets engaged in biased reporting in favor of Yanukovych, while Yushchenko was sharply criticized, according to a long-term observer mission from the Organization for Security and Cooperation in Europe (OSCE). Independent print media and the few independent broadcast outlets express a wide variety of views, but Ukrainian journalists have been subject to harassment and, in some cases, violence.² Independent media have been subject to selective tax audits, libel suits, pressure on printing and distribution, and refusal to renew broadcasting licenses.

According to most international observers, Ukrainian authorities violated standards for free and fair elections in other ways during the campaign. OSCE observers noted in reports in September and October 2004 that government employees, factory workers and students were threatened with dismissal unless they supported Yanukovych. Opposition efforts to hold election rallies were hampered at times by government harassment. In early September 2004, Yushchenko accused the authorities of trying to poison him. On September 6, Yushchenko fell seriously ill, shortly after attending a dinner with the chief of the Ukrainian security services. After his condition worsened, he was rushed to a medical clinic in Austria. Doctors were unable to determine the cause of the illness. Yushchenko soon resumed campaigning, but his health remained fragile and his face is severely pockmarked.

Over 3,500 election observers registered to monitor the October 31 vote, according to Ukrainian officials. These included a group of 600 observers from the OSCE. Other institutions represented included the Council of Europe, the International Republican Institute, the National Democratic Institute, Freedom

² In November 2000, an audio tape provided by a former bodyguard of Ukrainian President Kuchma purportedly captured Kuchma's orders to top officials to neutralize independent journalist Georgiy Gongadze, whose headless, mutilated body had been found by police. Kuchma's alleged involvement in this murder is seen by some as a key factor in undermining his public support and credibility in Ukraine. CRS Report RL30984, *Ukraine's Future and U.S. Policy Issues*, p. 1.

House, the World Congress of Ukrainians, and the Commonwealth of Independent States. A similarly large number of international observers were present for the second round of the election on November 21. Ukrainian law does not provide for domestic non-partisan election observers, a serious shortcoming, according to the OSCE.

Election Results

On November 10, after a substantial delay, the Ukrainian Central Election Commission announced the final results of the first round of the election. According to the CEC, Yushchenko won 39.87% of the vote, while Yanukovich won 39.32%. Socialist Party leader Oleksandr Moroz won 5.81%, and Communist Party leader Petro Symonenko received 4.97% of the vote. The remaining 20 candidates split the remaining vote. According to Ukrainian law, since no candidate received 50% of the vote, the top two finishers, Yanukovich and Yushchenko, moved on to a November 21 runoff election. The distribution of the first round vote broke down sharply along regional lines, with the more nationally-oriented western and central Ukraine supporting Yushchenko and the more Russified eastern and southern Ukraine supporting Yanukovich. For example, Yanukovich won 86.94% in his home region of Donetsk, while Yushchenko received only 2.94%. In the Lviv region in western Ukraine, Yushchenko won 87.25%, while Yanukovich won 5.81%. Turnout for the first round was an impressive 74.95%.³

International observers from the OSCE criticized the first round of the election, saying that it fell short of international democratic practices in several respects. The observers noted problems in the campaign including heavy media bias, use of government resources on behalf of Yanukovich, and government interference with opposition campaign events. Observers noted significant problems on election day, including a large number of names missing from voting rolls and the last-minute barring of some members of local electoral commissions from their posts.⁴ Pointing to exit polls and a parallel vote count conducted by the opposition, the Yushchenko campaign charged that widespread government fraud and intimidation denied Yushchenko a large lead over Yanukovich, perhaps even outright victory in the first round. Despite these concerns, Yushchenko said that he was prepared to go forward with the second round of voting on November 21.

On November 24, the Ukrainian Central Election Commission announced that Yanukovich had won the second round with 49.46% of the vote, with Yushchenko receiving 46.61%. Turnout for the election was said to be 80.85%. Yushchenko's supporters charged that massive fraud had been committed. They pointed to exit polls that showed a victory for Yushchenko by a comfortable margin, as well as improbable turnout figures in Yanukovich strongholds, including 96.65% in the

³ For the official results of the elections, see the website of the Ukrainian Central Election Commission, [<http://ic2-www.cvk.gov.ua/wp0011e>].

⁴ For the texts of the OSCE observation mission reports on the Ukrainian elections, see the OSCE website, [<http://www.osce.org>].

Donetsk region. The officially reported second round results showed the same regional split as the first round, with Yushchenko winning overwhelmingly in western and central Ukraine and Yanukovich winning by massive margins in eastern and southern Ukraine.⁵

Election observers from the OSCE again said that the conduct of the runoff was not consistent with democratic standards. Fraudulent practices noted by international observers included abuse of absentee ballots, abuse of mobile ballot boxes, expulsion of opposition representatives from electoral commissions, violence against media representatives, inaccurate voter lists, and official pressure on students and government and private sector workers to vote for Yanukovich. The Yushchenko campaign also provided what it called tape-recorded evidence of systematic, large-scale fraud in the vote count.

Ukraine's Political Crisis

On November 22, after preliminary results favoring Yanukovich were published, Yushchenko claimed victory in the election, and his supporters warned that they would launch court challenges, massive, non-violent street protests and other forms of civil disobedience to overturn the fraudulent result. On November 23, Yushchenko, in a symbolic move, took the oath of office of the President of Ukraine in the parliament chamber, while as many as 200,000 Yushchenko supporters demonstrated outside the building. Tens of thousands attended protests in other Ukrainian cities, mainly in western Ukraine. The government of the capital, Kiev, as well as the cities of Lviv, Ivano-Frankivsk, Vynntsia, and Ternopil in western Ukraine announced that they would recognize only Yushchenko as President.

On November 25, the Ukrainian Supreme Court blocked official publication of the election result, the last step required before the winning candidate can be inaugurated, pending its consideration of Yushchenko's fraud charges. On November 27, the Ukrainian parliament approved a resolution calling the election invalid and passed a vote of no confidence in the Central Election Commission. Although neither of these votes is binding on the government, they denoted that the pro-regime majority in the parliament was fragmenting or bending to popular pressure, and represented a serious blow to the regime's prestige. On December 1, the parliament took the further step of adopting a motion of no-confidence in the Yanukovich government, which required Kuchma to decide whether to keep Yanukovich as the head of a caretaker government or appoint someone else.

Another indication of the erosion of the regime's support after the second round vote has been the refusal of journalists at pro-government broadcast stations to continue to follow regime guidelines on coverage. They have provided more balanced coverage of opposition leaders and the massive opposition demonstrations in Kiev. The opposition has kept the pressure up on the regime by holding massive rallies in Kiev, in which hundreds of thousands of people have participated, and by peacefully blockading the parliament and government office buildings. In the face

⁵ Ukrainian Central Election Commission, [<http://ic2-www.cvk.gov.ua/wp0011e>].

of these massive protests, Prime Minister Yanukovich left Kiev and retreated to his power base in Eastern Ukraine.

It was unclear at first whether Ukrainian internal security forces or the army would obey possible orders to use violence against protesters. A statement by the Ukrainian prosecutor general, the interior ministry and the security services on November 22 warned that they would put an end to any “lawlessness” by the opposition “quickly and firmly.” On the other hand, the Defense Minister and the head of the Ukrainian security service said that they would not issue orders to use force against protesters. The leading posts in Ukraine’s internal security services are deemed by analysts to be held by supporters of an oligarchic group led by Ukrainian Presidential Administration chief Viktor Medvedchuk. However, the large number of people that Yushchenko managed to turn out into the streets appeared to give the regime pause. Moreover, it appears that Yushchenko and his supporters have made substantial inroads in persuading rank-and-file police not to obey orders to use force against protesters. A December 14 report in the *Financial Times* cited Western intelligence reports, Yuri Baziv, deputy head of the Presidential Administration, and others as saying that Yanukovich and Medvedchuk urged President Kuchma to use force against the demonstrators on November 28 but that Kuchma refused.

The massing of several hundred thousand ardent Yushchenko supporters in Kiev’s Independence Square and the continuation of this “people power” pressure on the government for two weeks was extraordinary in several respects. The demonstrators remained peaceful and well disciplined throughout. Extensive logistical support was put in place very quickly to support the mass demonstrations. These efforts testify not only to the determination of the demonstrators, but suggest strong leadership and advanced planning, preparation, and training as well.

Perhaps fearful of the regime’s loss of control of the situation in Kiev, on November 29 officials from 17 regional governments in southern and eastern Ukraine met in Yanukovich’s eastern Ukraine power base and adopted a resolution warning that their regions would seek autonomy within Ukraine if Yushchenko becomes President. The regional legislature in Donetsk, Yanukovich’s home region, announced that it would hold a referendum on December 9 on autonomy for the region.

On December 3, the Ukrainian Supreme Court ruled that the second round of the election was invalid, due to vote fraud. It called for a repeat vote of the second round to be held on December 26. The court’s decision marked a major victory for Yushchenko. However, subsequent negotiations between the parties over how to implement the decision proved difficult. Yushchenko wanted Kuchma to dismiss the Yanukovich government and the Central Electoral Commission, which oversaw the fraudulent vote. He also wanted the Ukrainian parliament to pass changes to electoral legislation to eliminate the methods used by the authorities to falsify the previous vote.

For his part, President Kuchma resisted dismissing the Yanukovich government. He granted Yanukovich’s request for a temporary leave of absence from his post during the campaign for the repeat vote. Kuchma and regime loyalists in parliament said that they would support election law changes and dismissing the

Central Election Commission only if the parliament approved amendments to the Ukrainian constitution to reduce the powers of the presidency and increase those of parliament and the prime minister. The move served to split anti-regime forces in the parliament. The Socialists, who favor Yushchenko, also strongly support the amendments. The Communists, who rejected both candidates in the second round, also advocate these political reforms.

On December 8, the Ukrainian parliament agreed on a package of measures aimed at ending the political crisis. The parliament approved changes to the election law to reduce the chances of electoral fraud in the December 26 revote. The parliament dismissed the Central Election Commission and approved a new commission. A majority of the new members were proposed by pro-Yushchenko groups. In contrast, the candidacies of the former chairman of the commission and supporters of Yanukovych were all voted down.

The parliament also overwhelmingly approved political reforms reducing the powers of the presidency, which will go into effect in September 2005 if a new law on local government is passed and in January 2006 if it is not. Under the reform, the Cabinet of Ministers will be the supreme executive body in Ukraine. The President will have the power to nominate the prime minister, the foreign minister, and the defense minister, subject to the approval of parliament. The rest of the government is nominated by the prime minister and approved by the parliament. The President will retain the power to appoint governors in Ukraine's regions.

The passage of this reform package may signal that power in Ukraine is already starting to shift to Yushchenko, making his election to the presidency increasingly likely. The pro-regime majority in the parliament, which appeared increasingly shaky during the crisis, appears to be falling apart, with many former regime loyalists either drifting toward Yushchenko or adopting a more neutral stance. Kuchma's shift from support of Yanukovych to his support for the reform package also demonstrates the lack of solidarity among senior regime leaders. Yanukovych sharply criticized the reform package, saying that he doubted the new vote would be free and fair, given that he now has no representatives on the CEC. He added that he felt that Kuchma had betrayed him. Other symptoms of regime weakness in the wake of the passage of the reforms included the resignation of Prosecutor General Hennadii Vasyliiev, who the opposition claimed abused his office to support the regime, and Presidential Administration chief Viktor Medvedchuk, suspected of directing past efforts at electoral fraud and conducting numerous "dirty tricks" against regime opponents.

On December 11, doctors at Austria's Rudolfinerhaus clinic, who treated Yushchenko for his mysterious illness during the election campaign, confirmed that Yushchenko had been poisoned with the toxic substance dioxin. After the report, the parliament and government prosecutors reopened their inquiry into the case. Yushchenko has called for the investigation to be put off until after the vote, so as to not unduly influence the campaign. However, observers note that the report is likely to further increase sympathy and support for Yushchenko and antipathy toward the regime.

International Response

Russia

During the campaign, President Putin and other Russian leaders made many statements in support of Yanukovich. A large number of Russian political consultants associated with the Kremlin advised Yanukovich's campaign. U.S. officials have said that there are "credible reports" that Russia supplied large sums to the Yanukovich campaign. President Putin visited Ukraine just before each of the two rounds of the vote and praised the achievements of Yanukovich's government. In contrast to Western concerns about the election, Russian President Putin pointedly congratulated Yanukovich on his alleged victory in the second round of what Putin called a fair election, even before the official vote count was announced.⁶

Russian officials have strongly condemned Western and OSCE charges of electoral fraud as interference in Ukraine's internal affairs and motivated by a desire to increase Western influence in Ukraine at Moscow's expense. After a hasty meeting with Kuchma in Moscow after the second round of the election, Putin ridiculed the idea of a repeat of the second round. After the Ukrainian Supreme Court's decision, Putin said on December 6 that he would work with any democratically-elected Ukrainian leader, but then charged that Yushchenko was trying to seize power by force. At an OSCE foreign ministers' meeting in Sofia, Bulgaria on December 7, Russia blocked a statement supporting the Ukrainian Supreme Court's decision invalidating the election and calling for a new vote on December 26. Russian officials sharply criticized the political reform package passed by the Ukrainian parliament on December 8.

Moscow mayor Yuri Luzhkov attended the November 29 meeting of leaders from Ukraine's southern and eastern regions that called for autonomy in response to a possible Yushenko victory. He delivered a speech praising the group and harshly denouncing Yushchenko. Some observers assert that Luzhkov's appearance at the gathering may be a sign that Russia is willing to go so far as to appear to support separatism in Ukraine in order to retain its influence there.

Russia's conduct during the political crisis in Ukraine could be crucial in shaping Russia's relations with the United States and most of the rest of Europe for years to come. Many observers in Ukraine, Europe, and the United States see Moscow's actions in connection with the Ukrainian election and the subsequent political crisis as an attempt by the Putin regime to reassert Russian dominance over Ukraine. Some critics of Russian policy are quick to point out that this Ukrainian issue is not an isolated event. They note Russia's increased pressure on neighboring Georgia and Moldova, where Moscow maintains military bases in defiance of those governments' oft-repeated demands for their withdrawal, and Russian support of

⁶ RFE/RL, *Newsline*.

armed separatist regimes there.⁷ They see this as an attempt to reestablish Russian control on the territory of the former Soviet Union.

Many of these critics also call attention to what they see as similarly disturbing policies of President Putin inside Russia, such as: curtailing press freedom, especially of the broadcast media; moving even beyond “managed democracy” toward a form of “soft authoritarianism” thinly disguised by sham elections; and undermining free markets by dismantling Yukos, one of Russia’s biggest, most important — and most independent-minded — businesses, and threatening similar action against other businesses that oppose the Kremlin.

Some observers view Russian intervention in Ukraine as a critical issue. They believe that without Ukraine, Russia cannot be an empire; with Ukraine, Russia is automatically an empire; and whether or not Russia is an empire is profoundly important in shaping Russia’s own evolution, in its relations with its neighbors, and also for the security interests of United States.⁸

European Union

The Presidency of the European Union, currently held by the Netherlands, and the European Parliament rejected the second round results as fraudulent and advocated a repeat election, even before one was ordered by Ukraine’s Supreme Court. The EU expressed this view during a November 25 EU-Russia summit meeting with President Putin. The European Union and some of its member countries have played key roles in international efforts to broker a solution to the political crisis. After the second round, German Chancellor Gerhard Schroeder reportedly tried during several telephone conversations with Putin to convince him to support a new election in Ukraine.⁹ EU foreign policy chief Javier Solana, Polish President Aleksandr Kwasniewski, and Lithuanian President Valdas Adamkus have served as mediators in several rounds of talks in Kiev with President Kuchma and both candidates. Russian State Duma speaker Boris Gryzlov and OSCE secretary general Jan Kubis have also participated in the talks.

U.S. Policy

The United States has warned Ukrainian leaders that Ukraine’s prospects for Euro-Atlantic integration will be strongly influenced by whether Ukraine holds free and fair presidential elections. U.S. officials say the United States could work with either major candidate, if he is elected fairly. In an October 14 press statement, State Department spokesman Richard Boucher said that the United States was “deeply

⁷ Russia provides economic, political, and military support to the Abkhazian and South Ossetian separatist movements in Georgia and to the self-proclaimed “Dniester Republic” in Moldova.

⁸ See for example, Zbigniew Brzezinski, *The Grand Chessboard: American Primacy and its Geostrategic Imperatives*, Basic Books, N.Y., 1997.

⁹ “Putin To Respect New Ukraine Election — Germany,” *Reuters*, November 30, 2004.

disappointed” that the campaign fell short of international standards. He warned that the United States would reexamine its relationship with those engaged in election fraud and manipulation. On November 1, State Department spokesman Adam Ereli said that the United States agreed with the assessment of the OSCE observers that the conduct of the first round of the vote fell short of democratic standards, noting particularly flawed voter lists and arbitrary expulsion of electoral commissioners shortly before the vote.

Senator Richard Lugar, chairman of the Senate Foreign Relations Committee, monitored the November 21 runoff at the request of President Bush. He said after the vote that “it is now apparent that there was a concerted and forceful program of election day fraud and abuse enacted with the leadership or cooperation of the authorities.” Senator Lugar said that he had carried a letter from President Bush to President Kuchma that warned that a “tarnished election” will cause the United States to “review” its relations with Ukraine. Senator Lugar stressed that Kuchma “has the responsibility and the opportunity for producing even at this point an outcome which is fair and responsible.”¹⁰

President Bush and Administration officials issued sharp criticisms of the conduct of the second round of the elections. On November 24, Secretary of State Colin Powell said that the United States could not accept the officially declared election results as “legitimate” due to the “extensive and credible reports of fraud in the election.” Powell called for a “full review of the conduct of the election and the tallying of election results.”¹¹ On November 26, President Bush said that the validity of Ukraine’s elections was “in doubt” and warned that the “international community is watching very carefully” how the Ukrainian government responds to “allegations of vote fraud.”¹² On November 29, Secretary Powell stressed in discussions with Kuchma and Russian Foreign Minister Sergey Lavrov U.S. support for a peaceful solution to the crisis that respects Ukraine’s territorial integrity. State Department officials have expressed strong U.S. opposition to any separatist initiatives in Ukraine.¹³ On December 2, President Bush added that “any election, if there is one, ought to be free from any foreign influence. These elections ought to be open and fair.”¹⁴

Secretary of State Powell praised the Ukrainian Supreme Court’s decision to hold a repeat vote, calling it a “victory for the Ukrainian people.”¹⁵ U.S. officials

¹⁰ Text of statement from Sen. Lugar’s website, [<http://lugar.senate.gov>].

¹¹ State Department briefing by Secretary of State Colin Powell, November 24, 2004, from the State Department website, [<http://www.state.gov>].

¹² “Media Availability with President George W. Bush,” Federal News Service transcript, November 26, 2004.

¹³ “Powell Says U.S. Supports Territorial Integrity of Ukraine,” transcript from the State Department website, [<http://www.state.gov>].

¹⁴ Steve Holland, “Bush: Ukraine Should be Free of Foreign Influence,” Reuters news agency, December 2, 2004.

¹⁵ “Remarks at Stakeout at the Mayflower Hotel,” December 6, 2004, from the State (continued...)

issued statements strongly supporting the political reform package agreed to by President Kuchma and the Ukrainian parliament on December 8. U.S. spokesmen also called for a thorough and transparent investigation of the alleged poisoning of Yushchenko.

During a December 7 hearing before the House International Relations Committee, John Tefft, Deputy Assistant Secretary of State for European and Eurasian Affairs, detailed U.S. efforts to promote free and fair elections in Ukraine. He said that election-related assistance amounted to about \$13.8 million. The aid included support for independent media, non-partisan political party training, voter education, training for election officials and observers. The United States funded anti-fraud efforts such as independent exit polling and parallel vote counts. The United States also provided financial support for OSCE and other election observers. Tefft also announced that the Administration had submitted a Congressional Notification for an additional \$3 million for the December 26 repeat vote, including \$0.5 million for OSCE observers and \$2.5 million for NGO monitoring and other election-related activities.

U.S. Policy Issues

It seems likely that, given a fairer electoral process than in the first two rounds, Yushchenko will win the repeat presidential election on December 26. One important issue for U.S. policy will be whether the United States should increase bilateral aid and lending from international financial institutions and offer other forms of support to the new leadership. Such U.S. assistance, and similar assistance and support from the EU, could be important to consolidating the gains of democratic forces in Ukraine in the run-up to the March 2006 parliamentary elections, which have assumed even greater importance due to the political reforms adopted as part of the solution to Ukraine's political crisis.

Another important issue for U.S. policymakers is the possible impact of Ukraine's political crisis on Ukraine's troop deployment to Iraq. U.S. officials said before the presidential election that Ukraine's contribution of 1,600 troops, while appreciated, would not cause the United States to overlook Ukraine's democratic shortcomings. However, some observers were concerned that Ukrainian leaders were hoping that the United States would downplay election irregularities if Ukraine continued its troop deployment in Iraq. During the campaign, Yushchenko pledged to withdraw the troops if elected. Yanukovich has supported the deployment, but has raised the possibility that a continued deployment could be conditioned on such factors as whether Ukraine receives more reconstruction contracts in Iraq.

On December 3, the Ukrainian parliament approved a non-binding resolution calling on President Kuchma to withdraw Ukraine's contingent from Iraq. The resolution was supported by pro-regime members, as well as a few pro-Yushchenko groups and the Socialist and Communist factions. The move may be intended by the

¹⁵ (...continued)

Department website, [<http://www.state.gov>]

regime as a warning to the United States to temper its perceived support for Yushchenko.

There is also the issue of the impact of Ukraine's political crisis on relations between the United States and Russia. Some observers have questioned whether the United States, in hopes of fostering a good bilateral relationship with Moscow, has overlooked longstanding Russian rhetoric and actions aimed at consolidating a Russian sphere of influence over many of the Soviet successor states such as Georgia, Moldova, Belarus, and now Ukraine. They say that an alleged reluctance by the United States to strongly criticize Putin's own increasing authoritarianism at home may have also encouraged Moscow to believe that the United States would not try to stop his efforts to support similar "managed democracies" in neighboring countries.

In response, Administration officials have noted that they have firmly rejected Russian accusations of U.S. interference in Ukraine's internal affairs, saying the issue is one of democracy in Ukraine, not alleged geopolitical competition between Russia and the West. They say that publicly raising Ukraine as an issue in overall U.S.-Russian relations would not help resolve the issue, and could hurt U.S.-Russian cooperation on vital issues such as the global war on terror.¹⁶

Congressional Action

Congress has considered legislation on the Ukrainian elections. On July 22, 2004, the Senate passed S. Con. Res. 106 by unanimous consent. The resolution, introduced by Senator Campbell, notes the violations against OSCE standards for free and fair elections that have taken place during past elections and during the present Ukrainian election campaign. The resolution pledges Congress's support for Ukraine's establishment of democracy, free markets, and a place in the Western community of democracies. H.Con.Res. 415, introduced by Representative Hyde, was passed by the House on October 4. It is identical to S.Con.Res. 106, except that it adds two clauses that "strongly encourage" the President to fully employ U.S. government resources to ensure a free and fair election and to stress to the Ukrainian government that the conduct of the elections will be "a central factor in determining the future relationship between the two countries."

Representative Rohrabacher introduced H.R. 5102 on September 15, 2004. The bill details the failures of the Ukrainian government to uphold democratic standards in the past and during the present campaign, and calls on it to ensure that a free and fair election takes place. However, it also includes provisions for sanctions on Ukrainian leaders and the Ukrainian government if the U.S. president does not certify

¹⁶ Elizabeth Bumiller, "A Softer Tone From Bush on Ukraine Points to a Quandary for U.S.," *New York Times*, November 30, 2004, from the New York Times website [<http://www.nytimes.com>]. For more on the pattern of increasingly harsh Russian criticism of U.S. and Western "intervention" in Ukraine, and relatively restrained U.S. response, through the second week of the Ukrainian election crisis, see Andrew F. Tully and Jeremy Bransten, "U.S./Russia: Ukrainian Crisis Strains Relationship," RFE/RL, December 8, 2004.

that Ukraine has implemented free and fair elections, and stopped harassment of the opposition, independent media and other groups. The President would have the authority to waive the sanctions if he certifies that it is in the “national security interest of the United States” to do so. The bill would require a report from the President on the personal assets of the Ukrainian leadership and on whether Ukraine has supplied weapons or weapons-related technologies to regimes supporting terrorism. Representative Rohrabacher introduced a modified version of the bill on October 7 as H.R. 5247. A companion Senate bill, S. 2957, was introduced by Senator Kyl on October 8.

On November 18, the Senate passed S.Res. 473 by unanimous consent. As in the case of H.Con.Res. 415, it warns Ukrainian leaders against conducting a fraudulent election. However, it goes further than H.Con.Res. 415 in that it “strongly encourages” the Administration to impose sanctions, including visa bans, against those encouraging or participating in fraud.

On December 7, 2004, the House International Relations Committee held a hearing on the Ukrainian elections. The witnesses were Senator Lugar, Representative Kaptur (co-chair of the House Ukrainian Caucus), and John Tefft, Deputy Assistant Secretary of State for European and Eurasian Affairs.